

Joint Administrators' progress report from 5 May 2024 to 4 November 2024

F (Realisations) 2023 Limited
- formerly Flowline Limited
(in administration)

High Court of Justice Business and Property Courts of England
and Wales Insolvency & Companies List (ChD)

Case no. CR-2023-002330

3 December 2024

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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	Jane Steer, Mark James Tobias Banfield and Zelf Hussain
Administrators-in-waiting	Jane Steer, Mark James Tobias Banfield and Zelf Hussain
BGF	BGF Investments LP, secured by fixed and floating debentures created on 13 June 2016 and 18 July 2016
CCICM	CCI Credit Management Limited
CitySprint	CitySprint (UK) Limited
Company	F (Realisations) 2023 Limited (formerly Flowline Limited)
HMRC	HM Revenue and Customs
IA86	Insolvency Act 1986
IGF	IGF Business Credit Limited, secured by a fixed and floating charge debenture created on 25 April 2022
IP	Intellectual property
IR16	Insolvency (England and Wales) Rules 2016
Leslie Keats	Francis Pearce Partnership Limited trading as Leslie Keats
LtO	Licence to Occupy dated 5 May 2023, between the Company, the Joint Administrators of the Company and FM Conway Limited
Moratorium debt	As defined by section sA53 Insolvency Act 1986; the definition is on the statement of claim form: https://www.pwc.co.uk/business-recovery/administrations/assets/f-(realisations)-2023-limited/pod.pdf
Nest	National Employment Savings Trust
NOID	Notice of intention to declare a dividend
Ordinary preferential creditors/ First ranking preferential creditors	Creditors with claims defined in IA86 as ordinary preferential debts: These include claims for: <ul style="list-style-type: none">unpaid remuneration earned in the four months before 5 May 2023, the date of the insolvency, up to a maximum of £800, an unlimited amount of accrued holiday pay, unpaid pension contributions in certain circumstances
Part A1 Moratorium	A stand-alone moratorium process introduced by Corporate Insolvency and Governance Act 2020 designed to allow a breathing space from enforcement action by certain creditors whilst a solvent solution is sought. The directors remain in control of the company but are subject to oversight by an insolvency practitioner (the monitor)
PHD	PHD Property Advisory Limited
PPF	Pension Protection Fund

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
Priority Pre-Moratorium debt	As defined by section 174A Insolvency Act 1986; the definition is on the statement of claim form: https://www.pwc.co.uk/business-recovery/administrations/assets/f-(realisations)-2023-limited/pod.pdf
Proposals	Joint Administrators' proposals for achieving the purpose of administration in accordance with Paragraph 49 of Schedule B1 to the IA86 and rule 3.35 of the IR16 dated 12 May 2023
Purchaser	F M Conway Limited
PwC/Firm	PricewaterhouseCoopers LLP
Reporting Period	5 May 2024 to 4 November 2024
Sale	Pre-packaged sale of a substantial part of the business and assets of the Company to the Purchaser on 5 May 2023
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
Secondary preferential creditors	Creditors with claims defined in IA86 as secondary preferential debts to be paid after Ordinary preferential debts, if there are sufficient funds. These include claims for: <ul style="list-style-type: none"> • certain HMRC debts owed at the date of insolvency, consisting of VAT and relevant amounts deducted by the Company from payments due to another taxpayer and due to be paid over to HMRC (e.g. PAYE, employee NICs and Construction Industry Scheme deductions). Penalties and interest do not form part of HMRC's preferential claim
Secured creditor	A creditor with security in respect of their debt, in accordance with section 248 IA86
Shawbrook	Shawbrook Bank Limited
TPR	The Pensions Regulator
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 2	Statement of Insolvency Practice 2: Investigations by office holders in administrations and insolvent liquidations and the submission of conduct reports by office holders
SIP 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates
SIP 16	Statement of Insolvency Practice 16: Pre-packaged sales in administrations
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured creditors	Creditors who are neither secured nor preferential
WIP	Work in progress

This report has been prepared by Jane Steer, Mark James Tobias Banfield and Zelf Hussain as Joint Administrators of the Company, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, 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 Company.

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 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.

Please note you should read this report in conjunction with the Joint Administrators' previous reports issued to the Company's creditors, which can be found at www.pwc.co.uk/frealisations. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Jane Steer, Mark James Tobias Banfield and Zelf Hussain have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents and act without personal liability. Both 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 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.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Key messages

Why we've sent you this report

We're writing to update you on the progress of the administration of the Company in the six month period since our last report dated 29 May 2024.

You can still view our earlier reports on our website at www.pwc.co.uk/frealisations. Please get in touch with Josh Liburd at uk_frealisations_enquiries@pwc.com if you need the password 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	Paid to date (p in the £)	Estimated total (p in the £)	Previous estimate (p in the £)	Timing
IGF Business Credit Limited	100p	100p	100p	Paid
BGF Investments LP	54p	Up to 70p	Up to 70p	3 - 4 months
Moratorium creditors	96p	100p	100p	Up to 3 months
First ranking preferential creditors	N/A	N/A	N/A	N/A
Secondary preferential creditors *	Nil	Nil	Nil	N/A
Unsecured creditors	Nil	Nil	Nil	N/A

**In our Proposals we provided a broad range in respect of the Secondary Preferential return to HMRC of between 0-20p in the £. This was due to uncertainty around the final level of HMRC's Secondary preferential claim and uncertainty around the total realisations that would be achieved in the administration so early into the appointment. As per our previous report, we still do not anticipate a return to HMRC in respect of their Secondary preferential claim. However, HMRC has received a distribution as a Part A1 Moratorium creditor as detailed further below.*

Moratorium creditors

As previously reported, the Company obtained a Part A1 Moratorium on 29 December 2022 and ended on 24 February 2023.

A Part A1 Moratorium is a legal protection which can be utilised by a company in times of financial distress whereby the Company is afforded formal protection from creditor action while they seek to organise their affairs to make their rescue viable at the end of the Moratorium period.

Creditors with a Moratorium debt or Priority Pre-Moratorium debts are afforded priority for payment over other debts and expenses in respect of the distribution of a company's property should a company subsequently enter an insolvency process within 12 weeks of the end of the Part A1 Moratorium. As the Company entered administration on 5 May 2023, within 12 weeks of the Part A1 Moratorium ending, this priority has therefore been afforded to those creditors.

The Company records on appointment showed £868k as being owed as Moratorium debts or Priority Pre-Moratorium debts. To date, total claims received for Moratorium debts or Priority Pre-Moratorium debts amount to £1.25m. This is lower than we previously reported at £1.4m. The difference has resulted from finalising a majority of the claims adjudication work in the Reporting period, resulting in £96.7k of Moratorium debt claims being re-classified as Unsecured creditor claims as well as adjustments on other Moratorium debts altering the final amount received.

Upon receipt of additional legal guidance regarding the classification of Priority Pre-Moratorium debts in the current reporting period, we identified that some claims had been incorrectly classified; this resulted in £38.5k of claims being withdrawn as Priority Pre-Moratorium debts and admitted as Moratorium debts instead.

On 9 November 2023, we issued a letter to all potential awaited Part A1 Moratorium creditors in order to ensure creditors with a Moratorium debt had a further opportunity to submit a claim for adjudication prior to the Administrators formally issuing a formal NOID to settle claims received and admitted.

On 15 May 2024, we issued an interim NOID to pay the Part A1 Moratorium creditors who submitted a claim by the last date of proving set by the NOID of 7 June 2024. A total dividend of £1,233,781.89 was distributed to the admitted Part A1 Moratorium creditors on 30 July 2024 which represents 96% of claims received.

We are now in the process of adjudicating one final received claim (for the only Priority Pre-Moratorium debt) and if admitted will be issuing a final NOID to pay a final distribution to bring the final amounts distributed which are subject to the Part A1 Moratorium to 100%.

Given the settlement of Moratorium debts or Priority Pre-Moratorium debts takes priority over the settlement of costs, expenses and distributions to other classes of creditor in the administration, should any Moratorium debt or Priority Pre-Moratorium debt claims be received in the future and adjudicated as being valid Moratorium or Priority Pre-Moratorium debts, these will be adjudicated and settled.

Secured creditors

As per a deed of priority entered into between the Company, IGF and BGF dated 5 April 2022, IGF had priority over BGF for repayments under its security.

IGF has recovered its indebtedness of £2.189m in full under its fixed charge via the collection of book debts pursuant to an asset-based facilities agreement (the final redemption figure was lower than the estimate of £2.39m included in our Proposals).

At the date of appointment BGF was owed c.£1.8m secured by way of fixed and floating charge security. The value outstanding to BGF may be higher given accrued interest and termination costs but given BGF is unlikely to be repaid in full, these costs have not been fully quantified by BGF.

During the previous reporting period, an interim distribution of £552k was made to BGF under its fixed charge and during this Reporting Period there have been subsequent distributions of £220k and £200k respectively, bringing the total amount distributed to BGF under its fixed charge to £972k which represents c.54% of its indebtedness.

BGF also claimed an amount of £41k as a claim for a Moratorium debt relating to loan note interest and annual fees that fell due during the moratorium period. This Moratorium claim was paid as part of the Part A1 Moratorium distribution paid on 30 July 2024.

Based on the information we hold, we expect BGF will receive a further distribution under its fixed charge, however total fixed charge realisations will not be sufficient to repay BGF in full. There will be no floating charge realisations available to be distributed to BGF given the level of prior ranking debts (Moratorium debts and Priority Pre-Moratorium debts). As a result we estimate that BGF will recover up to 70% of its debt and therefore suffer a shortfall overall in respect of its lending.

Creditors should be aware that BGF has agreed to meet the settlement of any administration costs from fixed charge funds it is due to receive to the extent floating charge realisations are insufficient to meet these expenses. In the Reporting Period BGF has funded £97k in this regard.

First ranking preferential creditors

All employees were transferred to the Purchaser under TUPE, thereby mitigating claims from employees. We therefore do not expect there to be any First ranking preferential creditors.

Secondary preferential creditors

The directors' statement of affairs estimated HMRC's Secondary preferential creditor claim to be £2.5m. The Secondary preferential creditor claim received from HMRC was £3.019m and it has since transpired there were additional VAT amounts due to HMRC of c.£400k. Having liaised with HMRC extensively in the previous reporting period, we established that the element of their claim to be admitted as a Moratorium debt was c.£675,223, which was paid to them when we made a distribution to Moratorium and Priority pre moratorium creditors on 30 July 2024.

This results in HMRC's expected remaining Secondary preferential claim to be c.£2.3m which is exclusive of c.£0.7m relating to the Moratorium debt element (as mentioned above).

The outcome for the Secondary preferential creditor was contingent on the level of asset realisations achieved in the administration, primarily the final level of book debt realisations achieved as well as the final level of admitted claims in respect of Moratorium debts and Priority-pre Moratorium debts. As we explained in our previous report, we no longer anticipate that HMRC will receive any distribution as a Secondary preferential creditor.

Unsecured creditors

We do not expect the Company to have sufficient property to enable a distribution to the Unsecured creditors via the Prescribed part or otherwise after taking into account the expenses and level of realisations within the administration, and the extent of the Company's indebtedness to the prior ranking creditors. This is in line with what we said in our previous progress reports and Proposals.

What you need to do

If you haven't already done so, please send your claim to us so that to the extent part or all of your claim relates to a Moratorium debt or Priority Pre-Moratorium debt we can agree to it in principle as we anticipate that these claims will be paid in full. A claim form can be downloaded from our website at www.pwc.co.uk/frealisations or by emailing uk_frealisations_enquiries@pwc.com.

As stated above we do not expect to realise sufficient property to enable any other distribution to the Unsecured creditors via the Prescribed part or otherwise. Other than the above, this report is for your information only and you do not need to take any action.

Overview of what we've done to date

As explained in our earlier reports, on our appointment, a substantial part of the Company's business and assets were sold to the Purchaser. Further information on the Sale is provided in our Proposals and in our SIP 16 disclosure within the Proposals (www.pwc.co.uk/frealisations). We completed the Sale to the Purchaser for consideration of £2m (excluding VAT), which was paid in full upon completion.

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

- Realise final outstanding book debts;
- Finalise and conclude the LtO;
- Make distributions to BGF under its fixed charge;
- Make distributions (interim and final) to the Company's creditors who have Part A1 Insolvency Act 1986 Moratorium claims or Priority Pre-Moratorium claims;
- Conclude investigation matters regarding potential asset recoveries;
- Finalise the Company's tax and VAT affairs (which typically requires all other substantive matters to have been concluded prior to finalising); and
- Closure matters including but not limited to obtaining third party clearances, preparation and filing of a final progress report to move the Company to dissolution.

During the Reporting Period, we have:

- Monitored the collections of the debtor ledger surplus and processed the associated receipts;
- Directly corresponded with debtors to increase the level of debtor realisations remitted to the estate;
- Finalised matters in relation to the LtO and repaid the surplus to the Purchaser;
- Adjudicated on a majority of received Part A1 Moratorium debts and Priority Pre-Moratorium debts and issued a NOID to commence an interim distribution process;
- Directly corresponded with creditors owed monies in respect of Part A1 Moratorium debts or Priority Pre-Moratorium debts;
- Made an interim distribution to the Company's creditors who have Part A1 Moratorium debts or Priority Pre-Moratorium claims;
- Furthered our analysis of investigatory matters;
- Made further distributions to BGF under its fixed charge;
- Submitted the tax returns for the one day period of 5 May 2023 and the period from 6 May 2023 to 31 July 2023; and
- Submitted the relevant VAT returns including the final VAT return and deregistered for VAT.

We remain in office to:

- Realise final outstanding book debts which are being received intermittently;
- Make a final distribution to BGF under its fixed charge;
- Make a final distribution to the Company's creditors who have Part A1 Insolvency Act 1986 Moratorium claims or Priority Pre-Moratorium claims;
- Conclude investigation matters regarding potential asset recoveries; and
- Finalise the Company's tax affairs.

Progress since we last reported

Realisation of assets (excluding sale of business as previously reported)

Book debts/ Completed WIP / Pre-certified WIP

As at the date of our appointment, the estimated total value of the debtor balance due to the Company was c.£3.399m, upon receipt of the directors' statement of affairs this had an estimated to realise value of £3.58m. The final position for the debtor ledger was c.£3.971m (following invoicing of WIP being brought up to date) and to date, total collections are £3.061m, representing 77% of the value of the book debts as at our appointment date.

In order to carry out the debt collections work, Leslie Keats was originally instructed by IGF to collect out the debtor book and with its knowledge of the Company's receivables we instructed Leslie Keats to continue with the collections once IGF had recovered its indebtedness in full.

Following the repayment of IGF's balance due under their fixed charge security of £2.189m, the remaining debtor surplus, after costs, was remitted to the Company. Following the collection of the majority of the book debts, the remaining debtors were handed back to the Company for us to collect. During the Reporting Period a final payment of £29,000 was paid to Leslie Keats with regard to its debt collection work (cost met from the fixed charge) bringing the total amount paid to Leslie Keats to £140,326, as shown on the receipts and payments account at Appendix A.

Due to the time investment required in pursuing the more complex debtors, we reconsidered our debt collection strategy. Leslie Keats standard policy is to charge on a time incurred basis, which given the likely level of future receipts would have negated any benefit of continuing to collect out the debtor book. In the Reporting Period, we therefore instructed CCICM to take over the remaining debt collection process from Leslie Keats. CCICM costs are charged based on a percentage of recoveries made, which made continuing to pursue the remaining debtor book more cost effective.

During the Reporting Period, a surplus of £23k has been remitted to the estate bringing total realisations after the discharge of amounts due to IGF to £760k (which is included in the £3.061m total collections referred to above).

We do not now expect any significant further realisations.

Sundry debts & refunds

During the Reporting Period, we have realised £4,721 in sundry debts and refunds. In total, we have recovered £8,860 for sundry debts and refunds and no further receipts in relation to this asset are anticipated.

Bank interest gross

During the Reporting Period, bank interest has been received totalling £27,950, of which £14,560 relates to the fixed charge account.

We will shortly be taking the Company's bank account off interest bearing as we will be making final distributions and finalising the Company's tax affairs prior to closure of the administration which expires on 4 May 2025.

Connected party transactions

No assets have been disposed of by the Administrators to a party (person or company) with a connection to the directors, shareholders or Secured creditors of the Company or their associates and the Administrators are not seeking approval from creditors to make a substantial disposal to a connected person.

Other issues

Part A1 Moratorium

Throughout the Reporting Period, we have continued to adjudicate the claims which qualify as Moratorium and Priority Pre-Moratorium debts. To date we have received Moratorium debt claims of £1.25m which includes a final figure from HMRC for £675,223 as referred to previously.

During the Reporting Period we made a distribution to the creditors whose claims qualify as Moratorium and Priority Pre-Moratorium debts of £1,233,782 made up wholly as Moratorium debt claims.

There is a Priority Pre-Moratorium claim currently under adjudication and following the conclusion of this claim adjudication we will prepare and issue a final NOID to settle any admitted claims or claims received and admitted during the NOID period.

Leasehold properties

The Company operated out of four premises with attached formal lease agreements. PHD was instructed to assist with the management of the LtO portfolio on a fixed fee basis which enabled the costs to be lower than if our staff managed the portfolio on a time costs basis.

As of 4 December 2023, the LtO work was concluded. The property at Plot 2B Roman Way was surrendered to the relevant landlord and the other three properties were assigned to the Purchaser.

During the Period, we received a refund of £334.19 due to actual service charge costs being lower than the anticipated amount paid. We subsequently repaid the final LtO surplus of £6,005.77 to the Purchaser which concludes matters in relation to the leasehold properties.

Investigations and actions

Following our appointment, we undertook an investigation in order to fulfil our duties under the Company Directors' Disqualification Act 1986 and SIP2, and explore whether there were any matters which may lead to additional recoveries for creditors. As part of our investigations, we obtained a vast amount of information from a range of sources and conducted a proportionate and targeted review of the Company's records (including email records).

In the Reporting Period, we reached a stage in our investigations where, in considering whether incurring the cost of further enquiries would be in the best interests of creditors, we sought legal advice as to whether there are any potential claims that could be pursued for the benefit of the creditors. Given the lack of funds in the estate, our lawyers reviewed matters on a preliminary basis.

Based on that review it was not possible for our lawyers to state with any certainty as to whether there may be potential claims that could be pursued for the benefit of the creditors and that have a reasonable prospect of success. In order to consider the matter further, our lawyers would need to review the vast quantity of further documents that we identified in the course of our investigation.

In order to review the further documents and give a view as to whether there are any matters that could lead to potential recoveries, a certain level of legal fees would need to be met. We are now exploring what options we have as to how we might fund these costs given the lack of funds in the estate, but funding options are limited.

Our investigations are confidential. No further comments or disclosures can be made so as not to prejudice any future investigations that could lead to potential future recoveries to the estate. Further details will be provided to creditors in our next report.

Statutory and compliance

During the Reporting Period we have continued to comply with our statutory duties which have included:

- Filing VAT returns for the relevant periods, including the final VAT return and deregistering the Company for VAT purposes;
- Delivering our second progress report and associated filing at Companies House;
- Preparing the day one tax return for 5 May 2023;
- Preparing the tax return for the period 6 July 2023 to 31 July 2023; and

- Drawing an element of fees and expenses in line with the approvals granted by the Secured and Preferential creditors.

Further details of the statutory and compliance work completed in the Reporting Period can be found in our remuneration update at Appendix C.

Our receipts and payments account

We set out at Appendix A an account of our receipts and payments in the administration from 5 May 2024 to 4 November 2024.

Our expenses

We set out at Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

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 at 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:

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

You can also get a copy free of charge by emailing Josh Liburd at uk_frealisations_enquiries@pwc.com.

What we still need to do

We remain in office to deal with the following matters:

- To realise any final outstanding book debts;
- To make a final distribution to BGF, which is dependent on the final level of book debt realisations prior to the distribution being made;
- Make a final distribution to the Company's creditors who have Part A1 Insolvency Act 1986 Moratorium claims;
- Conclude investigation matters regarding potential asset recoveries;
- Finalise the Company's tax affairs which typically requires all other substantive matters to have been concluded; and
- After the conclusion of the above matters we must also deal with closure matters including but not limited to obtaining third party clearances, preparation and filing of a final progress report to move the Company to dissolution.

Future dividends for creditors

We have provided an estimate of the amount and likely timing of the payment to creditors with Moratorium debts and Priority Pre-Moratorium debts in the Key Messages section at the beginning of this report, as well as providing an overview of the outcome for all other classes of creditor.

Next steps

Once we have concluded the outstanding matters listed above, we will take steps to conclude the administration and whether we expect this to be prior to the administration expiry on 4 May 2025 will be dependent on the funding options available in respect of the investigations workstream.

If you've got any questions, please get in touch with Joshua Liburd on 0113 289 4000.

Yours faithfully
For and on behalf of the Company

A handwritten signature in black ink, appearing to read 'J Steer', written in a cursive style.

Jane Steer
Joint Administrator

Appendix A: Receipts and payments

Statement of Affairs	Notes	5 May 2023 to 4 May 2024	5 May 2024 to 4 November 2024	Total to 4 November 2024
£		£	£	£
Fixed charge assets				
	1	1.00	-	1.00
1,544,000.00	1	1,544,000.00	-	1,544,000.00
	1	1.00	-	1.00
	1	1.00	-	1.00
		55,192.70	14,560.03	69,752.73
3,579,442.06	2	2,300,533.37	-	2,300,533.37
		3,899,729.07	14,560.03	3,914,289.10
Fixed charge costs of realisation				
	2	(111,326.06)	(29,000.00)	(140,326.06)
	7	-	(97,725.39)	(97,725.39)
		(111,326.06)	(126,725.39)	(238,051.45)
Fixed charge creditors				
	2	(2,189,207.31)	-	(2,189,207.31)
	3	(552,000.00)	(420,000.00)	(972,000.00)
		(2,741,207.31)	(420,000.00)	(3,161,207.31)
		1,047,195.70	(532,165.36)	515,030.34
Floating charge assets				
		44,827.74	13,390.08	58,217.82
	5	5,671.58	(5,671.58)	-
	11	8,598.25	-	8,598.25
1,390,234.75	2	737,116.01	22,948.80	760,064.81
47,997.00	1	47,997.00	-	47,997.00
50,000.00		74,243.54	-	74,243.54
		-	146.63	146.63
		-	97,725.39	97,725.39
367,000.00	1	367,000.00	-	367,000.00
25,000.00		20,771.70	-	20,771.70
135,305.48		100,000.00	-	100,000.00
		4,139.26	4,720.77	8,860.03
		6,016.32	-	6,016.32
41,000.00	1	41,000.00	-	41,000.00
		1,457,381.40	133,260.09	1,590,641.49
Cost of realisations				

Corporation tax		(2,465.66)	-	(2,465.66)
Damage deposit arrangement for employees		(59,241.53)	-	(59,241.53)
Duress payments		(3,759.50)	-	(3,759.50)
Finance / bank charges		(1,500.00)	-	(1,500.00)
Insurance		(726.33)	-	(726.33)
Irrecoverable VAT		(2,000.19)	-	(2,000.19)
Legal fees & expenses	6	(74,516.00)	-	(74,516.00)
Office holders' expenses		-	(830.33)	(830.33)
Office holders' fees - time costs basis		-	(153,000.00)	(153,000.00)
Part A1 Moratorium Distribution	7	-	(1,233,781.89)	(1,233,781.89)
PAYE/NIC and pension deductions	4	(3,924.87)	(543.64)	(4,468.51)
Payment on behalf of Secured creditor	4	(33,452.98)		(33,452.98)
Professional fees		(20,704.57)		(20,704.57)
Statutory advertising		(95.00)	(99.00)	(194.00)
		(202,386.63)	(1,388,254.86)	(1,590,641.49)
Balance under the floating charge		1,254,994.77	(1,254,994.77)	-
Net receipts/payments		2,302,190.47	(1,787,160.13)	515,030.34
VAT Control		(3,960.40)	3,960.40	-
Barclays Bank Plc - interest bearing		2,298,230.07	(1,783,199.73)	515,030.34

Notes to the receipts and payments account

1. These assets were sold as part of the Sale.
2. These amounts relate to the book debt and WIP ledger where IGF held a fixed charge and priority over collections. Total collections to date are £3,060,598. IGF previously received repayment of its indebtedness of £2,189,207 in full after discharging the associated collection costs of £111,326. A book debt surplus was remitted to the estate in prior periods of £737,116. During this Reporting Period a further £22,948 of book debts has been realised bringing the total collections under the book debt ledger surplus to £760,065. In the period a further £29,000 in debt collection costs has been paid to Leslie Keats. This has been allocated under the fixed charge as agreed with BGF, bringing the total amount paid to Leslie Keats to £140,326.
3. As IGF has been repaid in full under their fixed charge, the final balance on the fixed charge account will be available to BGF under their fixed charge security. During the Reporting Period, fixed charge distributions of £420,000 were paid to BGF under their fixed charge. Also see note 8 for additional detail.
4. The settlement amount and PAYE/NIC deductions made in the prior period, were made on behalf of BGF based on the terms of a settlement agreement and related to a severance payment to a former director. The PAYE/NIC and pension deductions paid in the Reporting Period were final amounts outstanding to HMRC in relation to that severance payment. These amounts will be recharged to BGF and will not be a direct cost of the administration. It is expected that any recharge will be through a deduction in the final distribution that BGF will receive, rather than a formal reimbursement of the expenses paid.
5. The LtO account is made up of funding that passes through the estate for the rents of the properties in the LtO portfolio and an amount that was paid by the Purchaser up front at the time of the Sale. There were also legal costs associated with the extension of the LtO which were paid for by the Purchaser. The LtO work concluded in

December 2023. As previously reported we were carrying out an exercise to reconcile the LtO surplus and pay it back to the Purchaser. During the Period we reconciled this amount and paid the funds back to the Purchaser which concludes all work in relation to the LtO. The LtO account is summarised as follows:

		5 May 2023	5 May 2024 to	Total to
		4 May 2024	4 November 2024	4 November 2024
LtO Account				
Licence to Occupy receipts		107,881.68	334.19	108,215.87
Licence to Occupy payments		(102,210.10)	(6,005.77)	(108,215.87)
LtO Surplus/(deficit)	4	5,671.58	(5,671.58)	0.00

6. Legal fees have been incurred and paid during the administration. This is primarily for work performed in respect of completing a security review of both the BGF and IGF security and also providing various pieces of legal advice in relation to the Part A1 Moratorium, including reviewing specific claims and obtaining Counsels' opinion where required.
7. During the Reporting Period, we made a distribution of £1,233,782 to the Part A1 Moratorium creditors. This was paid in line with legislation as a floating charge expense of the administration. Due to insufficient floating charge realisations to meet the settlement of the Part A1 Moratorium creditors in full and the associated costs of the floating charge, £97,725.39 of the distributed amount was funded by BGF. This was to cover floating charge costs via the surplus held for BGF's benefit in the fixed charge account (as agreed with BGF). BGF have agreed to fund the shortfall in floating charge realisations relating to costs from their fixed charge distribution.
8. The net receipts and payments amount on the receipts and payments account is cash at bank as at 4 November 2024. All this cash at the bank is held subject to fixed charge in favour of BGF.
9. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or exclude monies which will be received in due course from HMRC.
10. We set out in our first progress report where any material differences between the value of actual realisations compared to estimated to realise values that were included in the directors' statement of affairs.
11. We were contacted by Shawbrook Bank Limited following the sale of two Scania trucks in which the Company had some equity. The equity remitted to the estate totalled £8,598.

Appendix B: Expenses

Expenses are amounts properly payable by us as administrators from the estate, but excludes our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP 9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our Firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

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 and Preferential creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Administrators' own Firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

Category	Provided by	Basis of cost	Costs incurred (£)
2	PwC	Photocopying - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	263.00
1	CitySprint	Courier services	40.00
1	PwC	Postage	1,146.00
Total for the period			1,449.00
Brought forward total			973.33
Cumulative total			2,422.33

The expense policy set out above has been approved by the Secured and Preferential creditors in accordance with insolvency legislation. During the Reporting Period, category 1 expenses of £590.00 and category 2 expenses of £240.00 have been drawn.

At the end of the previous reporting period, we had brought forward disbursements of £2,379.70. This included a potential postage cost of £1,581.92 that had been incurred in the first reporting period but we were querying the validity of this charge. In the current reporting period we have confirmed that this amount was not due to be met by the administration estate. We have therefore reduced the brought forward balance to £973.33.

The table below provides details of all the expenses incurred in the administration:

Nature of expenses	Unpaid pre-appointment expenses (£)	Brought forward from preceding period (£)	Incurred in the period under review (£)	Cumulative (£)	Estimated future (£)	Anticipated total (£)	Initial estimate (£)	Variance (£)
Leslie Keats debt collection costs	-	95,907.00	21,862.50	117,769.50	-	117,769.50	107,907.00	9,862.50
Other charges relating to debt collection	-	51,556.56	(22,556.56)	29,000.00	-	29,000.00	22,556.56	6,443.44
Damage deposit arrangement for employees	-	59,241.53	-	59,241.53	-	59,241.53	59,241.53	0.00
Duress payments	-	3,759.50	-	3,759.50	-	3,759.50	3,759.50	0.00
Insurance	-	726.33	-	726.33	-	726.33	484.22	242.11
Irrecoverable VAT	-	2,000.19	-	2,000.19	-	2,000.19	1,999.99	0.20
Legal fees and expenses	-	97,398.50	12,285.50	109,684.00	10,000.00	119,684.00	78,760.00	40,924.00
PAYE/NIC and pension deductions	-	3,924.87	543.64	4,468.51	-	4,468.51	3,924.87	543.64
Payment on behalf of BGF	-	33,452.98	-	33,452.98	-	33,452.98	33,452.98	0.00
Professional fees	-	20,704.57	-	20,704.57	-	20,704.57	16,504.57	4,200.00
Statutory advertising	-	95.00	99.00	194.00	190.00	384.00	285.00	99.00
Pre-appointment Administrators' fees	168,107.00	-	-	168,107.00	-	168,107.00	168,107.00	-
Administrators' category 2 expenses	-	240.37	263.00	503.37	40.00	543.37	1,646.74	(1,103.37)
Administrators' category 1 expenses	-	732.96	1,186.00	1,918.96	60.00	1,978.96	732.96	1,246.00
Pre-appointment legal fees	63,851.00	-	-	63,851.00	-	63,851.00	63,851.00	0.00
Finance/ Bank charges	-	1,500.00	-	1,500.00	50.00	1,550.00	50.00	1,500.00
Total	231,958.00	371,240.36	13,683.08	616,881.44	10,340.00	627,221.44	563,263.92	63,957.52

The table above excludes Moratorium debts and Priority Pre-Moratorium debts that have been paid as an expense of the administration, in accordance with the legislation regarding these debts.

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.

We have exceeded our legal fees and debt collection cost estimates. The legal fees have primarily been exceeded due to the complexities around the Part A1 Moratorium and the adjudication of specific claims. The debt collection costs have been exceeded due to strategy having to be revised for the collection of some of the later debtors with greater complexity in resolving the position around the scope of collection. The costs for professional fees also slightly exceeded the initial estimate and relate to the final agents' fees for the management of the LtO and the extra work done in relation to the LtO extension. Please note the costs for the extension were included in our expenses table but the extension costs were funded by the Purchaser as can be seen under "Third party contribution" in the receipts and payments account at Appendix A.

In the Reporting Period, there was a payment of £543.64 for PAYE/ NIC deductions which means the initial estimate for that category has now exceeded. This payment relates to further amounts due on the severance payment made to one of the former directors, this amount will ultimately be recharged to BGF and will not be a direct cost of the administration.

As noted above, at the end of the previous reporting period, we had brought forward disbursements of £2,379.70. This included a potential postage cost of £1,581.92 that had been incurred in the first reporting period but we were querying the validity of this charge. In the current reporting period we have confirmed that this amount was not due to be met by the administration estate. We have therefore reduced the brought forward balance to £973.33. This reduction has meant the category 2 expenses in the table above has decreased from £1,646.74 in the previous report to £240.37.

During the last period, the £29,000 payment in relation to other charges relating to debt collection was due to Leslie Keats but was incorrectly shown against Other charges relating to debt collection. This amount has now been reflected against Leslie Keats debt collection costs.

Appendix C: Remuneration update

Our fees were approved on a time costs basis by the Secured and Preferential creditors up to a limit of £1,020,986.45 (our approved fees estimate). At the end of the previous reporting period we had not drawn any remuneration. During the Reporting Period, we have drawn £153,000 in relation to Joint Administrators' fees.

The time cost charges incurred in the Reporting Period are £241,078 as detailed further below. This amount does not necessarily reflect how much we will eventually draw as fees for this period.

Our time costs have exceeded the initial estimate of £1,020,986.45 for the following reasons:

- The volume and complexity of dealing with the claims relating to the Part A1 Moratorium claims including detailed reviews of each claim and assessing the exact period products and or services were provided to ensure the validity of the claim within the moratorium period;
- The extension of the LtO meant more time was given to property matters than originally anticipated when our initial estimate was prepared;
- As noted previously, the debtor ledger has now been passed back to us and more time than we originally anticipated has been spent in dealing with the debtors and pursuing book debt recoveries. Further debtor work has now been subcontracted to CCICM so that any future costs relating to debtor realisations are linked directly to a receipt into the estate;
- The variance in strategy and planning time has primarily arisen from more time being spent on planning the Part A1 Moratorium distributions and working on associated timings for settling the related claims;
- We have had to prepare two tax returns including a full review of the pre-appointment tax records to assist with bringing pre-administration records up to date; and
- The volume of work relating to potential additional asset recoveries from our ongoing investigations which remains confidential.

We will not be seeking approval to exceed the fees estimate as we do not expect to draw current fees up to the fee estimate due to insufficient asset realisations. We have an agreement with the Secured creditor to limit the amount we draw to reflect the circumstances of the case.

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

Our hours and average rates

Below we set out our SIP 9 time analysis covering the Reporting Period and the period from 5 May 2023 to 4 November 2024.

Time analysis covering the period 5 May 2024 to 4 November 2024

Work type	Partner	Director	Senior Manager	Manager	Senior Associate	Associate/ Other	Support/ Overseas Professional	Hours (hrs)	Total Cost (£)	Average Hourly Cost (£)	Cumulative cost (£)	Initial estimate (£)	Variance (£)
Accounting and Treasury	-	-	0.45	1.65	14.60	9.04	5.50	31.24	15,835	507	61,168	49,976	11,192
Assets	0.50	-	14.20	-	40.25	1.00	-	55.95	36,438	651	147,116	92,470	54,646
Closure and exit routes	-	-	-	1.00	-	-	-	1.00	751	751	751	12,139	(11,388)
Creditors	3.25	-	43.30	5.15	67.30	-	0.80	119.80	82,144	686	275,343	243,184	32,159
Employees and Pensions	-	-	0.60	-	-	-	-	0.60	696	1,160	15,708	17,344	(1,636)
Investigations	0.50	-	38.65	0.05	-	21.00	-	60.20	41,993	698	283,406	256,265	27,142
Statutory and Compliance	1.00	-	6.65	3.85	23.50	15.50	4.10	54.60	31,260	573	297,083	270,973	26,110
Strategy and Planning	4.75	-	4.68	1.90	-	0.30	-	11.63	10,635	914	68,987	44,166	24,821
Tax and VAT	-	-	2.95	11.45	6.25	2.00	-	22.65	21,326	942	105,127	34,470	70,657
Total for the period	10.00	0.00	111.48	25.05	151.90	48.84	10.40	357.67	241,078	691	-	-	-
Total brought forward from prior periods	39.75	15.75	516.05	180.85	416.40	314.85	29.30	1,512.95	1,013,610	1,382	-	-	-
Total time costs as at 4 November 2024	49.75	15.75	627.53	205.90	568.30	363.69	39.70	1,870.62	1,254,688	671	1,254,688	1,020,986	233,703

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge out rates per hour for the grades of our staff who already or who are likely to work on the administration.

Grade	Up to 30 June 2024 (£)	From 1 July 2024 (£)
Partner	995	1,050
Appointment taking director	960	1,000
Director (not appointee)	915	950
Assistant director	900	920
Senior manager	860	875
Manager	730	750
Senior associate	540	575
Associate	395	400
Support staff	160	160
Offshore professionals	395 - 540	575

We call on colleagues such as those in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. We may also utilise Technology Specialists from the wider Restructuring team or other parts of our Firm. Their specialist charge out rates vary but the following are the maximum rates by grade per hour.

Grade	Up to 31 March 2024 (£)	From 1 April 2024 (£)
Partner	1,905	1,965
Director	1,745	1,815
Senior manager	1,410	1,485
Manager	1,025	1,080
Senior associate/consultant	725	765
Associate/assistant consultant	470	515
Support staff	220	235
Offshore professionals	-	-

In common with many professional firms, our scale rates may rise eg to cover annual inflationary cost increases.

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the Reporting Period. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

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"> Performing independent verifications of suppliers' bank details in order to process payments Dealing with receipts, payments and journals Carrying out bank reconciliations and managing investment of funds Ensuring that invoices reflect the work undertaken VAT accounting Ensuring amount of bank interest is appropriately allocated to the fixed and floating charge accounts Bank account verification processes in relation to paying the Part A1 Moratorium distribution Processing payment of Part A1 Moratorium dividend and processing and raising cheques for creditors 	<ul style="list-style-type: none"> Complying with statutory and regulatory duties regarding the holding and accounting of funds 	<ul style="list-style-type: none"> Required by statute
Assets		
<p>Property</p> <ul style="list-style-type: none"> Finalising matters in relation to the LtO and reconciling LtO account Liaising with the Purchaser in order to repay the surplus which has arisen from the LtO funds Liaising with the appointed property agent to ensure all obligations in relation to the LtO have been settled <p>Book debts</p> <ul style="list-style-type: none"> Paying final debt collection fees to Leslie Keats Dealing with the surplus from the book debt ledger Receipt of further surplus received from the book debt ledger Reviewing strategy for the collection of more complex debts Instructing CCICM with regard to book debt collection <p>Other assets</p>	<ul style="list-style-type: none"> To realise funds for the benefit of creditors 	<ul style="list-style-type: none"> To benefit creditors

-
- Recovery of sundry refunds

Creditors

Secured creditors

- Ad-hoc check ins with BGF as one of the Secured creditors
- Preparing reporting packs for BGF
- Distributing funds to BGF under their fixed charge

- Required by statute and for the proper management of the case

- Required by statute

Moratorium creditors

- Admitting and adjudicating the claims of the Part A1 Moratorium creditors
- Reviewing all claims received to ensure the claim is correctly classified where there is a potential Moratorium debt included
- Seeking legal advice on technical areas of adjudicating moratorium claims
- Preparing a distribution calculation prior to making a distribution to Part A1 Moratorium creditors
- Further completion of complex reviews of all supporting documentation received to date to confirm dates that services/products were provided and ensure that this matches the nature of the claim i.e. Moratorium debt, Priority Pre-Moratorium debt or non-Moratorium debt
- Contacting creditors, where necessary to obtain additional documentation or clarification regarding their claim values and relevant dates
- Making an interim distribution to the Part A1 Moratorium creditors

Secondary preferential creditors

- Reviewing the claim received from HMRC to ensure that their claim has been split into the appropriate amounts for their Part A1 Moratorium claim, their Secondary preferential creditor claim and Unsecured creditor claim

Unsecured creditors

- Receiving proof of debt forms and maintaining register

Employees and pensions

- Ensuring that there would be no Part A1 Moratorium claim in relation to pensions

- To identify all potential creditors

- Required by statute

Investigations

- Furthering our review of the information / documentation obtained from a range of third party sources, including the Company's email records
- Preparing a chronology of events up to the administration
- Seeking legal advice as to whether there are any matters that could lead to potential asset recoveries

- Our investigations are confidential and we are unable to comment further in order to not prejudice future investigations

- Required by statute to investigate any avenues that could lead to potential asset realisations

Statutory and compliance

- Preparing and issuing our second progress report in administration
- Preparation of a 6 month review to monitor the progression of the case
- Review of time cost recording
- Commencing planning for payment of Administrators' fees and expenses
- Drawing Administrators' remuneration and expenses

- Work is required by statute and for the proper management of the case

- Required by statute

Strategy and planning

- Holding regular team meetings and discussions regarding status of the administration and progress of different work streams within the administration
- Completing checklists and diary management system
- Specific strategy meetings in relation to the progression of Moratorium related matters and timing of Moratorium payments to creditors

- To ensure efficient management of the administration

- Necessary for administrative purposes and/or complying with statutory requirements

Tax and VAT

- Maintaining VAT accounting records
- Preparing and submitting a tax return for the one day period of 5 May 2023
- Preparing and submitting a tax return for the period 6 May 2023 to 31 July 2023
- Preparing the VAT Return for period end 31 July 2024
- Preparing the final VAT Return for period end 30 September 2024
- Submitting a VAT 7 form and deregistering for VAT

- To comply with statutory duties

- Necessary for administrative purposes and/or complying with statutory requirements

Our future work

We still need to do the following work to achieve the purpose of administration.

Work to be undertaken	Estimated cost (£)	What, if any, financial benefit the work will provide to creditors OR whether it is required by statute
Accounting and treasury		
<ul style="list-style-type: none"> Deal with receipts, payments and journals Ensuring all liabilities have been settled Draw any final remuneration and expenses Close bank accounts upon finalisation of the administration Carry out bank reconciliations and manage investment of funds Raising payments for any future Part A1 Moratorium distribution (if applicable) 	<ul style="list-style-type: none"> 5,000-8,000 	<ul style="list-style-type: none"> Statutory and regulatory duties regarding the holding and accounting of funds
Assets		
<ul style="list-style-type: none"> Realise final amounts of the surplus from the debtor ledger 	<ul style="list-style-type: none"> 1,000 	<ul style="list-style-type: none"> To realise funds for the benefit of creditors
Creditors		
<ul style="list-style-type: none"> Issuing a final NOID to the Moratorium creditors Advertise the intention to declare a final Moratorium dividend Adjudicate further claims, including requesting further information from claimants where necessary Prepare correspondence to claimants advising outcome of adjudication where necessary Deal with any rejected claims where necessary Calculate dividend rate and prepare dividend file for the final distribution where necessary Prepare correspondence to creditors announcing declaration of dividend where necessary Pay a final distribution to the Moratorium creditors where necessary Deal with any uncashed payments 	<ul style="list-style-type: none"> 10,000 	<ul style="list-style-type: none"> Required by statute
Employees and pensions		
<ul style="list-style-type: none"> Issue cease to act notices to TPR, PPF and NEST 	<ul style="list-style-type: none"> 500 	<ul style="list-style-type: none"> Required by statute
Investigations		

<ul style="list-style-type: none"> Continue to explore what options we have as to how we might fund the costs associated with our lawyers reviewing whether there are any matters that could give rise to potential asset recoveries Seek further legal advice as required Review any new information that comes to light Finalise investigation related matters 	<ul style="list-style-type: none"> 10,000 - 25,000 (dependent on future legal advice and investigatory actions taken) 	<ul style="list-style-type: none"> Required by statute
Statutory and compliance		
<ul style="list-style-type: none"> Prepare 6 monthly case reviews Preparing and issuing our final progress report in line with our statutory requirements Deal with records in storage File documents in relation to the administration Move the Company to dissolution and file the relevant notices 	<ul style="list-style-type: none"> 15,000 	<ul style="list-style-type: none"> Required by statute
Strategy and planning		
<ul style="list-style-type: none"> Strategy meetings with case staff to discuss distribution and closure strategies Complete checklists and diary management system Close down internal systems 	<ul style="list-style-type: none"> 2,000 	<ul style="list-style-type: none"> For the efficient running of the case
Tax and VAT		
<ul style="list-style-type: none"> Liaise with HMRC and ensure all obligations have been fulfilled Complete a VAT 426 to reclaim any VAT Prepare and submit annual and final tax returns Liaise with HMRC regarding any refunds due into the estate 	<ul style="list-style-type: none"> 5,000 	<ul style="list-style-type: none"> Necessary for administrative purposes and/or complying with statutory requirements
Closure and exit routes		
<ul style="list-style-type: none"> Planning the closure strategy Closing the bank account Shutting down internal systems Final review of the case Obtaining clearances from third parties Completing checklists and diary management system 	<ul style="list-style-type: none"> 5,000 	<ul style="list-style-type: none"> Required by statute

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

The following work, which we or our staff would normally do, has been done by subcontractors:

Management of the LtO portfolio

We instructed PHD to manage the LtO process between the Joint Administrators and the Purchaser, and liaise directly with the landlords. This work was subcontracted as PHD's expertise at dealing with these matters and the competitive rates that were offered, and the time saving, meant that they were able to carry out this workstream at a lower cost than would have been possible if our insolvency specialists had dealt with this workstream.

Debt collection work

During the Reporting Period we instructed CCICM to finalise the work in relation to the book debt collections. The work was subcontracted as CCICM are experts in book debt collection and the fee basis offered ensures that any further costs relating to collecting the book debts are directly linked to receipts into the administration. It also ensures the cost of collections are lower than would be possible if our insolvency specialists had dealt with this workstream.

Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Debt recovery Collection of book debts	Leslie Keats	Originally instructed by IGF to collect out the debtor book and with their knowledge of the Company's receivables, we decided to instruct them to carry on collections for the debtor surplus	Time costs <i>Not expected to exceed more than 5% of realisations</i>
Debt recovery Collection of book debts	CCI Credit Management Limited	Industry knowledge and debt collection expertise	% of realisations - 20% (contingent)
Insurance services, including: Insurance over properties in the LtO portfolio	Specialist Risk Insurance Solutions	Industry knowledge and insolvency expertise	Insurance premiums
Legal services, including: Appointment related matters; Advice from Counsel; Advice on ROT claims; Advice on the Moratorium claims and Sale of business ;contracts.	Shoosmiths LLP	Industry knowledge and insolvency expertise	Time costs
Legal services, including: Advising on the Joint Administrators' investigations	Stephenson Harwood LLP	Insolvency expertise	TBD upon the outcome of the investigations workstream
Property agents, including: Dealing directly with the Landlords of the LtO properties	PHD Property Advisory Limited	Industry knowledge and expertise	Fixed fee

We require all third party professionals to submit time costs analyses (where their fee basis is time cost) and narrative or a schedule of realisations achieved, dependent on their fee basis, in support of invoices rendered. All invoices are reviewed before being approved for payment.

The below professionals were instructed by the Company or BGF pre-appointment and carried out some post-appointment work but we did not directly instruct, or have an engagement letter with the below parties:

- **Evolve Business Consulting Limited** - Assisted the directors with general accounting services.
- **Numerus Payroll Services** - This relates to the payment made on behalf of BGF to one of the former directors and will be recharged during the administration.
- **Taiga Associates** - Assisted the directors with general accounting services.

Appendix D: Other information

Court details for the administration: In the High Court of Justice Business and Property Courts of England and Wales Insolvency & Companies List (ChD)

Case No. CR-2023-002330

Company's registered name: F (Realisations) 2023 Limited (formerly Flowline Limited)

Trading name: F (Realisations) 2023 Limited (formerly Flowline Limited)

Registered number: 02619447

Registered address: Level 8, Central Square, 29 Wellington Street, Leeds, LS1 4DL

Date of the Joint Administrators' appointment: 5 May 2023

Has there been a moratorium under Part A1 IA86 in force within the 2 years prior to the Company entering administration? As per Companies House a Part A1 Moratorium was registered on 29 December 2022 and ended on 24 February 2023.

Joint Administrators' names, addresses and contact details: Jane Steer of Level 8, Central Square, 29 Wellington Street, Leeds, LS1 4DL

Mark James Tobias Banfield and Zelf Hussain of 7 More London Riverside, London, SE1 2RT

Extension to the initial period of appointment: The period of the administration has been extended by 12 months to 4 May 2025.
