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1 Company details

Company number

Company name in full

→ **Filling in this form**

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)

Surname

3 Administrator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

4 Administrator's name ①

Full forename(s)

Surname

① **Other administrator**

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② **Other administrator**

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	d	m	m	y	y	y	y
To date	d	d	m	m	y	y	y	y

7 Progress report

I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	d	m	m	y	y	y	y
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AM10

Notice of administrator's progress report

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Joint Administrators' progress report from 7 March 2024 to 6 September 2024

Nigel Fredericks Limited (in administration)

High Court of Justice, Business and Property Courts,
Insolvency and Companies List (ChD)

Case no. 7347 of 2018

3 October 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
Joint Administrators / we / us / our	Rachael Maria Wilkinson and Zelf Hussain
Atlantic	Atlantic Risk Management Services Limited
Chargeholders	National Westminster Bank Plc, The Royal Bank of Scotland Commercial Services Limited and Lombard North Central Plc (all Secured creditors)
Company	Nigel Fredericks Limited – in Administration
DVLA	Driver and Vehicle Licensing Agency
Firm / PwC	PricewaterhouseCoopers LLP
FY23	Fiscal Year 2023
Insolvency Service	An executive agency of the Department of Business and Trade
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
HMRC	HM Revenue & Customs
LTO	Licence to occupy
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
Secured creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86
Preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
(the) Purchaser	Nigel Fredericks Trading Limited (previously in Administration and dissolved on 15 September 2022), purchased the Company's business and assets as disclosed in the Joint Administrators Proposals dated 14 September 2018
RBS	The Royal Bank of Scotland Commercial Services Limited
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by Rachael Maria Wilkinson 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 person 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/nigel. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Rachael Maria Wilkinson 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 months since our last report dated 28 April 2024.

You can still view our earlier reports on our website at www.pwc.co.uk/nigel. Please get in touch with Maham Khan on 0113 289 4000 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	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors	62	62
Preferential creditors	NIL	NIL
Unsecured creditors	NIL	NIL

As previously reported, we don't think the Secured creditors will be fully repaid their lending of £8.7m (which includes amounts owed under the invoice discounting facility) out of their security over the Company's assets.

We don't think there will be any dividend for Preferential creditors because we understand there to be no arrears of wages or unpaid holiday pay due, as all employees transferred to the Purchaser as part of the sale of the business and assets.

The Prescribed part provisions do not apply in this case as all realisable assets are secured by floating charges registered prior to 15 September 2003, when the Prescribed part provisions came into force. As such, there are no assets from which to ring-fence the Prescribed part.

Based on what we know currently, we don't think the Company's Unsecured creditors (totalling £8.7m as per the Company's statement of affairs) will receive a dividend.

What you need to do

This report is for your information and you don't need to do anything.

Overview of what we've done to date

As explained in our earlier reports, we have completed the below listed tasks.

Please note, the below is a summary of the key areas of work following our appointment on 7 September 2018. Full details can be found by reading our earlier reports.

- We completed the sale of the business and assets of the Company for a net consideration of £23k. All employees transferred to the Purchaser.
- We granted the Purchaser a LTO of the Company's properties and up to the date of assignment or surrender, we managed the portfolio of properties, collecting licence fees from the Purchaser and paying rent to the landlords.
- We discussed and arranged the assignment, extension and/or surrender of various property leases with the Purchaser and the relevant landlords.
- We provided reasonable assistance to the Purchaser in the novation of certain agreements and contracts.
- We liaised with the Purchaser and the landlord to expedite the sale of the freehold property at 11a Carlisle Road to a third party. Once the sale had been completed, we collected the funds due to the Company into the Administration estate.
- We agreed that the Purchaser would collect the book debts and RBS also appointed the debt collection firm Atlantic to monitor and report to RBS on the collection process. During the period of the Administration, Atlantic collected a sum of £4.87m.
- We worked with our legal advisors to take steps to recover the remaining assets from the director's loan account.
- We secured a refund of dividends totalling £35k which had been paid to one of the Company's directors in order to reduce their director's loans account at a point when the Company did not have adequate distributable reserves.
- We pursued refunds of business rates and liaised with specialist agents to explore the possibility of securing further rates refunds.
- We reviewed the conduct of the directors prior to the insolvency of the Company and completed the required statutory submissions to The Insolvency Service.
- We sought and obtained approval from the Secured creditors to fix the basis of our fees and extend the Administration to 6 September 2020.
- We submitted a Terminal Loss Relief claim for the recovery of corporation tax paid prior to the Company's insolvency. A sum of c.£166k was received in a prior reporting period.
- We successfully petitioned to place Mr Nigel Tottman into bankruptcy in respect of the outstanding director's loans account (further detail is provided below).
- In February 2021, we transferred a sum of £361k to the bankruptcy trustees of the former director, Mr Nigel Tottman, in respect of the sale of 11a Carlisle Road. These proceeds had previously been held by us as third party funds pending the outcome of the bankruptcy petition.
- We prepared and submitted three applications to Court for extensions of the Administration; the most recent was granted until 6 April 2026.
- We claimed and received a pre-appointment VAT refund of £96k.
- We have continued to fulfil our statutory and regulatory obligations as Joint Administrators of the Company.
- We have made a distribution of £500k to RBS as Secured creditor.

We remain in office mainly to realise the potential assets due to creditors in relation to the director's loan account. We also continue to work on the s455 tax recovery, and remain in communication with HMRC regarding such. The Administration estate is likely to receive a further dividend from the Trustees of the directors bankruptcy estate.

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

- Issue our tax return for FY23 and any subsequent returns required;
- Recover VAT from HMRC by submitting a VAT426;
- Monitor the bankruptcy of the director for any potential asset realisations in the Administration;
- Agreeing any claims for recovery of tax assets and submitting those to HMRC, such as the section 455 tax;
- Make a distribution to the Chargeholders; and
- Deal with the closure of the case.

We provide an update on progress made in these areas below.

Progress since we last reported

Realisation of assets

Director's loan account

The principal outstanding matter in the Administration is the recovery of funds in relation to the director's loan account.

As you may recall, the estate of the former director Mr Nigel Tottman is in bankruptcy with insolvency practitioners from Evelyn Partners LLP (formerly known as Smith and Williamson LLP) appointed as trustees ("the Trustees").

In the period covered by this report we have continued to liaise with the Trustees regarding the progress of the proceedings. The Trustees had previously notified us that the property was marketed for sale.

The Trustees have accepted an offer of £2.35m for the property, this is significantly lower than the initial estimate of £4.06m. We understand there was a delay in the sale which is now resolved and the sale is progressing. We continue to liaise with the Trustees with regards to progress and the timing of when funds will be received into the Administration estate.

There have been no further realisations in the period covered by this report and we have not received a further dividend during this period.

As previously reported, any return into the Administration from the bankruptcy will increase the amounts distributable to the Company's Secured creditors but it remains highly unlikely that the Company's Unsecured creditors will receive a distribution.

Bank interest gross

£6,406.58 of bank interest has been realised into the Administration estate during the period covered by this report.

Tax and VAT

Tax repayments

Further to the above, the Company is awaiting potential funds by way of a dividend from the bankruptcy estate of Mr Tottman. If the Company receives the final distribution from the bankruptcy estate, the director's loans will be partially repaid and any outstanding amounts written off.

The Company had made tax payments to HMRC in respect of these loans under Section 455 of the Corporation Tax Act 2010. These tax payments become repayable to the Company 9 months and 1 day after the end of the period when the director's loans are repaid or written off. The amount potentially repayable is thought to be in excess of £300k. The Administration of the Company will likely remain open until this matter is resolved.

In the period covered by this report, there have been no realisations from the bankruptcy estate of Mr Tottman, nor have any tax payments been repaid into the Administration estate by HMRC in respect of loans under Section 455 of the Corporation Tax Act 2010.

Tax return

During the previous period, we prepared and submitted our tax computation for the period 1 October 2022 to 30 September 2023. We reported that no tax was payable to HMRC in respect of the 1 October 2022 to 30 September 2023 period. We subsequently found this to be incorrect and determined that £4,566.24 was payable to HMRC. In the period covered by this report, we paid this amount in full to HMRC. This was paid in the required timeframe to HMRC for the return period and therefore no penalties were incurred.

We will shortly begin work on the tax return for the period 1 October 2023 to 30 September 2024 and will provide an update in our next report.

VAT

The Company is now deregistered for VAT, but is still able to recover VAT from HMRC by submitting VAT426 forms. In the period covered by this report, we have submitted a VAT426 form for the amount of £17,401, which has been received into the Administration estate. This was the £16,001 showing on the VAT account plus £1,400 of VAT on invoices paid in the period.

Connected party transactions

There have been no other connected party transactions in the period covered by this report.

Other issues

Distribution to Chargeholders

Creditors will recall from our earlier progress reports that the Joint Administrators distributed £500k to RBS in November 2023. Any further distributions are dependent on the timing and quantum of any further dividend from the Trustees and tax recoveries into the Administration estate.

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 at Appendix A an account of our receipts and payments in the Administration from 7 March 2024 to 6 September 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>

You can also get a copy free of charge by telephoning the case team on 0113 289 4000.

What we still need to do

We still need to complete the below tasks before we are in a position to conclude the Administration:

- Issue our tax return for FY24 and any subsequent returns required;
- Monitor VAT receivable account and submit VAT426 as/when needed;
- Monitor the bankruptcy of the director for any potential asset realisations in the Administration;
- Agree any claims for recovery of tax assets and submitting those to HMRC, such as the Section 455 tax;
- Make a distribution to the Secured creditors;
- Prepare and submit our 6 monthly progress reports; and
- Deal with the closure of the case.

Next steps

We are currently considering the best strategy for ending the Administration, taking into account the assets to be recovered and our statutory duties. 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 the sooner.

If you've got any questions, please get in touch with Maham Khan at Maham.khan@pwc.com, or on 0113 289 4000.

Yours faithfully
For and on behalf of the Company

A handwritten signature in black ink, appearing to be 'RW' with a long horizontal stroke extending to the right.

Rachael Wilkinson
Joint Administrator

Appendix A: Receipts and payments

Directors' statement of affairs	7 September 2018 to 6 March 2024	7 March 2024 to 6 September 2024	Total 7 September 2018 to 6 September 2024
(£)	(£)	(£)	(£)
Floating charge			
Receipts			
	23,033.29	-	23,033.29
20,000.00	382,200.00	-	382,200.00
	1,068.21	-	1,068.21
	663.52	-	663.52
	4,637.57	-	4,637.57
	237,388.41	-	237,388.41
	38,285.01	6,406.58	44,691.59
	35,000.00	-	35,000.00
Uncertain	303,609.62	-	303,609.62
Uncertain	0.00	-	0.00
150,578.38	0.00	-	0.00
	1,793.22	-	1,793.22
	45,039.40	-	45,039.40
	95,676.32	-	95,676.32
	166,201.10	-	166,201.10
Uncertain	1,334,595.67	6,406.58	1,341,002.25
Payments			
	1,500.00	-	1,500.00
	223,945.85	-	223,945.85
	8,384.86	-	8,384.86
	3,138.56	-	3,138.56
	75.00	-	75.00
	2,303.09	-	2,303.09
	180,000.00	-	180,000.00
	666.91	-	666.91
	3,107.00	-	3,107.00
	1,305.00	-	1,305.00
	76,393.12	7,099.00	83,492.12
	13,635.25	-	13,635.25
	628.90	4,566.24	5,195.14
	500,000.00	-	500,000.00

Total payments	1,015,083.54	11,665.24	1,026,748.78
Net floating charge receipts	319,512.13	(5,258.66)	314,253.47
VAT Control Account	(16,000.93)	16,000.93	-
Balance held in interest bearing current account	303,511.20	10,742.27	314,253.47

Notes to the R&P

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC, or exclude monies which may be received in due course from HMRC, depending on the net VAT and tax position for the submitted periods.
2. Funds are held in an interest bearing bank account with Barclays Bank plc.
3. As explained later in this report, our fees are based on a time cost basis. The receipts and payments account above shows the amount paid to date.
4. Included within our expenses are those in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B.
5. There have been no payments made to us, our Firm or our associates other than from the insolvent estate as shown in the receipts and payments account provided above.
6. The Prescribed part doesn't apply because the realisable assets of the Company are secured in the first instance by the floating charges registered against the Company before 15 September 2003. There are no assets to be captured by the charge registered after 15 September 2003 and so there are no assets from which to ring-fence the Prescribed part.

Appendix B: Expenses

Expenses are amounts properly payable by us as Joint 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 creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Joint 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 (£)
1	PwC	Storage costs	0.48
Total			0.48

The expense policy set out above has been approved by the Secured creditors.

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

	Brought forward from preceding period (£)	Incurred in the period under review (£)	Cumulative (£)	Estimated future (£)	Anticipated total (£)	Initial estimate (£)	Variance (£)
Statement of Affairs cost	1,500.00	-	1,500.00	-	1,500.00	1,500.00	-
Irrecoverable VAT	2,303.00	-	2,303.00	-	2,303.00	-	(2,303.00)
Legal fees*	126,364.00	-	126,364.00	-	126,364.00	12,387.00	(113,977.00)
Pre appointment legal fees	13,585.00	-	13,585.00	-	13,585.00	-	(13,585.00)
Legal disbursements	3,627.00	-	3,627.00	-	3,627.00	328.00	(3,299.00)
Pre appointment legal disbursements	50.00	-	50.00	-	50.00	-	(50.00)
Mileage	100.00	-	100.00	-	100.00	100.00	-
Travel	59.00	-	59.00	-	59.00	59.00	-
Printing and postage	494.00	-	494.00	962.00	1,456.00	1,456.00	-
Insurance**	3,138.56	-	3,138.56	-	3,138.56	4,750.00	1,611.44
Bonding	225.00	-	225.00	-	225.00	140.00	(85.00)

Professional fees including property agents	11,492.00	-	11,492.00	-	11,492.00	8,385.00	(3,107.00)
Agents' disbursements	1,305.00	-	1,305.00	-	1,305.00	-	(1,305.00)
Statutory advertising	75.00	-	75.00	90.00	165.00	150.00	(15.00)
Bank charges	-	-	-	100.00	100.00	100.00	-
Land Registry fee	9.00	-	9.00	-	9.00	-	(9.00)
Other office holder expenses	6.00	0.48	6.48	993.52	1,000.00	1,000.00	-
Total	164,332.56	0.48	164,333.04	2,145.52	166,478.56	30,355.00	(136,123.56)

* Creditors will recall that we incurred legal costs in pursuing recoveries from the director's loan account and in applying for the extensions of the Administration which included longer than expected dealings with the Court due to Covid-19 and more extensive witness statement requirements. However, we recovered legal fees of c.£45k associated with the bankruptcy application (to recover the directors' loan account), on the basis that these were treated as an expense of the bankruptcy proceedings. As a result, the legal fees figure in our expenses table is higher than that shown in our receipts and payments account at Appendix A.

** In our previous report, we stated in our expenses table that insurance incurred was £2,851. This was incorrectly reported, and the expenses table has been updated to reflect the correct cost, being £3,139

The table 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.

Our expenses have exceeded the estimate provided to all creditors before the basis of our fees was fixed. This is because of the following reasons:

- The Company's share of property agents' fees in respect of the sale of the Property was higher than initially anticipated. The fee was calculated as a percentage of sale proceeds which exceeded the initial expectation. This increase in property related costs was partially offset by lower insurance costs than originally anticipated.
- The increase in total legal costs is due to the Purchaser's insolvency and the associated costs we incurred in dealing with complexities relating to property leases which were yet to be assigned or surrendered.
- In addition, we have incurred further legal costs in pursuing recoveries from the director's loans account and in applying for the four extensions of the Administration, including longer than expected dealings with the Court due to COVID-19 and more extensive witness statement requirements. However, we have recovered a sum of c.£45k in legal fees associated with the bankruptcy application (to recover the directors' loans account) as these were treated as an expense of the bankruptcy proceedings.

Appendix C: Remuneration update

Our fees were approved on a time costs basis by the Secured creditors on 18 July 2019. To 6 September 2024, we have drawn fees of £180,000 plus VAT in line with the approval given, as shown on the enclosed receipts and payments account.

The time cost charges incurred in the period covered by this report are £26,179.50. This amount does not necessarily reflect how much we will eventually draw as fees for this period.

Our time costs have exceeded our initial estimate of £394,496, the amount approved by the Secured creditors as fee approving body.

As previously reported, we are not planning to seek further fee approval as we do not anticipate drawing fees above the initial estimate. So far, we have drawn a total of £180,000 plus VAT in respect of our fees and expect to draw a further sum before the Administration comes to an end.

Our time costs to date have exceeded our original estimate in some work categories, but are under budget in others. Overall, our time costs have exceeded the estimated budget for the following reasons:

- Extra work in relation to the LTO as a result of the Purchaser going into Administration;
- Complexities relating to assigning and surrendering property leases;
- Dealing with a number of legal technicalities in pursuing recoveries from the director's loan;
- Extra work carried out by our tax specialists assessing a number of options for recovery of tax and dealing with HMRC queries;
- Dealing with a number of unexpected DVLA penalty notices as previously reported;
- The length of time that the above matters involved also meant that the Administration had to be extended four times resulting in significantly higher statutory and compliance costs which we had not initially anticipated; and
- Liaising with the Trustees of the director's bankruptcy in order to monitor the expected timing and dividend due to the Administration estate. The delays in selling the director's property in the bankruptcy have resulted in unexpected delays in receiving the dividend in the Administration estate of the Company, and further extensions of the Administration being sought as this is the only outstanding matter preventing the Administration from concluding.

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

SIP9 for the period 7 March 2024 to 6 September 2024

Category of work	Partner	Director	Senior Manager	Manager	Senior Associate	Associate/ Other	Offshore Professionals	Total Hours	Total cost (£)	Average hourly rate (£/hour)
Accounting and Treasury			0.05	0.10	1.05	1.90	1.70	4.80	2,090.50	435.52
Closure Procedures		0.25						0.25	240.00	960.00
Statutory and Compliance	0.50	0.75	0.20	1.50	24.50	3.70	1.10	32.25	18,405.50	570.71
Strategy and Planning					0.40		1.40	1.80	769.00	427.22
Tax and VAT			0.05		4.65		5.10	9.80	4,674.50	476.99
Total	0.50	1.00	0.30	1.60	30.60	5.60	9.30	48.90	26,179.50	535.37
Brought forward as at 6 March 2024								2,195.21	836,522.30	381.07
Cumulative total as at 6 September 2024								2,244.11	862,701.80	384.43

Below is our cumulative time costs from 7 September 2018 to 6 September 2024 together with a comparison against our initial estimate.

Category of work	Total hours to 6 September 2024	Total cost to 6 September 2024 (£)	Average hourly rate (£/hour)	Initial Estimate of total hours	Initial Estimate of total cost (£)	Initial Estimate of average hourly rate (£/hour)	Variance - hours	Variance - cost (£)
Accounting and Treasury	151.30	44,227.90	292.32	83.00	20,849.00	253.00	(68.30)	(23,378.90)
Assets	269.17	102,638.60	381.32	229.00	80,961.00	354.00	(40.17)	(21,677.60)
Closure Procedures	0.25	240.00	960.00	0.00	0.00	0.00	(0.25)	(240.00)
Creditors	167.67	46,519.85	277.45	204.00	49,073.00	241.00	36.33	2,553.15
Employees & Pension	36.94	13,849.50	374.92	36.00	11,785.00	328.00	(0.94)	(2,064.50)
Investigations	35.75	9,954.70	278.45	47.00	11,632.00	245.00	11.25	1,677.30
Statutory and Compliance	967.03	384,851.40	397.97	403.00	127,182.00	315.00	(564.03)	(257,669.40)
Strategy and Planning	153.05	50,505.25	329.99	129.00	44,384.00	344.00	(24.05)	(6,121.25)
Tax and VAT	462.95	209,914.60	453.43	144.00	48,630.00	338.00	(318.95)	(161,284.60)
Total	2,244.11	862,701.80	384.43	1,275.00	394,496.00	309.41	(969.11)	(468,205.80)

Our time costs incurred have exceeded the initial estimate as a result of the need to extend the Administration four times at present. There have been delays and complexities in realising assets for the benefit of the Company and its creditors which has led to the requirement to stay in office as Joint Administrators for longer than initially anticipated.

This has led to an increase in costs predominantly for statutory and compliance tasks and tax and VAT issues. Some of the activities required for these areas are noted below:

- Preparation and submission of progress reports bi-annually on an ongoing basis;
- Preparation of Administration extension documents, including reports, witness statements and submission packs for creditors initially and then subsequent extensions for Court;
- Preparation and delivery of statutory notices following extensions;
- Preparation and submission of VAT 426 forms;
- Preparation and submission of annual tax returns; and
- Ongoing case progression meetings.

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 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 in 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	900
Senior manager	860	875
Manager	730	750
Senior associate	540	575
Associate	395	400
Support staff	160	160
Offshore professionals	540	400 - 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 and Insolvency 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 30 June 2024 (£)	From 1 July 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 - 610	765 - 630
Associate/assistant consultant	470 - 330	350 - 515
Support staff	350	235
Offshore professionals	220	-

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 period of this report. 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"> Carrying out periodic bank reconciliations and managing investment of funds Processing receipts, payments and journals Carrying out sanctions screening 	<ul style="list-style-type: none"> Ensures proper and secure stewardship of funds 	<ul style="list-style-type: none"> Statutory requirement
Closure procedures		
<ul style="list-style-type: none"> Timely check-in with case team to monitor and review matters relating to closure 	<ul style="list-style-type: none"> To ensure timely case progression and updates for creditors 	<ul style="list-style-type: none"> Statutory requirement
Statutory and compliance		
<ul style="list-style-type: none"> Preparing and issuing our 6 monthly progress report to creditors, members and the Registrar; issuing report to 6 March 2024 and preparing our report to 6 September 2024 Preparing six-monthly case management review Filing all case related documents and correspondence Managing case information database Updating case checklists and diary management system Reviewing and allocating incoming post Case progression meetings with Joint Administrators 	<ul style="list-style-type: none"> To ensure correct and efficient processing of creditor information Ensuring effective management of the case 	<ul style="list-style-type: none"> Statutory requirement
Strategy and planning		
<ul style="list-style-type: none"> Monitoring budgets Liaising with the Trustees in relation to progress of the bankruptcy of the director, and responding to queries 	<ul style="list-style-type: none"> To ensure timely case progression and updates for creditors 	<ul style="list-style-type: none"> Statutory requirement and to minimise the costs of the Administration Maximising realisations for the creditors

Tax and VAT

- Drafting and submitting periodic VAT 426 returns
 - Payment of corporation tax due to HMRC
 - Submission of corporation tax return to 30 September 2023
 - Reviewing correspondence and liaising with HMRC as required
 - To discharge our statutory duty as Joint Administrators
 - Statutory requirement
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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 was required by statute
Accounting and treasury		
<ul style="list-style-type: none"> Carrying out periodic bank reconciliations and managing investment of funds Processing receipts, payments and journals Issuing further payments to the Secured creditor 	<ul style="list-style-type: none"> 4,872.50 	<ul style="list-style-type: none"> Statutory requirement
Assets		
<ul style="list-style-type: none"> Monitor the bankruptcy of Mr Tottman for any potential asset realisations in the Administration as dividends from the bankruptcy Liaising with solicitors, the Trustees and the Secured Creditors in respect of recovering the director's loan account Completing the recovery of the directors' loan account and associated tax related work to recover the s455 tax 	<ul style="list-style-type: none"> 14,707.50 	<ul style="list-style-type: none"> Maximising realisations for the creditors
Creditors		
<ul style="list-style-type: none"> Receiving and following up creditor enquiries via telephone, email and post Liaising with Secured creditors in respect of their claims and amounts distributable Issuing correspondence to creditors and their representatives as necessary Maintaining a record of creditors' details and claims 	<ul style="list-style-type: none"> 9,093 	<ul style="list-style-type: none"> Statutory requirement Financial benefit to Secured creditors
Statutory and compliance		
<ul style="list-style-type: none"> Issuing further 6 month progress reports to creditors, members and the Registrar, as required Six monthly case reviews Filing all case related documents and correspondence 	<ul style="list-style-type: none"> 51,826.50 	<ul style="list-style-type: none"> Statutory requirement

- Updating case checklists and diary management system for statutory purposes

Strategy and planning

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> • Monitoring costs against budget • Maintaining estimated outcome statement • Agreeing strategy with the Secured creditors for the closure of the Administration, and taking action accordingly • Holding regular team meetings regarding the progression of the Administration | <ul style="list-style-type: none"> • 4,737.50 | <ul style="list-style-type: none"> • Statutory requirement and to minimise the costs of the Administration |
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Tax and VAT

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • Drafting and submitting periodic VAT 426 returns • Drafting and submitting annual tax returns • Agreeing any further claims for recovery of tax assets and submitting those to HMRC such as the section 455 tax | <ul style="list-style-type: none"> • 13,619.50 | <ul style="list-style-type: none"> • Statutory requirement • Recovery of tax increases return to Secured creditors |
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Closure

- | | | |
|--|---|--|
| <ul style="list-style-type: none"> • Issuing final account to creditors, members and the Registrar • Drafting and submitting the final tax return • Bank account closure • Obtaining fee clearances from third parties • Completing closure checklists • Closing down internal systems | <ul style="list-style-type: none"> • 5,000 | <ul style="list-style-type: none"> • Indirect benefit to creditors as ensures all expenses covered before final distribution to Secured creditors |
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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 has been subcontracted out during the period covered by this report.

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
Legal services, including: <ul style="list-style-type: none">• Appointment related matters• Matters related to assignment of leases on properties• Sale of business contracts	Shoosmiths LLP	Industry knowledge	Time costs
Legal services, including: <ul style="list-style-type: none">• Application to Court to extend the Administration	Spencer West LLP	Industry knowledge	Time costs
Legal services, including: <ul style="list-style-type: none">• Recovery of director's loan account• Application to Court to extend the Administration	BDB Pitmans	Industry knowledge	Time costs
Legal Counsel services in relation to: <ul style="list-style-type: none">• Recovery of director's loan account	Max Cole of Ely Place Chambers (instructed by BDB Pitmans on our behalf)	Expertise and competitive fees	Fixed fee
Property agents in relation to: <ul style="list-style-type: none">• Property valuation• Marketing the property and arranging viewings• Reviewing offers received• Liaising with solicitors and interested parties• Issuing heads of terms to relevant parties	Lambert Smith Hampton Group LLP	Industry knowledge	Fixed fee and percentage of realisations

Appendix D: Other information

Court details for the Administration:	High Court of Justice, Business and Property Courts of England & Wales, Insolvency & Companies List (ChD) Case number 7347 of 2018
Company's registered name:	Nigel Fredericks Limited
Trading name:	Nigel Fredericks Limited
Registered number:	00375784
Registered address:	8th Floor Central Square, 29 Wellington Street, Leeds, West Yorkshire, LS1 4DL
Date of the Joint Administrators' appointment:	7 September 2018
Joint Administrators' names, addresses and contact details:	Rachael Maria Wilkinson of PwC LLP, 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH Zelf Hussain of PwC LLP, 7 More London Riverside, London, SE1 2RT Telephone: 0113 289 4000
Extensions to the initial period of appointment:	<ol style="list-style-type: none">1. Twelve-month extension by creditors' approval to 6 September 2020.2. Twelve-month extension granted by the Court to 6 September 2021.3. Thirty-one month extension granted by the Court to 6 April 2024.4. Twenty-four month extension granted by the Court to 6 April 2026.
