

AM10

Notice of administrator's progress report



Companies House

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

1 Company details

Company number 0 2 7 6 9 7 6 8

Company name in full FBE Realisations 2021 Limited (in Administration)

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Simon Jamie

Surname Edel

3 Administrator's address

Building name/number Ernst & Young LLP

Street 1 More London Place

Post town London

County/Region London

Postcode S E 1 2 A F

Country United Kingdom

4 Administrator's name ①

Full forename(s) Alan Michael

Surname Hudson

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Ernst & Young LLP

Street 1 More London Place

Post town London

County/Region London

Postcode S E 1 2 A F

Country United Kingdom

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 0	^d 5	^m 0	^m 3	^y 2	^y 0	^y 2	^y 3
To date	^d 0	^d 4	^m 0	^m 9	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date

^d0 ^d3 ^m1 ^m0 ^y2 ^y0 ^y2 ^y3

**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 Emma White

Company name Ernst & Young LLP

Address 1 More London Place

Post town London

County/Region London

Postcode SE1 2AF

Country United Kingdom

DX

Telephone (0) 20 7951 2000

**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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ❶
Attach this to the relevant form.
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Joanne Honor

Surname

Robinson

3 Insolvency practitioner's address

Building name/number

Ernst & Young LLP

Street

1 More London Place

Post town

London

County/Region

London

Postcode

S E 1 2 A F

Country

United Kingdom

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- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Lucy

Surname

Winterborne

3 Insolvency practitioner's address

Building name/number

Ernst & Young LLP

Street

The Paragon

32 Counterslip

Post town

Bristol

County/Region

Postcode

B S 1 6 B X

Country

United Kingdom

TO ALL KNOWN CREDITORS

3 October 2023

Ref: AH/JR/LW/SE/LN
Switchboard: (0) 20 7951 2000

Linh Nguyen
Lnguyen1@parthenon.ey.com

Dear Sir/Madam

FBE Realisations 2021 Limited (formerly “Flybe Limited”) (in Administration) (“the Company” or “FBE”)

High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List (ChD), Number CR-2020-001582

I refer to the appointment of Alan Hudson, Joanne Robinson, Lucy Winterborne and I as Joint Administrators (“Joint Administrators”) of the Company on 5 March 2020. The Joint Administrators, act as agents of the Company only and without personal liability. Under the terms of the appointment any act required or authorised to be done by the Joint Administrators can be done by any of them.

I write in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”) to provide creditors with a Seventh Report on the progress of the Administration of the Company (“the Administration”). This report covers the Period from 5 March 2023 to 4 September 2023 (“the Period”) and should be read in conjunction with the Joint Administrators’ Statement of Proposals (“the Proposals”) dated 29 April 2020, and the previous progress reports for the periods:-

- 5 March 2020 to 4 September 2020 (“the First Progress Report”);
- 5 September 2020 to 4 March 2021 (“the Second Progress Report”);
- 5 March 2021 to 4 September 2021 (“the Third Progress Report”);
- 5 September 2021 to 4 March 2022 (“the Fourth Progress Report”);
- 5 March 2022 to 4 September 2022 (“the Fifth Progress Report”); and
- 5 September 2022 to 4 March 2023 (“the Sixth Progress Report”);

including the definitions contained therein.

Statutory information about the Company, the Administration and the office holders is given at Appendix 1. A copy of the Proposals and the abovementioned progress reports can be obtained at https://www.ey.com/en_uk/fbe-realisations-2021-limited-administration.

Summary of progress since the Sixth Progress Report

1.1 Sale of assets

Spares

During the Period, the one remaining PW150 gearbox was sold for \$2k plus VAT, which is subject to floating charge security. This marks the conclusion of the Joint Administrators' efforts in realising the Company's spares, with total recoveries to-date being £2.9m (£1.2m and \$2.1m translated into GBP using the prevailing spot rate on the date of the transaction).

All associated storage and maintenance costs have since been settled and services terminated.

Agency fees of £24,951 were paid in the Period which relates to commission payable for the sale of engine FA0222 on 27 January 2023. The proceeds from the sale were reported in the Sixth Progress Report.

1.2 Debtors

Trade and other debtors

In the Period, the final debtor receipt of £56.3k was received.

A further recovery of £18,935 (presented under facilities management and security in the Receipts and Payments in Appendix 2) was received in the Period. It relates to a refund from a supplier. This account is now closed and with no further anticipated recoveries.

This brings total recoveries from trade and other debtors to £10.4m (£10.3m¹, €125.9k and \$110.6k respectively. Note: all trade and other debtor recoveries are subject to floating charge security).

1.3 Multilateral Interchange Fee ("MIF") Claims

As reported in the Sixth Progress Report, there remains a potential recovery by way of deferred consideration following an assignment of the Company's multilateral interchange fee ("MIF") claims against Visa and Mastercard to a third party litigation specialist. The recovery by way of deferred consideration will comprise a percentage of any eventual recovery achieved on the claims by the assignee (note: any realisations from the claims are subject to floating charge security).

As at the time of writing, the matter remains subject to ongoing litigation, of which the details remain confidential and the outcome uncertain. In order to enable a timely and orderly exit from Administration, the Joint Administrators have considered it appropriate to assign the rights and interests in the deferred consideration element of the claims to an independent third party agent, who will hold the benefit on trust for and on behalf of the Senior Secured Lenders. This is discussed in further detail in section 1.7 below.

¹ Of the £10.2m, £0.3m was recovered from other debtors and £0.02m from facilities, management and security as disclosed in the Receipts & Payment table in Appendix 2.

1.4 Trading liabilities

All trading liabilities have now been settled. There is now only one active undertaking remaining to facilitate the Joint Administrators' statutory obligations for closing and exiting the Administration, being the proper keeping and storage of the Company's books and records. This final account will be closed once the date of the Joint Administrators' discharge can be confirmed, or otherwise a few weeks prior to the Joint Administrators exiting the Administration. A prepayment will be made for the storage and retention of the Company's books and records for the required statutory period beyond the Company's dissolution.

Payments made in the Period as shown in the Summary of Receipts and Payments at Appendix 2 include:

- Testing and maintenance costs of £2,673, which relate to the storage and maintenance of the Company's few remaining spares (this supplier account is now closed following the sale of the Company's remaining spares).
- IT & Finance systems costs of £57, which relate to the storage of the Company's books and records to satisfy the Joint Administrators' statutory obligations for and on behalf of the Company. Further payments totalling £1,120 plus VAT are expected but not yet incurred or paid for ongoing storage of the Company's books and records for the required statutory period. As explained above, this provision comprises an amount relating to the remainder of the statutory period to allow the Joint Administrators' to meet this as an expense of the Administration before their discharge. This is shown at Appendix 3.
- Employee expenses of £1,289 which relates to outsourced payroll costs during the administration but there was a dispute with the service provider regarding the cost. This has now been resolved and the account closed as there are no other outstanding costs.

1.5 Corporation Tax

In the Period, the Joint Administrators have filed the Company's financial year 2022 ("FY22") and financial year 2023 ("FY23") corporation tax returns and made payments of £135.85 and £2,222.24 respectively to HMRC. FY23 marked the Company's final corporation tax return in the Administration. HMRC were notified on 14 June 2023 of the Administration's intended closure and were provided 28 days to raise any objections in respect the Company's corporation tax position. Despite having passed the 28-day period, HMRC responded on 18 September 2023 objecting to the clearance due to an Employer Duty liability they believe to be outstanding. The Joint Administrators have responded to this letter on 29 September 2023 requesting for clarification and currently await a response from HMRC.

1.6 VAT

A sum of £301.0k was received from HMRC in the Period for VAT refunds relating to periods July 2022 – June 2023.

There remains an outstanding refund due from HMRC for the period July to September 2023. This will be due for submission in October 2023 and approximately £50k is expected to be refunded to the Company for input tax credits falling within the July to September quarters. This will mark the final VAT return for the Company, following which clearance will be sought prior to the Joint Administrators' discharge from office. Note this return is an estimate based on receipts and payments to date.

1.7 Remaining assets

As disclosed in the Sixth Progress Report, there are a few assets remaining within the estate for which the timeframe for realisation remains highly uncertain, and unlikely to be resolved before 4 March 2024.

The Joint Administrators therefore convened an Unsecured Creditors Committee (“UCC”) Meeting in the Period and had put forth a resolution to make an *in-specie* distribution of the remaining assets. This was approved by the UCC on 27 June 2023, with the following assets to be assigned as follows:

- HMRC tax recoveries
 - An estimated sum of approximately £50k relating to the July to September 2023 VAT returns (see 1.6 above) should it remain outstanding from HMRC, to be assigned to the security agent and trustee for the Senior Secured Lenders (“GLAS”) as part of their floating charge. Note this amount is an estimate based on receipts and payments to date; and
 - A separate VAT recovery relating to costs incurred by the Company’s Pension Scheme, British Regional Airline (“BRAL”) and reclaimed on behalf of BRAL, will be assigned to and for the benefit of BRAL.
- Multilateral Interchange Fees (“MIF”) claims
 - As described in paragraph 1.3 above, any eventual recovery achieved on the MIF claims would trigger a deferred consideration to the Company, the rights and interests to the claims will be assigned to GLAS who will act as security agent and trustee for and on behalf of the Senior Secured Lenders.

The Joint Administrators are in the process of executing the various deeds of assignment pertaining to the assets above ahead of their discharge from office.

2. Receipts and Payments Account

A summary of our receipts and payments for the Period from 5 March 2023 to 4 September 2023 is attached at Appendix 2. The summary does not reflect estimated future realisations or costs.

3. Bank Interest received / charges paid

Cash balances are held on deposit where positive interest rates are provided by the clearing banks. In the Period, the Company received bank interest of £2,001 and paid bank charges of £77 and \$21.

4. Investigations

The Joint Administrators’ conducted the required SIP2 investigations as detailed in the First Progress Report dated 2 October 2020. These investigations have concluded and no further action will be undertaken and no specific investigations or actions have been requested by creditors.

5. Joint Administrators' remuneration and expenses

5.1 Joint Administrators' remuneration

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales (ICAEW) at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above. As disclosed in the Sixth Progress Report, we do not anticipate that our remuneration will exceed the fee estimate approved by the Committee on 17 November 2022. We will not draw remuneration in excess of the fee estimate without providing an explanation to and receiving approval from the Committee and the Senior Lenders.

A detailed breakdown of the Joint Administrators' fee to date is disclosed in Appendix 4 of this report.

5.2 Joint Administrators' statement of expenses incurred (excluding remuneration)

The total expenses (excluding remuneration) incurred for and on behalf of the Administration to date is £16.4m.

These expenses represent expenses incurred (both paid and accrued) by the Company and includes, but is not limited to legal costs, employee costs, rent and rates, and insurance. The expenses are distinct and separate from the Joint Administrators' remuneration as discussed at section 4.1.

An analysis of the expenses incurred in the Period, and cumulatively for the Administration, is provided at Appendix 3 to this report.

As referenced in the Joint Administrators' remuneration section of this report, certain expenses of the Administration are being funded by the purchaser of the Transaction², to the extent that they are incurred in relation to the Transaction since 24 August 2020. For reasons of confidentiality, we are unable to disclose the total amount of funding received by the Joint Administrators in respect of such costs. However, since these costs are not being borne by the Company, there is no incremental cost to the Administration and therefore no requirement to disclose them to comply with the Statement of Insolvency Practice 9.

6. Professional Fees Paid in the Period (not incurred)

In the Period, £197k was paid for the Joint Administrators' time costs bringing the total amount billed and paid to £17.2m. This payment related to work progressed in the previous period. As detailed in Appendix

² As reported in the previous progress reports, the Company's business and certain assets were sold to Thyme Opco Limited (subsequently renamed to Flybe Limited, hereafter referred to as "New Flybe") on 13 April 2021 ("the Transaction").

4, it is anticipated that there will be one further final payment of £179k for the Joint Administrators' time costs until their discharge from office.

Legal fees of £125k were paid in the Period for legal consultation on disapplying the Prescribed Part and assigning the Company's remaining assets. This brings total legal fees paid to £4.4m and €8k. We anticipate future costs of approximately £122k plus VAT.

Note these costs relate to professional fees that were paid in the Period not incurred, for Joint Administrators' time costs incurred in the Period refer to Appendix 4.

Distributions to creditors

7.1 Secured Creditors

In the Period, £0.8m was distributed to GLAS as Security Trustee for and on behalf of the Senior Secured Lenders from fixed and floating charge realisations of £0.7m and £0.1m respectively.

This brings the total distribution made by the Company to (as at 4 September 2023):

- £30.0m to the Security Trustee for the benefit of the Senior Secured Lenders (£8.2m from fixed charge realisations and £21.8m from floating charge realisations); and
- £3.1m to the BRAL Trustee pursuant to the fixed charge security held over the Training Academy.

7.2 Unsecured Creditors

As disclosed in the Sixth Progress Report, the Joint Administrators updated creditors that as a consequence of the subsequent insolvency of the new Flybe business, there was no prospect of any deferred consideration accordingly the return to unsecured non preferential creditors would be limited to the Prescribed Part of £600k.

In the Period, having further reviewed the claims received to-date of approximately £250m and information published on the Directors' Statement of Affairs ("SOA"), the Joint Administrators currently estimate that the total number and size of non-preferential unsecured claims will exceed 935,460 and £694m respectively. The Joint Administrators' view remains unchanged in that a distribution of the Prescribed Part is uneconomic given the cost of making a distribution to Unsecured Creditors would be disproportionate to the benefits.

Approval by way of resolution from the UCC was provided on 27 June 2023, to disapply the making of the distribution of the Prescribed Part pursuant to Section 176A of the Insolvency Act 1986 and a court application was therefore sought in the Period. A hearing was held at the High Court of Justice Business and Property Courts of England and Wales (case number CR-2020-001582) on 18 September 2023 for this purpose, with the court approving the disapplication. Following the issuance of the High Court order, a notice of no dividend was issued and sent to all creditors on 21 September 2023 in accordance with Rule 14.37(2) of the Insolvency (England and Wales) Rules 2016. A copy of the notice can be obtained from: [FBE Realisations 2021 Limited Administration | EY UK](#).

8. End of the Administration

As you will be aware from my update provided in the Sixth Progress Report and per the above, the Joint Administrators are in the process of planning the closure of the Administration within the Period of the

order³. The next stage will involve the Joint Administrator submitting a witness statement to Court for the Administrators' discharge from office in the coming weeks. Following this, we anticipate that a Court hearing would be set within the subsequent four month period (ie by the start of February 2024) and, if approved, the Company deemed dissolved thereafter.

9. Future conduct of the Administration

The remaining tasks for the Joint Administrators include, but are not limited to, the following:

- a) to attend a court hearing for the Joint Administrators' discharge from office;
- b) executing the deeds of assignment for the Company's remaining assets;
- c) final distribution to Secured Lenders (including distribution *in-specie*); and
- d) if the early discharge is approved, deal with the statutory requirements of the Company's Administration and move to dissolution, including reporting to creditors as necessary.

10. Other matters

If there are any matters concerning the Company's affairs with which you consider may require investigation, and consequently should be brought to our attention, please forward the details to me in writing as soon as possible.

11. Next report

We will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

Yours faithfully
For and on behalf of the Company



S J Edel
Joint Administrator

A Hudson, S Edel, J Robinson and L Winterborne are licensed in the United Kingdom to act as an Insolvency Practitioner by The Insolvency Practitioners Association. The affairs, business and property of the Company are being managed by the Joint Administrators, A Hudson, S Edel, J Robinson and L Winterborne who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data 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. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

³ The last extension of the Administration to 4 March 2024

Appendix 1

Information about the proceedings, the company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice Business and Property Courts of England and Wales, Insolvency and Companies List
Court reference:	CR-2020-001582
Registered name of the company:	FBE Realisations 2021 Limited
Registered office address of the company:	1 More London Place, London, SE1 2AF
Registered number:	02769768
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the Joint Administrators:	5 March 2020
Details of any changes of administrator:	None
Full names of the administrators:	Alan Michael Hudson, Simon Jamie Edel, Joanne Honor Robinson and Lucy Winterborne
Office holder number(s):	9200, 9810, 19890 and 21130 respectively
Administrators' address(es):	
Alan Michael Hudson	Simon Jamie Edel
Ernst & Young LLP	Ernst & Young LLP
1 More London Place,	1 More London Place,
London, SE1 2AF	London, SE1 2AF

Joanne Honor Robinson
Ernst & Young LLP
1 More London Place,
London, SE1 2AF

Lucy Winterborne
Ernst & Young LLP
The Paragon,
32 Counterslip, Bristol, BS1 6BX

Telephone number:

(0) 20 7951 2000

Name of alternative person to contact with
enquiries about the case:

Linh Nguyen

Appendix 2

FBE Realisations 2021 Limited (in Administration)

Joint Administrators' Summary of Receipts and Payments from 5 March 2023 to 4 September 2023

	<i>Note</i>	Directors' Statement of Affairs – Estimated to Realise	GBP			EUR			USD		
			Position as at 04-Mar-23	Movement in Period	Position as at 04-Sep-23	Position as at 04-Mar-23	Movement in Period	Position as at 04-Sep-23	Position as at 04-Mar-23	Movement in Period	Position as at 04-Sep-23
Receipts											
Fixed Charge											
Property (Training Academy)		3,500,000	3,525,000	-	3,525,000	-	-	-	-	-	-
Share in FAS		Uncertain	4,540,385	-	4,540,385	-	-	-	-	-	-
Aircraft		85,462,700	-	-	-	-	-	-	-	-	-
Aircraft Engines		17,144,100	-	-	-	-	-	-	10,928,730	-	10,928,730
			8,065,385	-	8,065,385	-	-	-	10,928,730	-	10,928,730
Floating Charge											
Cash at Bank (unrestricted)		6,437,608	5,967,346	-	5,967,346	627,894	-	627,894	398,473	-	398,473
Third Party Funding	2	-	1,570,551	26	1,570,577	-	-	-	-	-	-
Derivatives		580,000	580,000	-	580,000	-	-	-	-	-	-
Card receipts		4,005,755	7,509,946	-	7,509,946	8,772,380	-	8,772,380	107,110	-	107,110
Petty Cash		-	14,931	-	14,931	9,771	-	9,771	-	-	-
Fleet Maintenance		-	10,145,797	-	10,145,797	344,712	-	344,712	37,583	-	37,583
Trade Debtors		12,863,838	9,875,887	56,250	9,932,137	107,722	-	107,722	110,640	-	110,640
Other Debtors		-	302,655	-	302,655	18,190	-	18,190	-	-	-
Refund of pre-payment		-	6,183	-	6,183	-	-	-	-	-	-
Bank Interest		-	33,641	2,001	35,642	-	-	-	-	-	-
Chattel sales		-	16,600	-	16,600	-	-	-	-	-	-
Airport Slots		Uncertain	-	-	-	-	-	-	-	-	-
Spares and Parts		Uncertain	1,219,150	-	1,219,150	-	-	-	2,143,978	2,000	2,145,978
Carbon Credits		7,253,792	39,482	-	39,482	8,183,521	-	8,183,521	-	-	-
Insurance rebates		2,500,000	666,417	-	666,417	40,505	-	40,505	563,889	-	563,889
Fixed Assets – Software		Uncertain	-	-	-	-	-	-	-	-	-
Fixed Assets – Plant and Equipment		50,000	-	-	-	-	-	-	-	-	-
Intercompany Debtors		Uncertain	-	-	-	-	-	-	-	-	-
Other Receivables		Uncertain	-	-	-	-	-	-	-	-	-
RECEIPTS TOTAL			46,013,971	58,276	46,072,248	18,104,695	-	18,104,695	14,290,402	2,000	14,292,402

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A list of members' names is available for inspection at 1 More London Place, London SE1 2AF, the firm's principal place of business and registered office. Ernst & Young LLP is a multi-disciplinary practice and is authorised and regulated by the Institute of Chartered Accountants in England and Wales, the Solicitors Regulation Authority and other regulators. Further details can be found at <http://www.ey.com/UK/en/Home/Legal>.

	Note	Directors' Statement of Affairs – Estimated to Realise	GBP			EUR			USD		
			Position as at 04-Mar-23	Movement in Period	Position as at 04-Sep-23	Position as at 04-Mar-23	Movement in Period	Position as at 04-Sep-23	Position as at 04-Mar-23	Movement in Period	Position as at 04-Sep-23
Payments											
Wages			6,026,606	-	6,026,606	-	-	-	-	-	-
Legal Fees			4,278,854	124,521	4,403,375	7,712	-	7,712	-	-	-
Rent and Rates			2,191,826	-	2,191,826	-	-	-	-	-	-
Facilities Management and Security			417,652	(18,935)	398,717	-	-	-	-	-	-
Testing and Maintenance			396,913	2,673	399,586	-	-	-	31,108	-	31,108
Transportation			138,409	-	138,409	-	-	-	-	-	-
Equipment Leasing			64,671	-	64,671	-	-	-	-	-	-
IT & Finance Systems			901,932	57	901,989	54,260	-	54,260	-	-	-
Agents			941,135	24,951	966,087	-	-	-	30	-	30
Regulatory and License Payments			30,452	-	30,452	-	-	-	-	-	-
Interest Charges			209	-	209	6,107	-	6,107	-	-	-
Bank Charges			4,981	77	5,058	194	-	194	245	21	266
Employee Expenses			60,792	1,289	62,080	-	-	-	-	-	-
Sundry Expenses			94	-	94	-	-	-	-	-	-
Corporation Tax			136,501	-	136,501	-	-	-	-	-	-
Customs Duty			103,023	-	103,023	-	-	-	-	-	-
Insurance payments			423,508	-	423,508	38,001	-	38,001	-	-	-
Intercompany Loan (FAS)			-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-
Joint Administrators' pre-appointment fees			64,348	-	64,348	-	-	-	-	-	-
Administrator Fees			17,154,989	196,680	17,351,669	-	-	-	-	-	-
Administrator Expenses			37,871	-	37,871	-	-	-	-	-	-
PAYMENTS TOTAL			33,374,765	331,313	33,706,078	106,273	-	106,273	31,383	21	31,404
						GBP equivalent as at 4 Sep 2023		91,019	GBP equivalent as at 4 Sep 2023		24,886

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Intracompany Transfers										
Receipts	3	25,895,429	574,580	26,470,009	-	-	-	-	-	-
Payments	3	-	-	-	18,013,814	14,188	18,028,001	13,543,355	721,963	14,265,319
Payment to secured lenders		29,181,349	800,000	29,981,349	-	-	-	-	-	-
Payment to BRAL in respect of sale of the Training Academy		3,116,971	-	3,116,971	-	-	-	-	-	-
Payment to preferential creditors		2,665,388	1,333	2,666,722	-	-	-	-	-	-
NET RECEIPTS/PAYMENTS TOTAL		3,570,926	(499,790)	3,071,137	(15,392)	(14,188)	(29,580)	715,664	(719,984)	(4,321)
Net Input/(Output) VAT		636,918	(240,232)	396,687	-	-	-	(42,337)	(400)	(42,737)
Cash at Bank		1,876,305	(323,799)	1,552,506	14,188	(14,188)	(0)	719,584	(719,584)	0
Pension Control Account		(800)	-	(800)	-	-	-	-	-	-
Payroll Deductions Control Account		60	-	60	-	-	-	-	-	-
Trade Creditors		954,874	104,257	1,059,131	(29,580)	-	(29,580)	(1,108)	(0)	(1,108)
PAYE/NIC Control Account		5,024	-	5,024	-	-	-	-	-	-
BRAL Control Account		(24)	(40,016)	(40,039)	-	-	-	-	-	-
MRO Control Account	4	102,918	-	102,918	-	-	-	39,525	-	39,525
FAS Control Account		(4,350)	-	(4,350)	-	-	-	-	-	-
REPRESENTED BY TOTAL		3,570,926	(499,790)	3,071,137	(15,392)	(14,188)	(29,580)	715,664	(719,984)	(4,321)
GBP Equivalent on 4 March 2023	1						(25,334)			(3,424)
Interest Bearing				1,552,506	14,188		(0)			0
Non Interest Bearing				1,518,631	(29,580)		(29,580)			(4,321)
TOTAL				3,071,137	(15,392)		(29,580)			(4,321)

Notes

1. Currency conversion rates applied to the consolidated R&P to provide an indicative view of the GBP equivalent figures for the EUR and USD amounts are based on the Bank of England Rates as at 4 September 2023 of EUR 1.1676 and USD 1.2619 respectively. This is in accordance with SIP 7.
2. Third party funding received in the Period, £26, pertains to amounts received from the occupier in relation to their occupation under licence of the Company's former premises at New Walker Hangar, Exeter in relation to rent, rates and utilities.
3. Intercompany transfers (i.e. Receipts and Payments) details the movements of cash between our various Administration bank accounts which are denominated in three separate currencies. The net receipt shown in the GBP column pertains to the transfer of funds at set bank FX rates at various dates in the Administration.
4. Funds held separately on account by the Company, which will be drawn down as MRO final accounts paid.

5. Receipts and payments are stated net of VAT.
6. Receipts and payments are shown net of Transaction funding due to the confidentiality agreement, costs incurred in the Period will be subject to final adjustments following completion

Appendix 3

FBE Realisations 2021 Limited (In Administration)

Summary of Joint Administrators' expenses incurred

Type of Expense	Per Estimate Dated 29 April 2021	Total Incurred as at 4 March 2023	Total incurred in the Period 5 March 2023 to 4 September 2023	Total Incurred 5 March 2020 – 4 September 2023	Estimate to Complete
Payments made from the estate which are not disbursements (see notes 1 and 2 at the end of this table)					
Employee Costs	5,424,629	6,087,397	1,289	6,088,686	-
Legal Fees	3,640,286	4,280,529	117,697	4,398,2250	122,000
IT & Finance Systems	1,090,100	948,894	57	948,952	1,120
Rent and Rates	754,864	2,191,826	-	2,191,826	-
Insurance payments	517,737	456,398	-	456,398	-
Facilities Management and Security	144,477	412,662	(18,935)	393,726	-
Testing and Maintenance	124,919	422,886	1,352	424,238	-
Agents	89,232	941,160	24,950	966,110	-
Transportation	54,993	138,409	-	138,409	-
Equipment Leasing	30,090	64,671	-	64,671	-
Regulatory and license payments	11,739	30,452	-	30,452	-
Bank Charges	2,500	5,358	78	5,436	-
Interest Charges	1,000	5,494	-	5,494	-
Sundry Expenses	1,000	94	-	94	-
Public Notices	625	-	-	-	-
Type of Expense	Per Estimate Dated 29 April 2021	Total Incurred as at 4 September 2022	Total incurred in the Period 5 September 2022 to 4 March 2023	Total incurred from 5 March 2020 to 4 September 2022	Estimate to Complete

Customs Duty	500	103,023	-	103,023	-
Corporation Tax	-	136,501	-	136,501	-
Category 1 disbursements (see Note 2)		-			
Travel	21,466	19,335	-	19,335	-
Accommodation	9,286	9,330	-	9,330	-
Specific Penalty Bond	1,280	1,280	-	1,280	-
Office Supplies	1,055	1,477	-	1,477	-
Parking	551	490	-	490	-
Postage, Photocopying and Printing	123	4,342	-	4,342	-
Category 2 disbursements (note 2 and 3)			-		-
Mileage	1,500	2,218	-	2,218	-
Telephone	-	416	-	416	-
Internal bulk copying, printing and postage	-	3,098	118	3,216	-
EY Germany – employee advice invoice	-	5,150	-	5,150	-
Totals	11,923,952	16,272,889	126,604	16,399,493	123,120

Notes

- Statement of Insolvency Practice 9 (SIP 9) defines expenses as amounts properly payable from the insolvency estate which are not otherwise categorised as office holders' remuneration or distributions to creditors.
- SIP 9 defines disbursements as a type of expense which is met by, and reimbursed to, an office holder in connection with an insolvency appointment. Disbursements fall into two categories: Category 1 and Category 2.
 - Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment
 - Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.
- Expenses are shown net of Transaction Funding. Due to timing differences, costs incurred in the Period will be subject to final adjustments once all accounts are finally settled.
- We note that a number of the expenses detailed in the table above are higher than estimated in our Proposals as at 29 April 2020. The reasons for these differences have been outlined in the Fourth and Fifth Progress Reports which you may refer to for further information.
- Certain expense items, such as rent and rates, relating to third party funded costs (i.e. licenced areas to Exeter Aerospace and the purchaser of New Flybe) have not been included in the summary above. This is because the expense is recovered in full – so there is net nil cost to the Administration.
- Legal fees of £4,398,225 above is disclosed separately to the EY Germany employee legal advice fee of £5,150 in compliance with SIP 9. Collectively, the total legal fee is £4403,375 as disclosed in the Summary of Receipts and Payments (Appendix 2).
- Facilities management and security of £394,484 is disclosed net of the third party funding we have received in the Period.
- Some expenses shown may vary slightly from the Receipts and Payments in Appendix 2. Currency conversion rates are applied to the closing position of expenses as at 4 September 2023 based on the Bank of England Rates of EUR 1.1676 and USD 1.2619 respectively varying from the exchange rates applied in the Sixth Progress Report.

Appendix 4

FBE Realisations 2021 Limited (In Administration)

Joint Administrators' time costs for the Period from 5 March 2023 to 4 September 2023 and a comparison with the updated fee estimate dated 17 November 2022

Workstream	Estimated Hours as of 17 Nov 2022	Estimated fee as of 17 Nov 2022	Estimated Average Hourly Rate £/h	Actual to 4 March 2023 (Hours)	Actual to 4 March 2023 (£)	From 5 March 2023 to 4 September 2023 (Hours)	From 5 March 2023 to 4 September 2023 (£)	Cumulative to 4 September 2023 (Hours)	Cumulative to 4 March 2023 (£)	Actual Average Hourly Rate £/h
Sale of Business, Other Assets and Slots	9,139	5,335,949	584	8,867	5,135,563	21	6,875	8,887	5,142,438	579
Fleet, Engines & Equipment	4,330	1,985,969	459	4,333	1,925,285	2	769	4,336	1,926,053	444
Trading, Cashflow and Funding	8,549	3,145,313	368	8,720	3,167,110	219	57,458	8,939	3,224,568	361
Creditors, Critical Suppliers and Property	5,098	1,193,800	234	5,063	1,182,714	59	22,507	5,121	1,205,221	235
Communications, Customers & Employees	5,109	1,644,159	322	5,186	1,628,336	13	5,251	5,199	1,633,586	314
Accounting & Administration	1,769	559,068	316	1,843	590,966	96	30,896	1,938	621,681	321
Bank & Statutory Reporting	1,150	585,176	509	1,088	597,497	107	42,796	1,195	640,293	536
Job Acceptance and Strategy	1,515	667,254	440	1,367	677,740	5	2,460	1,371	680,200	496
Immediate Tasks & Day 1	754	340,595	452	754	340,595	0	1	754	340,596	452
VAT & Taxation	1,929	1,012,437	525	1,888	1,028,870	58	29,715	1,946	1,058,585	544
Regulatory	235	151,076	643	172	132,533	1	162	174	132,695	763
Investigations	1,672	631,662	378	1,726	655,708	112	53,968	1,838	709,677	386
MIF Claims	275	128,442	468	166	85,069	18	2,139	184	87,208	473
	41,524	17,380,902	419	41,173	17,147,985	691	252,857	41,882	17,402,981	416

UCC approved limit as at 17 Nov 22	17,380,902
Fees paid to date (approved by Senior Lenders) £	(17,201,669)
Residual billable (approved by Senior Lenders) £	179,233

FBE Realisations 2021 Limited (in Administration)

Description of narrative for Joint Administrators' time costs for the Period 5 March 2023 to 4 September 2023

Type of work	Description of work completed during the Period
Sale of Business, Other Assets and Airport Slots	<p>Tasks providing a direct benefit to creditors via asset realisations and preservation of critical assets:</p> <ul style="list-style-type: none"> • Reviewed the remaining spares and assets to be sold (for e.g., gearbox). • Dealing with completion matters relating to the sale of engine FA0222 (inc. ensuring registration on International Register and transfer of documents) • Discussions with Henderson & Jones and Senior Lenders regarding a potential forex claim to ascertain potential value recoverable. Preliminary assessment to quantify the potential value of the forex claim to assist the Senior Lenders in considering this potential recovery. <p><i>Note: no time associated with the Group business sale is being charged to the creditors as and from 24 August 2020 as these costs are being met by the purchaser</i></p>
Fleet, Engines & Equipment	<p>Tasks providing a direct benefit to creditors by preserving and realising value in assets:</p> <ul style="list-style-type: none"> • Dealing with maintenance and storage for the 1x gearbox (now sold), in liaison with Exeter Aerospace; and • Reviewing the relevant insurance documentation to ensure sufficient coverage. <p><i>Note: no time associated with the Group business sale is being charged to the creditors as and from 24 August 2020 as these costs are being met by the purchaser</i></p>
Trading, Cashflow, and Funding (including Debtor and Cash Realisations)	<p>Tasks providing a direct benefit to creditors by preserving and realising value in assets:</p> <ul style="list-style-type: none"> • Dealing with cash flow monitoring and general trading matters; • Managing payments & receipts and accounting reconciliations as required; • Preparing and finalising EOS and trading cash flows, including extending the forecast period to the end of the Administration; and • Realising the remaining debtor balances (i.e. Eastern).

Type of work	Description of work completed during the Period
Creditors, Critical Suppliers & Property	<p>Tasks providing an indirect benefit to creditors:</p> <ul style="list-style-type: none"> • Dealing with ad-hoc creditor queries and reviewing (but not adjudicating) creditor claim submissions for statutory reporting where required; • Dealing with post-appointment critical suppliers and pursuing a refund of £18.9k plus VAT from a critical supplier; • Communication with Senior Lenders and GLAS regarding distribution and payment of Senior Lender distribution • Managing payment of invoices and settlement of accounts; and • Preparing the court application and witness statement to disapply the Prescribed Part.
Communications, Customers & Employees	<p>Tasks providing a benefit to employee creditors:-</p> <ul style="list-style-type: none"> • Dealing with queries from former employees including queries raised via the Employment Tribunal; and • Dealing with unclaimed preferential dividends (including preparing form CAU10 in relation to this matter).
Accounting & Administration	<p>Tasks providing an indirect benefit to creditors:</p> <ul style="list-style-type: none"> • Overall financial management of the administration, processing daily, weekly and fortnightly payments (as necessary), updating internal accounting systems and preparation of bank account reconciliations.
Bank & Statutory Reporting	<p>Tasks providing a direct benefit to the Senior Lenders and reports as required by statute:</p> <ul style="list-style-type: none"> • Regular reporting to the Company's Senior Lenders providing details on key administration strategy and recommendations, including requesting authority for the sale of assets subject to fixed and floating charges; • Preparing estimated outcome statements, including and cash flow updates for the Senior Lenders; • Preparation and filing of progress reports in compliance with the statutory requirements; • Coordinating to organise the retention and separation of the Company's records; • Dealing with Unsecured Creditors committee and Committee meeting by correspondence as required; and • Planning and preparing for the Joint Administrators' exit from office.
Job Acceptance and Strategy	<p>Tasks providing an indirect benefit to creditors:</p> <ul style="list-style-type: none"> • Strategic planning and meetings to progress of the Administration, ensure alignment of activities and making sure that strategic priorities of the Administration are met.

Type of work	Description of work completed during the Period
	<ul style="list-style-type: none"> • Various emails, calls and meetings between the Joint Administrators and central EY coordination to discuss job strategy and make key decisions.
VAT & Taxation	<p>Tasks required by statute and potentially providing a direct and/or indirect benefit to creditors:</p> <ul style="list-style-type: none"> • Preparing and filing the corporation tax return for the Company; • General tax compliance, including responding to HMRC on tax returns; • Strategic tax planning advice on capital gains, VAT/input tax and corporation tax in relation to various actions taken during the Period in relation to engine sales, card acquirers and debtor settlements; • Preparing monthly (now quarterly) VAT returns for the Company, including preparing detailed reconciliations for returns to support VAT recoveries; and • Chasing HMRC for outstanding VAT refunds.
Investigations	<ul style="list-style-type: none"> • Not applicable.
MIF Claims	<ul style="list-style-type: none"> • Dealing with post-MIF assignment queries from Henderson & Jones (including provision of MSAs/agreements); and • Correspondence with H&J to ascertain the status of the claims as well as the timing and likelihood of recovery.