

**TO ALL KNOWN CREDITORS**

2 July 2021

Ref: GES/DH/JB/JL/20-25  
Direct line: 0121 535 2456

Jack Lavery  
jack.lavery@uk.ey.com

Dear Sirs

**GLL Realisations Limited (formerly Greenray Turbines (Lincoln) Limited) in the High Court of Justice, Number 8159 of 2018 ('GLL')**

**GCS Realisations Limited (formerly Greenray Control Solutions Limited) in the High Court of Justice, Number 8162 of 2018 ('GCS')**

**(Both in administration) (together 'the Companies')**

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016, to provide creditors with a report on the progress of the administrations of the Companies. This report covers the period from 8 December 2020 to 7 June 2021 ('the Period') and should be read in conjunction with the Joint Administrators' Proposals ('the Proposals') dated 15 June 2018 and our previous progress reports dated 8 January 2019, 4 July 2019, 7 January 2020, 2 July 2020 and 16 December 2020.

Statutory information about the Companies, the administrations and the office holders is given at Appendix 1.

### **Summary of progress**

Prior to our appointment, the Companies were part of a wider group of companies (together 'the Group') which provided servicing, maintenance and spare components for gas and steam turbines.

### **Asset realisations**

The Companies have received bank interest totalling £4 in the Period and this is reflected in the Joint Administrators' receipts and payments accounts at Appendix 2.

### **Extension of administrations**

The Joint Administrators applied to extend the period of the administrations, through an application to Court, for a period of 24 months to 7 June 2023. The reasons for extending the administrations were as follows;

- ▶ to allow the Joint Administrators to continue to monitor the performance of ongoing projects in respect of the performance bonds as outlined later in this report; and
- ▶ to allow sufficient time to attend to administrative matters in the administrations, including the finalisation of tax returns and compliance with all other statutory requirements.

Upon reviewing the Joint Administrators applications to Court, the Judge ordered a hearing to determine the outcome of the applications to extend the period of the administrations, which took place on 7 June 2021.

At the hearing, the Judge was satisfied that termination of the Joint Administrators appointment and the consequent winding up of the Companies may result in an increased loss being suffered by HSBC Bank plc ('HSBC') (the Companies' principal secured lender) due to the Joint Administrators being unable to monitor and extend the performance bonds as required.

However, the Judge was not satisfied that extending the administrations would further the purpose of the administrations. As such, the Judge granted an order, pursuant to paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986, that the period of the administrations are extended for 6 months to 7 December 2021 to allow sufficient time for the administrations to be brought to a conclusion in an orderly manner.

#### ***Other matters - performance bonds***

At the outset of the administrations a total of eight performance bonds were in place between HSBC and the Companies. These bonds are principally with overseas customers in respect of the performance of ongoing projects which were taken on by the purchaser of the Group's business and assets (the 'Purchaser') as part of the sale of business.

At the end of the Period, being 7 June 2021, two performance bonds remained in place, with a total combined value of c.£248k. These are represented by one bond in GLL, with a value of c.£47k, and one bond in GCS with a value of c.£201k. The value of these bonds are contingent liabilities for HSBC which can be called upon if the projects to which they relate are not fully performed, and consequently HSBC's claim in the administrations would increase.

#### ***Other matters - properties***

As previously reported, all leasehold property matters have now been resolved and no further rent or other property costs will be paid in the administrations.

#### ***Corporation tax***

Corporation tax returns for the Companies have been prepared and submitted for the 12 month period from 9 June 2019 to 8 June 2020. The Companies had corporation tax payable of £1,409 for the period (£1,396 payable from GLL, and £13 from GCS). These amounts are reflected in the Joint Administrators' receipts and payments accounts at Appendix 2.

Corporation tax returns are currently being prepared for the 12 month period from 9 June 2020 to 8 June 2021, details of which will be provided in our next report.

#### ***Receipts and payments accounts***

Summaries of our receipts and payments for the period from 8 December 2020 to 7 June 2021 are attached at Appendix 2. These do not reflect estimated future realisations or costs.

#### ***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 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.

The Joint Administrators remuneration has been approved by HSBC on a time-cost basis, to be paid at rates agreed between the Joint Administrators and HSBC.

During the Period, we incurred time costs of £49,802, bringing total time costs to £387,823 in respect of the Companies. Of this sum, £166,395 has been invoiced and paid.

An analysis of the time spent, and a comparison with the most recent fee estimate dated 19 May 2020 is attached as Appendix 4 to this report. We do not expect our remuneration to exceed the amount provided for in the fee estimates at an individual company level for both GLL and GCS.

### **Joint Administrators' statement of expenses incurred**

During the Period, we have incurred expenses totalling £nil. There is a breakdown of expenses incurred in the Period and to date at Appendix 3 of this report.

As with our remuneration, expenses are approved by HSBC and details of such are provided to unsecured creditors in this report for information purposes only.

### **Pre-administration costs**

The Joint Administrators unpaid pre-administration costs of £59,144 were approved by the secured creditor and have been settled in full.

### **Distributions to creditors**

#### ***Secured creditor***

HSBC, the Group's principal secured lender, had total indebtedness of c.£8.4m (excluding contingent bonding liabilities) as at the date of appointment, secured by fixed and floating charges across the Group.

Distributions totalling £2.1m have been made to HSBC by the Companies and £456k by other Group companies to date. HSBC is expected to suffer a significant shortfall against their debt outstanding at the date of appointment.

#### ***Preferential creditors***

All of the Group's 76 employees were transferred to the Purchaser on the date of the Administrators' appointment in accordance with TUPE. No preferential claims have been received in respect of the Companies and none are expected.

#### ***Unsecured creditors***

We currently estimate that there will be insufficient funds to enable a distribution to the unsecured creditors of the Companies, other than the Prescribed Part distribution of GLL which was declared on 12 July 2019 and details of which were included in our previous report dated 7 January 2020.

The Prescribed Part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Act. The Prescribed Part applies to floating charges created on or after 15 September 2003. As HSBC's charges were created after 15 September 2003, section 176A of the Act applies to this administration.

### **Remaining work**

We continue to deal with the administrations in line with the objectives stated in the Proposals and those included in this report. Future tasks will include, but are not limited to, the following:

- completion of statutory requirements of the administrations, including reporting to creditors;

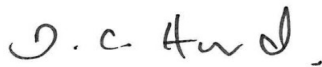
- monitoring the status of the outstanding performance bonds;
- preparing and filing corporation tax and VAT returns;
- making further distributions to the secured creditor, if applicable;
- finalising the administrations, including the payment of other liabilities; and
- any such actions required to be undertaken by the Administrators to fulfil the purpose of the administrations.

### **Next report**

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

Should you have any queries in respect of this report or the administration in general, please do not hesitate to contact my colleague, Jack Lavery, on 0121 535 2456.

Yours faithfully  
for the Companies



D C Hurd  
Joint Administrator

Enc: Appendix 1 – Statutory and company information  
Appendix 2 – Joint Administrators' receipts and payments account for the Period  
Appendix 3 – Summary of Joint Administrators' expenses incurred  
Appendix 4 – Summary of Joint Administrators' time costs

D C Hurd is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales. C P Dempster is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland.

The affairs, business and property of the Companies are being managed by the Joint Administrators, D C Hurd and C P Dempster, who act as agents of the Companies 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 Administrator's appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

## 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 in Birmingham, Insolvency and Companies List
Court reference:	8159 of 2018
Registered name of the company:	GLL Realisations Limited
Registered office address of the company:	c/o Ernst & Young LLP, One Colmore Square, Birmingham, B4 6HQ
Registered number:	03697101
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the Joint Administrators:	8 June 2018
Details of any changes of Administrator:	None
Full names of the Administrators:	Daniel Christopher Hurd and Colin Peter Dempster
Office holder number(s):	20030 and 8908
Administrators' address(es):	Ernst & Young LLP, One Colmore Square, Birmingham, B4 6HQ Ernst & Young LLP, 144 Morrison Street, Edinburgh, EH3 8EX
Telephone number:	0121 535 2456
Name of alternative person to contact with enquiries about the case:	Jack Lavery

**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 in Birmingham, Insolvency and Companies List
Court reference:	8162 of 2018
Registered name of the company:	GCS Realisations Limited
Registered office address of the company:	c/o Ernst & Young LLP, One Colmore Square, Birmingham, B4 6HQ
Registered number:	09409790
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the Joint Administrators:	8 June 2018
Details of any changes of Administrator:	None
Full names of the Administrators:	Daniel Christopher Hurd and Colin Peter Dempster
Office holder number(s):	20030 and 8908
Administrators' address(es):	Ernst & Young LLP, One Colmore Square, Birmingham, B4 6HQ Ernst & Young LLP, 144 Morrison Street, Edinburgh, EH3 8EX
Telephone number:	0121 535 2456
Name of alternative person to contact with enquiries about the case:	Jack Lavery

## Appendix 2

### Joint Administrators' Summary of Receipts and Payments from 8 June 2018 to 7 June 2021

GCS Realisations Limited - In Administration  
Receipts and Payments account as at 7 June 2021

	Realisable value as per Statement of Affairs	Fixed charge		Floating charge		Total
		8 June 2018 to 7 December 2020	8 June 2018 to 7 December 2020	8 December 2020 to 7 June 2021	8 December 2020 to 7 June 2021	
	£	£	£	£	£	£
<b>Receipts</b>						
Goodwill	-	-	-	-	-	-
Business and intellectual property	-	-	-	-	-	-
Property	-	-	-	-	-	-
Prepayments and other debts	26,965	-	105	-	-	105
VAT refund	-	-	-	-	-	-
Stock	-	-	1	-	-	1
Equipment	-	-	1	-	-	1
Motor vehicles	-	-	-	-	-	-
Debtors not subject to fixed charge	482,513	-	1,050	-	-	1,050
Contracts	-	-	1	-	-	1
Sundry income	-	-	4	-	-	4
HSBC contribution from other Group Companies	-	-	28,000	-	-	28,000
Customer list	-	-	1	-	-	1
Information technology	-	-	1	-	-	1
WIP	250,892	-	30,000	-	-	30,000
Licence fee	-	-	-	-	-	-
Bank interest	-	-	129	-	2	131
	760,370	-	59,292	-	2	59,294
<b>Payments</b>						
Rent	-	-	-	-	-	-
Trading	-	-	-	-	-	-
Insurance	-	-	(16)	-	-	(16)
Bank charges	-	-	(34)	-	(0)	(35)
Corporation Tax	-	-	(4)	-	(13)	(16)
Distribution to secured creditor	-	-	-	-	-	-
Distribution to unsecured creditors	-	-	-	-	-	-
Joint Administrators Fees	-	-	-	-	-	-
Legal Fees	-	-	(11,702)	-	-	(11,702)
	-	-	(11,756)	-	(13)	(11,769)
<b>Net receipts and payments</b>			<b>47,536</b>		<b>(11)</b>	<b>47,526</b>

Represented by:

Cash at bank  
VAT Receivable/(Payable)

46,826  
700  
**47,526**

### Notes

- Receipts and payments are stated net of VAT.
- HSBC have contributed £28k to the company from another Group company to meet the ongoing costs of the administration.

GLL Realisations Limited- In Administration  
Receipts and Payments account as at 7 June 2021

Realisable value as per Statement of Affairs	Fixed charge		Floating charge		Total
	8 June 2018 to 7 December 2020	8 June 2018 to 7 December 2020	8 December 2020 to 7 June 2021	8 December 2020 to 7 June 2021	
£	£	£	£	£	£
<b>Receipts</b>					
Goodwill	-	840,000	-	-	840,000
Business and intellectual property	-	80,000	-	-	80,000
Property	-	-	1	-	1
Prepayments and other debts	43,122	-	3,162	-	3,162
VAT refund (pre-appointment)	-	-	2,054	-	2,054
Stock	2,187,000	-	540,000	-	540,000
Equipment	-	-	1	-	1
Motor Vehicles	-	-	-	-	-
Debtors not subject to fixed charge	2,003,389	-	1,177,878	-	1,177,878
Contracts	-	-	1	-	1
Sundry income	-	-	2,620	-	2,620
HSBC contribution from other Group Companies	-	-	15,000	-	15,000
Customer list	-	-	1	-	1
Information technology	-	-	1	-	1
WIP	261,420	-	25,000	-	25,000
Licence fee	-	-	14,394	-	14,394
Bank interest	-	-	-	2	23,488
	4,494,931	920,000	1,803,598	2	2,723,600
<b>Payments</b>					
Rent	-	-	(14,394)	-	(14,394)
Trading	-	-	-	-	-
Agents Fees	-	-	(1,500)	-	(1,500)
Insurance	-	-	(1,039)	-	(1,039)
Statutory costs	-	-	(254)	-	(254)
Bank charges	-	-	(127)	(0)	(127)
Corporation Tax	-	-	(391)	(1,396)	(1,788)
Distribution to secured creditor	(859,643)	(1,240,357)	-	-	(2,100,000)
Distribution to unsecured creditors	-	(291,762)	-	-	(291,762)
Joint Administrators Fees	(20,000)	(146,395)	-	-	(166,395)
Legal Fees	(33,476)	(68,107)	-	-	(101,583)
		(913,119)	(1,764,325)	(1,397)	(2,678,841)
<b>Balance in hand</b>		<b>6,881</b>	<b>39,273</b>	<b>(1,395)</b>	<b>44,759</b>

Represented by:

Cash at bank	41,351
VAT receivable/(payable)	16,273
Unclaimed dividends	(12,865)
	<u>44,759</u>

**Notes**

1. Receipts and payments are stated net of VAT.
2. HSBC have contributed £15k to the company from another Group company to meet the ongoing costs of the administration.
3. Joint Administrators Fees of £166k include £26k in respect of the costs associated with agreeing the Prescribed Part distribution of the company.



## Appendix 3

### Summary of Joint Administrators' expenses incurred

#### GCS Realisations Limited (In administration)

Type of expense	Per Estimate dated 19.05.2020	Paid as at 07.12.2020	Paid in Period	Outstanding	Total
<b>Payments made from the estate which are not disbursements (see notes 1 and 2 at the end of this table)</b>					
Rent					
Insurance	16	16	-	-	16
Statutory costs	-	-	-	-	-
Storage	100	-	-	100	100
Agents' costs	-	-	-	-	-
Legal costs	11,652	11,702	-	13,250	24,952
Bank charges	50	35	0	15	50
<b>Category 1 disbursements (see Note 2)</b>					
Specific penalty bond	30	30	-	-	30
Postage and Printing	100	-	-	100	100
<b>Category 2 disbursements (note 2)</b>					
Mileage	300	-	-	300	300
<b>Totals</b>	<b>12,248</b>	<b>11,782</b>	<b>0</b>	<b>13,765</b>	<b>25,548</b>

#### GLL Realisations Limited (In administration)

Type of Expense	Per Estimate dated 19.05.2020	Paid as at 07.12.2020	Paid in Period	Outstanding	Total
<b>Payments made from the estate which are not disbursements (see notes 1 and 2 at the end of this table)</b>					
Rent	14,394	14,394	-	-	14,394
Insurance	1,039	1,039	-	-	1,039
Statutory costs	281	254	-	27	281
Storage	100	-	-	100	100
Agents' costs	1,500	1,500	-	-	1,500
Legal costs	101,533	101,583	-	13,250	114,833
Bank charges	146	127	0	19	146
<b>Category 1 disbursements (see Note 2)</b>					
Specific penalty bond	320	320	-	-	320
Travel costs (excl. mileage)	34	34	-	-	34
Postage and Printing	347	197	-	150	347
<b>Category 2 disbursements (note 2)</b>					
Mileage	226	226	-	-	226
<b>Totals</b>	<b>119,919</b>	<b>119,673</b>	<b>0</b>	<b>13,546</b>	<b>133,219</b>

## Notes

- 1 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.
- 2 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.
- 3 Legal costs paid to date have exceeded our estimate of expenses dated 19 May 2020 due to fees associated with the extension of the administrations to 7 June 2021.
- 4 Outstanding legal costs relate to fees associated with the extension of the administrations to 7 December 2021 (as outlined previously). This includes external Counsel costs in respect of the Court hearings on 7 June 2021.

## Appendix 4

### Joint Administrators' time costs for the period from 8 June 2018 to 7 June 2021 and a comparison with the fee estimate dated 19 May 2020

#### GCS Realisations Limited (In administration)

Activity	Actual to 7 June 2021 36 months			Actual 8 December 2020 to 7 June 2021 6 months			Fee estimate		
	Total hours	Total time cost	Average hourly rate	Total hours	Total time cost	Average hourly rate	Total hours	Total time cost	Average hourly rate
		(£)	(£)		(£)	(£)		(£)	(£)
Accounting and administration	79	24,587	310	5	2,731	515	73	21,316	291
Bank and statutory reporting	75	29,093	389	21	9,872	475	54	20,416	377
Creditors	8	2,391	295	-	-	-	15	4,601	315
Debtors	1	155	310	-	-	-	1	155	310
Employee matters	5	1,585	345	-	-	-	5	1,585	345
Immediate tasks	11	3,093	279	-	-	-	11	3,093	279
Investigations	11	4,091	365	-	-	-	11	4,091	365
Job acceptance & strategy	0	172	430	-	-	-	0	172	430
Legal issues	0	63	625	-	-	-	3	1,883	562
Other assets	9	3,974	442	3	1,300	520	4	1,252	329
Other matters	1	315	630	-	-	-	0	43	430
Property	0	62	310	-	-	-	0	62	310
Statutory duties	42	20,278	487	14	7,020	520	29	15,117	517
VAT & taxation	41	15,971	392	12	4,517	380	47	18,421	395
<b>Total Hours</b>	<b>282</b>	<b>105,828</b>	<b>375</b>	<b>54</b>	<b>25,440</b>	<b>471</b>	<b>253</b>	<b>92,206</b>	<b>364</b>

#### GLL Realisations Limited (In administration)

Activity	Actual to 7 June 2021 36 months			Actual 8 December 2020 to 7 June 2021 6 months			Fee estimate		
	Total hours	Total time cost	Average hourly rate	Total hours	Total time cost	Average hourly rate	Total hours	Total time cost	Average hourly rate
		(£)	(£)		(£)	(£)		(£)	(£)
Accounting and administration	214	68,147	318	7	3,703	507	202	61,653	305
Bank and statutory reporting	145	59,263	409	22	10,392	477	119	47,651	401
Creditors	85	29,689	350	-	-	-	91	31,899	349
Debtors	10	4,037	408	-	-	-	10	4,037	408
Employee matters	5	1,660	353	-	-	-	5	1,660	353
Immediate tasks	25	7,386	293	-	-	-	25	7,386	293
Investigations	13	4,911	387	-	-	-	13	4,911	387
Job acceptance & strategy	1	301	430	-	-	-	1	301	430
Legal issues	1	336	560	-	-	-	4	2,156	560
Other assets	25	9,713	384	-	-	-	22	8,247	377
Other matters	10	4,640	478	-	-	-	10	4,640	478
Prescribed Part matters	102	28,225	278	-	-	-	102	28,225	278
Property	23	8,292	362	-	-	-	23	8,292	362
Retention of title	6	2,357	399	-	-	-	6	2,357	399
Statutory duties	66	31,192	470	14	7,020	520	52	25,507	486
Trading	5	900	180	-	-	-	5	900	180
VAT & taxation	57	20,947	369	9	3,247	378	66	24,532	375
<b>Total Hours</b>	<b>792</b>	<b>281,995</b>	<b>356</b>	<b>51</b>	<b>24,362</b>	<b>476</b>	<b>755</b>	<b>264,351</b>	<b>350</b>

<b>Category of work</b>	<b>Description of work to be completed</b>
Accounting & Administration	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category is required in order to progress the administrations and does not necessarily result in a direct financial benefit to creditors. However, the majority of tasks in this category are statutory requirements.</i></li> <li>▶ Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost reporting.</li> </ul>
Bank and Statutory Reporting	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category does not result in a direct financial benefit to creditors, however reporting to the Companies' creditors is done so to provide ongoing updates on the administrations. Six-monthly progress reports and the final report to all creditors is a statutory requirement.</i></li> <li>▶ Regular reporting to the Companies' secured creditor.</li> <li>▶ Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report.</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category has resulted in a financial benefit to the creditors of GLL, as a Prescribed Part distribution has been made to the unsecured creditors of c.£292k to the unsecured creditors and distributions to the secured creditor totaling £2.1m have also been made. Work undertaken may also result in a direct financial benefit to the creditors of GCS should a distribution to creditors be made.</i></li> <li>▶ Receipt and recording of creditor claims.</li> <li>▶ Correspondence with creditors.</li> <li>▶ Processing distributions to the secured creditor.</li> </ul>
Debtors	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category has not resulted in a direct financial benefit to creditors.</i></li> <li>▶ Remitting book debt collections to the Purchaser.</li> </ul>
Employee Matters	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category has not resulted in a direct financial benefit to creditors. However dealing with TUPE related matters in an administration is a statutory requirement.</i></li> <li>▶ Writing to employees regarding TUPE related matters.</li> <li>▶ Dealing with any employee enquiries.</li> </ul>
Immediate Tasks	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category is a statutory requirement and did not necessarily result in a direct financial benefit to creditors.</i></li> <li>▶ Completion of work streams requiring immediate attention following the appointments, in order to execute the strategy outlined in the Proposals.</li> </ul>
Investigations	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category is a statutory requirement and did not result in a direct financial benefit to creditors.</i></li> <li>▶ Investigations into the Companies affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders".</li> <li>▶ The Joint Administrators' reports on the conduct of the directors under the Company Directors Disqualification Act 1986.</li> </ul>
Job Acceptance & Strategy	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category was required to ensure appropriate planning and considerations were completed to enable the Joint Administrators to minimise the disruption to the Companies upon entering administration. As a result, there is an indirect financial benefit to creditors in completing this work.</i></li> <li>▶ Matters relating to the appointments and initial planning of the administration strategy, including meetings with the Companies' directors and management and formulating and executing the strategy adopted.</li> <li>▶ Considering exit routes from administration and implementing the most appropriate route.</li> </ul>

Legal Issues	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category will not necessarily result in a direct financial benefit to creditors but is required to ensure the Joint Administrators have considered the legal implications on a number of matters during the administrations.</i></li> <li>▶ Dealing with any ad hoc legal issues.</li> </ul>
Other Assets	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category did not result in a financial benefit to creditors as there was no value in the Companies' residual assets.</i></li> <li>▶ Realising value from the Companies' residual assets.</li> <li>▶ Assessing, quantifying and seeking to realise value from assets not recorded in the management accounts of the Companies at the date of appointment.</li> </ul>
Other Matters	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category by completing a sale of the business and/or assets of the Companies has resulted in a direct financial benefit to creditors of c.£2.7m for GLL and c.£30k for GCS.</i></li> <li>▶ Sale of the business and/or assets of the Companies to interested parties in pursuance of the Administrators' objectives.</li> <li>▶ Dealing with any assets owned by third parties.</li> <li>▶ Recovery of the Companies' physical books and records, and electronic records (including a back-up of Companies' servers and systems).</li> <li>▶ Liaising with the Purchaser and relevant suppliers in relation to transitional arrangements.</li> </ul>
Prescribed Part	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category has resulted in a financial benefit to creditors as a Prescribed Part distribution of c.£292k has been made to the unsecured creditors of GLL.</i></li> <li>▶ Calculating the Companies' net property and Prescribed Part to be set aside, as appropriate.</li> </ul>
Property	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category has not directly resulted in a financial benefit to creditors, however it allowed the Purchaser to continue to operate from the Companies' premises during the LTO period which was granted to the Purchaser as part of the sale of business and assets of the Companies.</i></li> <li>▶ Dealing with matters relating to the LTO granted to the purchaser, liaising with landlords and facilitating rent payments.</li> </ul>
Retention of Title	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category has not resulted in a direct financial benefit to creditors, however it has benefited certain suppliers who had a retention of title claim, thereby reducing the value of unsecured claims lodged against the Companies.</i></li> <li>▶ Dealing with ROT claims.</li> </ul>
Statutory Duties	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category is a statutory requirement and has not resulted in a direct financial benefit to creditors.</i></li> <li>▶ Completion of statutory requirements of the administrations, including notifications to creditors and members, advertising the appointment, letter to creditors pursuant to Statement of Insolvency Practice 16, and sending to creditors and filing at Companies House.</li> </ul>
VAT & Taxation	<ul style="list-style-type: none"> <li>▶ <i>Work undertaken in this category is a statutory requirement and has not resulted in a direct financial benefit to creditors.</i></li> <li>▶ Preparing annual corporation tax and quarterly VAT returns, with input from EY VAT and tax specialists.</li> </ul>

Total time costs have exceeded the estimate dated 19 May 2020 due to the following activities exceeding the time cost estimate:

**GCS Realisations Limited (In administration)**

**Accounting and Administration:** Time costs have been exceeded in 'Accounting and Administration' due to time costs associated with the treasury and accounting functions of the case and additional time spent extending the administration.

**Other Assets:** Time costs have been exceeded in 'Other Assets' due to the time costs associated with monitoring the status of the outstanding performance bonds and extending the expiry date of the bonds.

**Other Matters:** Time costs have been exceeded in 'Other Matters' due to the time costs associated with monitoring the status of the outstanding performance bonds.

**Statutory duties:** Time costs have been exceeded in 'Statutory duties' due to the time costs associated with preparing for the court hearing as part of the extensions of the administration.

**GLL Realisations Limited (In administration)**

**Accounting and Administration:** Time costs have been exceeded in 'Accounting and Administration' due to time costs associated with the treasury and accounting functions of the case and additional time spent extending the administration.

**Bank and Statutory Reporting:** Time costs have been exceeded in 'Bank and Statutory Reporting' due to the time costs associated with preparing the Joint Administrators progress report to creditors and providing updates to HSBC on the progress of the administration.

**Other Assets:** Time costs have been exceeded in 'Other Assets' due to the time costs associated with monitoring the status of the outstanding performance bonds and extending the expiry date of the bonds.

**Statutory duties:** Time costs have been exceeded in 'Statutory duties' due to the time costs associated with preparing for the court hearing as part of the extensions of the administration.