

TO ALL KNOWN CREDITORS

16 December 2020

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. This report covers the period from 8 June 2020 to 7 December 2020 ('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 and 2 July 2020.

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

Summary of progress

Asset realisations

The Companies have received bank interest totalling £28 in the Period and this is reflected in the Joint Administrators' receipts and payments accounts at Appendix 2.

Other matters - performance bonds

At the outset of the administrations a total of eight performance bonds were in place between HSBC Bank plc ('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.

There have been no further releases of these bonds during the Period. As such, as at the conclusion of this reporting period, being 7 December 2020, three performance bonds remained in place, with a total combined value of £356k. These are represented by two bonds in GLL, with a combined value of £155k, and one bond in GCS with a value of £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.

The COVID-19 pandemic has caused some delay to the performance of the ongoing projects. The Joint Administrators continue to monitor the status of the underlying contracts and the Purchaser is liaising directly with the relevant customers in respect of releasing these remaining bonds and is updating us periodically.

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 2018 to 8 June 2019. The Companies had corporation tax payable of £395 for the period (£391 payable from GLL and £4 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 2019 to 8 June 2020, 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 June 2020 to 7 December 2020 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 £32,461, bringing total time costs to £338,022 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 have agreed to cap our fees at £340k across the Group and therefore we do not expect that we will draw remuneration in excess of the fee estimates. We also 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 (principally comprising third party costs) totalling £7,132. 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:

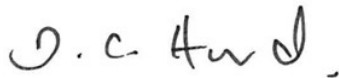
- completion of statutory requirements of the administrations, including reporting to creditors;
- monitoring the status of the outstanding performance bonds;
- preparing and filing corporation tax and VAT returns;
- making further distributions to the secured creditor, if applicable;
- finalising the 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.
- It is unlikely that the performance bonds explained earlier will have been released by 7 June 2021, being the date on which the administrations will automatically end. As such, we are likely to apply to Court to extend the administrations and will inform you of the status of this application in our next report.

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 General Data Protection Regulation 2016/679, 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.

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 December 2020

GCS Realisations Limited - In Administration
Receipts and Payments account as at 7 December 2020

| | Realisable value as per Statement of Affairs | Fixed charge | | Floating charge | | Total |
|--|--|----------------------------|----------------------------|--------------------------------|--------------------------------|---------------|
| | | 8 June 2018 to 7 June 2020 | 8 June 2018 to 7 June 2020 | 8 June 2020 to 7 December 2020 | 8 June 2020 to 7 December 2020 | |
| Receipts | £ | £ | £ | £ | £ | £ |
| 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 | - | - | 121 | - | 8 | 129 |
| | 760,370 | - | 59,284 | - | 8 | 59,292 |
| Payments | | | | | | |
| Rent | - | - | - | - | - | - |
| Trading | - | - | - | - | - | - |
| Insurance | - | - | (16) | - | - | (16) |
| Bank charges | - | - | (34) | - | (0) | (34) |
| Corporation Tax | - | - | (4) | - | - | (4) |
| Distribution to secured creditor | - | - | - | - | - | - |
| Distribution to unsecured creditors | - | - | - | - | - | - |
| Joint Administrators Fees | - | - | - | - | - | - |
| Legal Fees | - | - | (8,152) | - | (3,550) | (11,702) |
| | - | - | (8,206) | - | (3,550) | (11,756) |
| Net receipts and payments | | | 51,079 | | (3,543) | 47,536 |

Represented by:

Cash at bank

46,836

VAT Receivable/(Payable)

700

47,536

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 December 2020

| | Realisable value as per Statement of Affairs | Fixed charge | | Floating charge | | Total |
|--|--|-------------------------------|-------------------------------|-----------------------------------|-----------------------------------|---------------|
| | | 8 June 2018 to 7 June 2020 | 8 June 2018 to 7 June 2020 | 8 June 2020 to 7 December 2020 | 8 June 2020 to 7 December 2020 | |
| | £ | £ | £ | £ | £ | £ |
| Receipts | | | | | | |
| 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 | - | - | 23,465 | - | 21 | 23,486 |
| | 4,494,931 | 920,000 | 1,803,578 | - | 21 | 2,723,598 |
| Payments | | | | | | |
| Rent | - | - | (14,394) | - | - | (14,394) |
| Trading | - | - | - | - | - | - |
| Agents Fees | - | - | (1,500) | - | - | (1,500) |
| Insurance | - | - | (1,039) | - | - | (1,039) |
| Statutory costs | - | - | (254) | - | - | (254) |
| Bank charges | - | - | (96) | - | (31) | (127) |
| Corporation Tax | - | - | (391) | - | - | (391) |
| 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) | (68,532) | - | (77,863) | (166,395) |
| Legal Fees | - | (33,476) | (64,557) | - | (3,550) | (101,583) |
| | | (913,119) | (1,682,882) | - | (81,443) | (2,677,444) |
| Balance in hand | | 6,881 | 120,696 | - | (81,423) | 46,154 |
| Represented by: | | | | | | |
| Cash at bank | | | | | | 42,746 |
| VAT receivable/(payable) | | | | | | 16,273 |
| Unclaimed dividends | | | | | | (12,865) |
| | | | | | | 46,154 |

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 07.06.2020 | Paid in Period | Outstanding | Total |
|---|-------------------------------|-----------------------|----------------|-------------|---------------|
| Payments made from the estate which are not disbursements (see notes 1 and 2 at the end of this table) | | | | | |
| Rent | | | | | |
| Insurance | 16 | 16 | - | - | 16 |
| Statutory costs | - | - | - | - | - |
| Storage | 100 | - | - | 100 | 100 |
| Agents' costs | - | - | - | - | - |
| Legal costs | 11,652 | 8,152 | 3,550 | - | 11,702 |
| Bank charges | 50 | 34 | 1 | 16 | 50 |
| Category 1 disbursements (see Note 2) | | | | | |
| Specific penalty bond | 30 | 30 | - | - | 30 |
| Postage and Printing | 100 | - | - | 100 | 100 |
| Category 2 disbursements (note 2) | | | | | |
| Mileage | 300 | - | - | 300 | 300 |
| Totals | 12,248 | 8,232 | 3,551 | 516 | 12,298 |

GLL Realisations Limited (In administration)

| Type of Expense | Per Estimate dated 19.05.2020 | Paid as at 07.06.2020 | Paid in Period | Outstanding | Total |
|---|-------------------------------|-----------------------|----------------|-------------|----------------|
| Payments made from the estate which are not disbursements (see notes 1 and 2 at the end of this table) | | | | | |
| 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 | 98,033 | 3,550 | - | 101,583 |
| Bank charges | 146 | 96 | 31 | 19 | 146 |
| Category 1 disbursements (see Note 2) | | | | | |
| Specific penalty bond | 320 | 320 | - | - | 320 |
| Travel costs (excl. mileage) | 34 | 34 | - | - | 34 |
| Postage and Printing | 347 | 197 | - | 150 | 347 |
| Category 2 disbursements (note 2) | | | | | |
| Mileage | 226 | 226 | - | - | 226 |
| Totals | 119,919 | 116,092 | 3,581 | 296 | 119,969 |

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 have exceeded our estimate of expenses dated 19 May 2020 due to court fees associated with the extension of the administrations not being included in our estimate.

Appendix 4

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

GCS Realisations Limited (In administration)

| Activity | Actual to 7 December 2020 30 months | | | Actual 8 June 2020 to 7 December 2020 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 | 74.0 | 21,856.7 | 295 | 12.0 | 4,902.0 | 408.5 | 73.2 | 21,316.2 | 291 |
| Bank and statutory reporting | 53.9 | 19,221.0 | 357 | 15.0 | 5,100.0 | 340.0 | 54.2 | 20,416.3 | 377 |
| Creditors | 8.1 | 2,391.0 | 295 | - | - | - | 14.6 | 4,601.0 | 315 |
| Debtors | 0.5 | 155.0 | 310 | - | - | - | 0.5 | 155.0 | 310 |
| Employee matters | 4.6 | 1,585.0 | 345 | - | - | - | 4.6 | 1,585.0 | 345 |
| Immediate tasks | 11.1 | 3,093.1 | 279 | - | - | - | 11.1 | 3,093.1 | 279 |
| Investigations | 11.2 | 4,090.5 | 365 | - | - | - | 11.2 | 4,090.5 | 365 |
| Job acceptance & strategy | 0.4 | 172.0 | 430 | - | - | - | 0.4 | 172.0 | 430 |
| Legal issues | 0.1 | 62.5 | 625 | - | - | - | 3.4 | 1,882.5 | 562 |
| Other assets | 6.5 | 2,673.5 | 411 | 2.7 | 1,422.0 | 526.7 | 3.8 | 1,251.5 | 329 |
| Other matters | 0.5 | 315.0 | 630 | 0.4 | 272.0 | 680.0 | 0.1 | 43.0 | 430 |
| Property | 0.2 | 62.0 | 310 | - | - | - | 0.2 | 62.0 | 310 |
| Statutory duties | 28.1 | 13,258.0 | 472 | 7.1 | 2,778.0 | 391.3 | 29.3 | 15,117.0 | 517 |
| VAT & taxation | 28.8 | 11,453.5 | 398 | - | - | - | 46.6 | 18,421.0 | 395 |
| Total Hours | 228.0 | 80,389 | 353 | 37.2 | 14,474 | 389 | 253.0 | 92,206 | 364 |

GLL Realisations Limited (In administration)

| Activity | Actual to 7 December 2020 30 months | | | Actual 8 Jun 2020 to 7 December 2020 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 | 207.1 | 64,444.0 | 311 | 17.3 | 7,282.0 | 421 | 202.05 | 61,652.5 | 305 |
| Bank and statutory reporting | 123.1 | 48,871.4 | 397 | 17.5 | 6,310.0 | 361 | 118.98 | 47,650.7 | 401 |
| Creditors | 84.9 | 29,688.5 | 350 | - | - | - | 91.40 | 31,898.5 | 349 |
| Debtors | 9.9 | 4,037.0 | 408 | - | - | - | 9.90 | 4,037.0 | 408 |
| Employee matters | 4.7 | 1,659.5 | 353 | - | - | - | 4.70 | 1,659.5 | 353 |
| Immediate tasks | 25.2 | 7,385.6 | 293 | - | - | - | 25.20 | 7,385.6 | 293 |
| Investigations | 12.7 | 4,911.0 | 387 | - | - | - | 12.70 | 4,911.0 | 387 |
| Job acceptance & strategy | 0.7 | 301.0 | 430 | - | - | - | 0.70 | 301.0 | 430 |
| Legal issues | 0.6 | 336.0 | 560 | - | - | - | 3.85 | 2,156.0 | 560 |
| Other assets | 25.3 | 9,713.0 | 384 | 3.4 | 1,466.5 | 431 | 21.90 | 8,246.5 | 377 |
| Other matters | 9.7 | 4,640.0 | 478 | - | - | - | 9.70 | 4,640.0 | 478 |
| Prescribed Part matters | 101.7 | 28,225.3 | 278 | - | - | - | 101.70 | 28,225.3 | 278 |
| Property | 22.9 | 8,291.5 | 362 | - | - | - | 22.90 | 8,291.5 | 362 |
| Retention of title | 5.9 | 2,357.0 | 399 | - | - | - | 5.90 | 2,357.0 | 399 |
| Statutory duties | 52.8 | 24,171.9 | 458 | 7.1 | 2,792.0 | 393 | 52.45 | 25,506.9 | 486 |
| Trading | 5.0 | 900.0 | 180 | - | - | - | 5.00 | 900.0 | 180 |
| VAT & taxation | 48.1 | 17,700.5 | 368 | 0.4 | 136.0 | 340 | 65.50 | 24,532.0 | 375 |
| Total Hours | 740.3 | 257,633 | 348 | 45.7 | 17,987 | 394 | 754.5 | 264,351 | 350 |

| Category of work | Description of work to be completed |
|------------------------------|---|
| Accounting & Administration | <ul style="list-style-type: none"> ▶ <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> ▶ Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost reporting. |
| Bank and Statutory Reporting | <ul style="list-style-type: none"> ▶ <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> ▶ Regular reporting to the Companies' secured creditor. ▶ Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report. |
| Creditors | <ul style="list-style-type: none"> ▶ <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> ▶ Receipt and recording of creditor claims. ▶ Correspondence with creditors. ▶ Processing distributions to the secured creditor. |
| Debtors | <ul style="list-style-type: none"> ▶ <i>Work undertaken in this category has not resulted in a direct financial benefit to creditors.</i> ▶ Remitting book debt collections to the Purchaser. |
| Employee Matters | <ul style="list-style-type: none"> ▶ <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> ▶ Writing to employees regarding TUPE related matters. ▶ Dealing with any employee enquiries. |
| Immediate Tasks | <ul style="list-style-type: none"> ▶ <i>Work undertaken in this category is a statutory requirement and did not necessarily result in a direct financial benefit to creditors.</i> ▶ Completion of work streams requiring immediate attention following the appointments, in order to execute the strategy outlined in the Proposals. |
| Investigations | <ul style="list-style-type: none"> ▶ <i>Work undertaken in this category is a statutory requirement and did not result in a direct financial benefit to creditors.</i> ▶ Investigations into the Companies affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders". ▶ The Joint Administrators' reports on the conduct of the directors under the Company Directors Disqualification Act 1986. |
| Job Acceptance & Strategy | <ul style="list-style-type: none"> ▶ <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> ▶ 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. ▶ Considering exit routes from administration and implementing the most appropriate route. |
| Legal Issues | <ul style="list-style-type: none"> ▶ <i>Work undertaken in this category will not necessarily result in a direct financial benefit to creditors but is required to ensure the Joint</i> |

| | |
|--------------------|--|
| | <p><i>Administrators have considered the legal implications on a number of matters during the administrations.</i></p> <ul style="list-style-type: none"> ▶ Dealing with any ad hoc legal issues. |
| Other Assets | <ul style="list-style-type: none"> ▶ <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> ▶ Realising value from the Companies' residual assets. ▶ Assessing, quantifying and seeking to realise value from assets not recorded in the management accounts of the Companies at the date of appointment. |
| Other Matters | <ul style="list-style-type: none"> ▶ <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> ▶ Sale of the business and/or assets of the Companies to interested parties in pursuance of the Administrators' objectives. ▶ Dealing with any assets owned by third parties. ▶ Recovery of the Companies' physical books and records, and electronic records (including a back-up of Companies' servers and systems). ▶ Liaising with the Purchaser and relevant suppliers in relation to transitional arrangements. |
| Prescribed Part | <ul style="list-style-type: none"> ▶ <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> ▶ Calculating the Companies' net property and Prescribed Part to be set aside, as appropriate. |
| Property | <ul style="list-style-type: none"> ▶ <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> ▶ Dealing with matters relating to the LTO granted to the purchaser, liaising with landlords and facilitating rent payments. |
| Retention of Title | <ul style="list-style-type: none"> ▶ <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> ▶ Dealing with ROT claims. |
| Statutory Duties | <ul style="list-style-type: none"> ▶ <i>Work undertaken in this category is a statutory requirement and has not resulted in a direct financial benefit to creditors.</i> ▶ 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. |
| VAT & Taxation | <ul style="list-style-type: none"> ▶ <i>Work undertaken in this category is a statutory requirement and has not resulted in a direct financial benefit to creditors.</i> ▶ Preparing annual corporation tax and quarterly VAT returns, with input from EY VAT and tax specialists. |

Total time costs have not exceeded the estimate dated 19 May 2020. the following activities have exceeded 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.

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.