

Richard Irvin & Sons Limited
In Administration ('the Company')

Final progress report

In accordance with Rule 3.61 of The Insolvency (England & Wales) Rules 2016 and paragraph 84(6) of Schedule B1 of the Insolvency Act 1986.

Ernst & Young LLP

Deemed date of delivery of progress report to creditors: 17 June 2023



Abbreviations

The following abbreviations are used in this report:

the Act	the Insolvency Act 1986
the Company	Richard Irvin & Sons Limited
RIFM	Richard Irvin FM Limited
the Date of Appointment	19 December 2018
EY	Ernst & Young LLP
HMRC	HM Revenue and Customs
the Joint Administrators / Administrators	Fiona Livingstone Taylor and Colin Peter Dempster
the Proposals	Joint Administrators' Statement of Proposals, dated 21 December 2018
the Bank	Bank of Scotland plc
SPA	Sale and Purchase Agreement between the Company and RIFM
the Rules	the Insolvency (England and Wales) Rules 2016
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
VAT	Value Added Tax
AG	Addleshaw Goddard LLP
GAJ	Gordon Johnston Associates
TSA	Thainstone Specialist Auctions and / or ANM Group Limited
Ryden	Ryden LLP
Savills	Savills plc
CDDA	Company Directors Disqualification Act 1986
M&E	Mechanical and Electrical
FM	Facilities Management
The Court	The High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (Chd)
Acuitus	Acuitus Limited
WYM	Williams Young McKaig Limited

Contents

1. Introduction.....	2
2. Summary of steps taken during the Administration (including progress since my last report).....	3
3. Distributions to creditors.....	5
4. Administrators' receipts and payments.....	6
5. Administrators' remuneration, expenses and payments to other professionals.....	7
6. Other matters.....	10
Appendix A Statutory information.....	11
Appendix B Joint Administrators' receipts and payments account for the period from 19 December 2022 to 18 June 2023.....	12
Appendix C Summary of Joint Administrators' expenses incurred for the period from 19 December 2022 to 18 June 2023.....	14
Appendix D Joint Administrators' time costs for the period from 19 December 2022 to 18 June 2023 and a comparison with the revised fee estimate.....	17
Appendix E Joint Administrators' time costs – explanation of the work done and ongoing.....	18
Appendix F Statement of Administrators' charging policy for remuneration and expenses pursuant to Statement of Insolvency Practice No.9.....	19

1. Introduction

1.1 Introduction

I write, in accordance with Rule 3.61(1) of the Rules, to provide creditors with our final progress report in the Administration, which includes details of the outcome. This report covers the period from 19 December 2022 to 15 June 2023 and should be read in conjunction with the Proposals dated 21 December 2018 and my previous progress reports dated 18 July 2019, 17 January 2020, 17 July 2020, 18 January 2021, 16 July 2021, 18 January 2022, 6 July 2022 and 18 January 2023.

On 19 December 2018, the Company entered Administration and F L Taylor and C P Dempster were appointed to act as Joint Administrators. The appointment was made by the Company's Directors under the provisions of paragraph 22(2) of Schedule B1 of the Act. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of them.

F L Taylor and C P Dempster are UK licenced insolvency practitioners and, consequently, are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration.

Immediately following the appointment of the Joint Administrators, a sale of the Company's FM business and assets was completed to RIFM, an investment vehicle of Rcapital Partners LLP, for total consideration of c. £1.0m (excluding VAT). Approximately £0.5m of the consideration was contingent on i) the successful novation of certain customer contracts, and ii) the quantum of collections by RIFM in respect of the Company's FM debtor book at the Date of Appointment.

Statutory information about the Company, the Administration and the office holders is given at Appendix A.

1.2 Summary of the Administrators' Proposals

The Joint Administrators' Statement of Proposals ('the Proposals') were issued to all known creditors of the Company on 21 December 2018.

The Proposals summarised the background of the Company and the circumstances giving rise to the appointment of the Joint Administrators, as well as a detailed explanation of the Pre-Pack transaction entered into with Rcapital Partners LLP on 19 December 2018 ('the transaction').

As detailed in the Proposals, it was proposed that if at the end of the Administration the Company has no property which might permit a distribution to its creditors the Joint Administrators will send a notice to that effect to the Registrar of Companies. On registration of the notice the Joint Administrators' appointment will come to an end. In accordance with the provisions of paragraph 84(6) of Schedule B1 to the Insolvency Act 1986 the Company will be deemed to be dissolved three months after the registration of the notice.

In accordance with a creditor decision by correspondence, the Proposals were approved on 14 January 2019.

2. Summary of steps taken during the Administration (including progress since my last report)

2.1 Purpose of the Administration

As detailed in the Proposals, the Joint Administrators' strategy in respect of the Administration was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

2.2 Asset realisations

As previously reported, the Company's FM business and assets were sold to RIFM immediately following the Joint Administrators' appointment. Further, all FM-related employees TUPE transferred to RIFM.

Accordingly, assets to be realised in the Company's Administration principally comprised i) freehold / long leasehold properties, ii) unencumbered M&E vehicles, iii) M&E contract debtors, and iv) deferred payments as set out in the SPA.

Further information in relation to total asset realisations during the Administration is provided below.

2.2.1 Freehold and leasehold properties ('the Properties')

At the Date of Appointment, the Company owned two freehold properties – Irvin House, Aberdeen ('the Aberdeen Property') and Harbour Road, Inverness ('the Inverness Property'). A long leasehold interest was also held in relation to a property in Elgin ('the Elgin Property'). Additionally, short-term leases were held in relation to four other properties across Scotland.

The Aberdeen Property, Inverness property and Elgin Property generated gross realisations of c. £1.2m (excl VAT).

In accordance with the SPA, RIFM was granted licences to occupy the Properties. In the recent period, we agreed with RIFM the final recharges (comprised of recharged rent, rates and utilities) receiving a payment c.£12k (excl VAT).

There remain no outstanding matters in relation to the Properties.

2.2.2 M&E debtors

At the Date of Appointment, the Company had outstanding M&E contract balances of c. £3.7m. Given the stage of completion of the projects (many were only part complete at the Date of Appointment) and the contractual complexities associated with the Company's Administration, the Joint Administrators instructed a specialist agent, GAJ, to pursue the collection of these balances.

As anticipated, collection of these balances has proved challenging but total recoveries of c. £402k have been achieved in this regard.

2.3 Other matters

We have submitted the necessary post-Appointment corporation tax returns, including a final return in the period, and have requested the appropriate clearances from HMRC.

2.4 Extensions to the initial period of appointment

In accordance with paragraph 76 of Schedule B1 to the Insolvency Act 1986, the Administration of the Company was due to end automatically on 18 December 2019. It was, however, clear that the Administration would not be concluded on this date. Accordingly, the Administration was extended as follows:

- The requisite creditors' consent was received, allowing the Joint Administrators to extend the period of the Administration by 12 months to 18 December 2020 under the provisions of paragraph 78(5)(b) of Schedule B1 to the Insolvency Act 1986.
- A further extension of 12 months to 18 December 2021 was granted by the Court under the provisions of paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986.
- A further extension of 12 months to 18 December 2022 was granted by the Court under the provisions of paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986.
- A final extension of 6 months to 18 June 2023 was granted by the Court under the provisions of paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986.

3. Distributions to creditors

3.1 Secured creditors

The principal secured creditor of the Company is the Bank. At the Date of Appointment, the debt due by the Company to the Bank was c. £3.7m (comprised of a term loan and overdraft).

The Bank's debt is secured by a qualifying floating charge and standard securities in respect of the Aberdeen Property and the Elgin Property.

Following a final distribution in the period, total distributions of c£1.04m have been made to the Bank. As previously advised, there is a shortfall to the bank in this regard.

3.2 Preferential creditors

Preferential claims of c. £148k, in respect of employees' salaries, holiday pay and pension contributions, were paid in full in December 2020.

3.3 Unsecured non-preferential creditors

Per the Directors' statement of affairs, unsecured creditors at the Date of Appointment were c. £23.1m. The claim amounts were compiled by the Company's management and were not subject to independent review or audit.

The Joint Administrators received total claims from the non-preferential unsecured creditors of £27,357,735, of which £27,314,453 was admitted for dividend purposes. There were sufficient funds available to enable a distribution to the creditors by virtue of the Prescribed Part (see below).

3.4 The Prescribed Part

The Prescribed Part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Insolvency Act 1986. The Prescribed Part applies to floating charges created on or after 15 September 2003. The relevant charge for the Company was created on 25 June 2015.

The Joint Administrators calculated

- The value of the Company's net property to be £189,906 and;
- The value of the prescribed part to be £149,866 after the costs of dealing with the prescribed part.

On 20 March 2023, the Joint Administrators distributed the Prescribed Part of £149,866 to the non-preferential unsecured creditors of the Company, representing a distribution of 0.55p in the £.

3.5 Notice of no further dividend

In accordance with Rule 14.37(2) of the Insolvency (England and Wales) Rules 2016, I give notice that we are unable to declare any further dividend to preferential or non-preferential creditors because the funds realised have already been distributed or used for paying the expenses of the administration.

4. Administrators' receipts and payments

A summary of the Administrators' receipts and payments for the period from 19 December 2018 to 13 June 2023 is attached at Appendix B.

As noted above, the sum of £149,866 has been paid to the non-preferential unsecured creditors by virtue of the application of section 176A of the Insolvency Act 1986 (the Prescribed Part).

5. Administrators' remuneration, expenses and payments to other professionals

5.1 Remuneration

The statutory provisions relating to remuneration are set out in Chapter 4, Part 18 of the Rules.

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 website 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 the Joint Administrators.

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 Rules). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

In accordance with the fee estimate dated 21 December 2018, the Joint Administrators' remuneration of £599,365 (net of VAT) was fixed on the basis of time properly given by the Joint Administrators and their staff in dealing with matters arising in the Administration at the hourly rates agreed between the Joint Administrators and the secured creditor. In accordance with the Rules, the requisite approvals of the secured creditor and the preferential creditors were received on 13 February 2019 and 6 March 2019, respectively.

A revised fee estimate, issued in June 2020, was subsequently approved by the secured and preferential creditors on 19 June 2020 and 10 July 2020, respectively, fixing the remuneration at £849,250 (net of VAT).

A further revised fee estimate, issued in May 2022, was approved by the secured and preferential creditors on 26 May 2022 and 29 June 2022, respectively, fixing the Joint Administrators' remuneration at £1,070,296 (net of VAT).

During the period covered by this report, the Joint Administrators have incurred time costs (based on the agreed hourly rates) of £116,890 (net of VAT) bringing total time costs to £1,070,373 (net of VAT). Of this sum, £1,057,296 (net of VAT) has been invoiced and paid.

In the period, the Joint Administrators' time costs of £12,999 (net of VAT) associated with entering into novations with RIFM, in accordance with the SPA have been invoiced and paid by RIFM. For the avoidance of doubt, these fees were agreed separately with RIFM and have no net impact on the Administration estate.

Although our time costs have exceeded the revised fee estimate, we will not be seeking to draw any further fees.

Attached at Appendices D, E and F is a detailed analysis of time spent and average charge out rates for the various areas of work carried out to 9 June 2023 as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No. 9. A copy of this can be found at <https://www.icaew.com/en/technical/insolvency/creditors-guides>.

5.2 Pre-appointment remuneration

As previously reported, the Joint Administrators sought approval for unpaid pre-Administration costs totalling £135,004 plus expenses of £450. The requisite approvals were

received from the secured creditor and preferential creditors on 13 February 2019 and 6 March 2019 respectively and the costs were subsequently drawn from the Administration estate.

5.3 Joint Administrators' statement of expenses incurred

During the period covered by this report, we have incurred expenses totalling £12,876 (net of VAT and excluding the Joint Administrators' fees and expenses).

There is a breakdown of expenses incurred in the period and to date at Appendix C to this report, together with explanations for any increases compared with our previous estimate.

5.4 Expenses

Appendix C also includes an analysis of the Joint Administrators' Category 1 and 2 expenses.

In accordance with the Rules, the Joint Administrators received the approval of the secured creditor and preferential creditors to draw expenses in accordance with the policy set out in Appendix F and estimate provided with the Proposals.

5.5 Payments to other professionals

The Joint Administrators have engaged the services of the following professional advisers during the course of the Administration:

Name of firm	Nature of service	How contracted to be paid
Addleshaw Goddard LLP	Legal advisors	Time cost basis
Thainstone Specialist Auctions, ANM Group Limited	Auction, appraisal and valuation services	Percentage of realisations for auction sales, and time cost basis for certain other tasks
G A Johnston Associates	Quantity surveyor services	Time cost basis
Ryden LLP	Property advice, valuation and marketing services	Percentage of realisations for sale of freehold property Fixed fees for certain other work
Savills plc	Property advice, valuation and marketing services	Percentage of realisations for sale of freehold property Fixed fees for certain other work
Williams Young McKaig Limited	Business rates services	Time cost basis
Acuitus Limited	Auction House	Percentage of gross realisations for the auction sale Fixed fees for certain other tasks
Anderson Strathern LLP	Legal advisors for debtor recoveries	Time cost basis

Details of the fees paid to the above agents to date are included in the receipts and payments account at Appendix B.

6. Other matters

6.1 Investigations

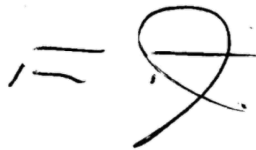
We concluded our investigations into the Company's affairs, in accordance with the Statement of Insolvency Practice 2 (investigations by Office Holders) and the Company Directors Disqualification Act 1986, with the required statutory returns made to the Insolvency Service. No further investigations are continuing and no third-party funding has been provided.

6.2 The outcome of the Administration

In accordance with the terms of the Proposals, as there are no further matters to be considered, assets to be realised or distributions to be made, the Company will move from Administration to dissolution. The Administration will come to an end on the date on which the notice is registered by Companies House and the Company will be deemed to be dissolved three months later.

Should you wish to discuss any aspect of this report, please contact Laura Jones on 0141 226 9332.

Yours faithfully
for the Company



Fiona Livingstone Taylor
Joint Administrator

Enc Copy of Form AM23

F L Taylor is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants in England and Wales and 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 Company are being managed by the Joint Administrators, F L Taylor and C P Dempster, 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.

Appendix A Statutory information

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

Company Name:	Richard Irvin & Sons Limited
Registered Office Address:	c/o Ernst & Young LLP, 2 St Peter's Square, Manchester, M2 3EY
Registered Number:	00096281
Trading Name(s):	Richard Irvin Energy Solutions
Trading Address(es):	Irvin House, Hareness Road, Altens Industrial Estate, Aberdeen, AB12 3LE Suite 1, Kingfisher House, Barlow Park, West Pitkerro Industrial Estate, Dundee, DD5 3UB 3 Centura Court, Nasmyth Place, Hillington Park, Glasgow, G52 4PR Block 132, Unit 4/7, 42 Nasmyth Road South, Hillington Park, Glasgow, G52 4PR 4 Straiton View, Straiton Parc, Loanhead, EH20 9QZ 30 Tyock Industrial Estate, Elgin, IV30 1XY 29a Harbour Road, Inverness, IV1 1SY

Details of the Administrators and of their appointment

Administrators:	F L Taylor and C P Dempster
Office holder numbers:	8787 and 8908
Administrators' address:	Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX
Date of Appointment:	19 December 2018
By Whom Appointed:	The appointment was made by the Company's Directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986.
Court Reference:	High Court of Justice, Business and Property Courts of England and Wales: CR-2018-010741
Telephone number:	0141 226 9332
Name of alternative person to contact with enquiries about the case:	Laura Jones

Appendix B Joint Administrators' receipts and payments account for the period from 19 December 2022 to 13 June 2023

Estimate to Realise per Director's Statement of Affairs	£ Receipts	Cumulative to 18 December 2022 £	Transactions since 19 December 2022 £	Cumulative to 13 June 2023 £	Notes
	Sale of motor vehicles / road tax refunds	628,470	-	628,470	1
500,000	Pre-appointment debtor receipts	402,122	-	402,122	2
	License to occupy income / recharged costs	363,514	-	363,514	3
30,000	Prepayments and other debts	37,278	-	37,278	4
	Contract novation fees	12,999	(12,999)	-	5
1,670	Petty cash as at date of appointment	2,024	-	2,024	
	Sundry receipts	4,139	1,584	5,724	
	Bank interest	6,912	3,348	10,260	
	Rates rebate	1,058	-	1,058	
	Insurance rebate	4,275	-	4,275	
2,700,001	Property	1,192,000	-	1,192,000	6
647,154	Recoveries from FM debtor book	470,428	-	470,428	7
3,878,825		3,125,219	(8,067)	3,117,152	
	Payments				
	Joint Administrators' fees	849,250	208,046	1,057,296	8
	Joint Administrators' disbursements	-	6,828	6,828	
	Joint Administrators' pre-appointment fees	86,504	-	86,504	8
	Joint Administrators' pre-appointment disbursements	450	-	450	8
	Legal fees & disbursements	80,112	5,499	85,611	9
	Legal fees - pre-appointment	48,500	-	48,500	9
	Legal disbursements - pre-appointment	263	-	263	9
	Employee costs	65,035	-	65,035	10
	Utilities	105,909	(4,732)	101,178	11
	Insurance costs	71,489	-	71,489	11
	Property agents' fees	62,387	-	62,387	11
	Rent	73,014	-	73,014	11
	Rates	55,997	(7,845)	48,152	11
	Agents' fees - debt collection	21,026	-	21,026	
	Sundry expenses	34,589	6,307	40,895	
	Bank charges	452	84	536	
	Statutory costs	70	104	174	
	Consignment Fee	-	26	26	
	Irrecoverable VAT	3,818	-	3,818	12
	Corporation Tax	1,180	857	2,037	
	Distribution to Secured Creditor	500,000	544,149	1,044,149	13
	Distribution to Preferential creditors	147,920	-	147,920	14
	Distribution to Unsecured Creditor	-	149,866	149,866	15
		2,207,964	909,188	3,117,152	
		917,255	(917,255)	-	

Notes to the receipts and payments account:

1. Comprised of i) £500k received from RIFM in respect of the FM vehicles, ii) £122k in respect of the Company's M&E related vehicles, and iii) £6k in respect of pre-paid road fund licence rebates from the DVLA.
2. Gross debtor recoveries in respect of the Company's M&E contract balances at the date of the Joint Administrators' appointment.
3. Rental income in respect of the tenancies at the Aberdeen Property and RIFM's occupation of the Company's other properties.
4. Receipts in respect of prepaid costs at the date of Administration.
5. Joint Administrators' costs, paid by RIFM, in respect of the novation of certain FM-related contracts from the Company to RIFM. For the avoidance of doubt, these fees, which form part of the overall Revised Fee Estimate, were agreed separately with RIFM and have no net impact on the Administration estate.
6. Sale proceeds in respect of the Company's Elgin, Inverness and Aberdeen properties.
7. Deferred consideration receipts in respect of the FM debtor book, in accordance with the SPA.
8. Joint Administrators' fees and expenses, drawn in accordance with the insolvency legislation following receipt of the requisite creditor approvals.
9. Legal fees and expenses (including pre appointment legal costs), drawn in accordance with the insolvency legislation following receipt of the requisite creditor approvals.
10. Comprised of i) c. £14k gross employment costs in respect of two M&E employees retained for a short period following the Administration, and ii) c. £51k of PAYE / NI costs in respect of the pre-appointment salaries / wages (the secured creditor has agreed to settle these costs and, accordingly, £51k has been deducted from the final dividend made to the secured creditor).
11. Property related costs in respect of the Company's freehold and leasehold properties. In accordance with the rental / licence fee agreements for the Company's properties, certain costs are able to be recharged to the occupants.
12. The Company's property in Inverness was not opted to tax for VAT purposes and, therefore, input VAT incurred in relation to this property is irrecoverable.
13. Second and final distribution to the secured creditor.
14. First and final dividend of 100 p / £ to the preferential creditors
15. First and final dividend of 0.55p / £ to the non-preferential unsecured creditors
16. The above receipts and payments account is presented net of VAT.

Appendix C Summary of Joint Administrators' expenses incurred for the period from 19 December 2022 to 13 June 2023

1. Payments made from the estate which are not expenses

Category	Per estimate in last progress report	Paid as at 18 Dec 2022	Paid in the period		Revised Total
			19 December 2022	to 13 June 2023	
Agents Fees	£93,413	£83,413	£0		£83,413
Legal Fees	£155,291	£128,875	£5,499		£134,374
Storage	£12,000	£5,647	£6,307		£11,954
Insurance	£70,103	£68,103	£0		£68,103
Statutory Charges	£5,000	£70	£129		£199
Bank Charges	£550	£452	£84		£536
Corporation Tax	£1,180	£1,180	£857		£2,037
Property Costs	£95,000	£263,863	£0		£263,863
Employee costs	£13,936	£65,035	£0		£65,035
Irrecoverable VAT	£5,000	£3,818	£0		£3,818
Total	£451,473	£620,456	£12,876		£633,332

Category of expense	Description of expense, work done and ongoing
Agents' fees	<ul style="list-style-type: none"> Agents' fees in respect of the realisation of the Company's assets and resolution of other matters, including those paid to TSA, GAJ, Ryden, Savills, Acuitus and WYM. Includes fees in respect of realising the Company's assets, (including, but not limited to, M&E debtors).
Legal fees	<ul style="list-style-type: none"> Fees paid to AG in respect of legal matters in connection with the Administration, including, but not limited to, assignments / novations of agreements, ROT claims, and ad hoc legal queries. The amount incurred to date also includes pre-appointment fees of £49k incurred by AG in respect of the pre-Administration period. The requisite approvals to draw these fees in the Administration were obtained from the relevant creditors. Includes fees associated with other ad hoc matters (including, but not limited to, M&E debtor balances).
Storage	<ul style="list-style-type: none"> Costs in respect of the collection, storage and destruction (if appropriate) of the Company's records in accordance with the Administrators' retention policy.
Insurance	<ul style="list-style-type: none"> Insurance costs in respect of the Company's assets. The Company's properties (in particular, the Aberdeen Property) took longer to realise than originally anticipated.
Statutory costs	<ul style="list-style-type: none"> Costs in respect of complying with the Administrators' statutory obligations
Bank charges	<ul style="list-style-type: none"> Charges associated with processing bank transfers (including CHAPS fees). To the extent possible, direct payments are made from the Company's RBS account which attracts lower transfer charges.
Corporation tax	<ul style="list-style-type: none"> Corporation tax liabilities in respect of the period from 19 December 2018 to the close of the Administration.
Property costs	<ul style="list-style-type: none"> Costs associated with the Company's freehold and leasehold properties including, but not limited to, utilities, general maintenance, rent (leasehold only). To the extent possible, costs in respect of the sublet properties have been recharged to the respective tenants. The 'Revised Estimate' column represents the net amount payable by the Company.
Employee costs	<ul style="list-style-type: none"> Costs associated with two M&E employees retained for a short period to assist with Administration related tasks. In January 2019, PAYE/NI liabilities were settled in respect of the December M&E related payroll however it was agreed that this cost would be deducted from the future dividend(s) to the Bank as it agreed to settle the M&E wages to 18

	December 2018. Accordingly, the net employee cost to the Administration was c. £14k.
Irrecoverable VAT	▶ The Inverness Property was not "opted to tax" and, therefore, input VAT was irrecoverable in respect of this property.

2. Category 1 expenses

Category	Per estimate in last progress report	Paid to 13 June 2023	Revised Total
Accommodation	£1,000	£1,065	£1,065
Travel costs (excl. mileage)	£1,500	£1,670	£1,670
Specific Bond	£1,000	£0	£0
Postage and printing	£1,000	£3,523	£3,523
Other	£1,000	£570	£570
Total	£5,500	£6,828	£6,828

Expenses exceeding revised estimate

- ▶ Additional printing and postage costs associated with issuing a Notice of intention to declare a dividend followed by the Declaration of dividend in line with statutory requirements.
- ▶ Additional travel and accommodation costs incurred as a result of site visits to clear Irvin House of all books and records.

3. Category 2 expenses

Category	Per estimate in last progress report	Paid to 13 June 2023	Revised Total
Mileage	£250	£0	£0
Total	£250	£0	£0

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 expenses as a type of expense which is met by, and reimbursed to, an office holder in connection with an insolvency appointment. Expenses fall into two categories: Category 1 and Category 2.
 - ▶ Category 1 expenses are payments to independent third parties where there is specific expenditure directly referable to the appointment; and
 - ▶ Category 2 expenses 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.

Exceeding estimates of remuneration and expenses

As required by the Rules, the Proposals included the Joint Administrators' estimate of remuneration and expenses.

These estimates may be exceeded, in which case an explanation will be provided in the appropriate progress report. The Joint Administrators will only draw remuneration in excess of the estimate with the prior agreement of the approving body, in accordance with Rule 18.30 of the Rules.

Appendix D Joint Administrators' time costs for the period from 19 December 2022 to 9 June 2023 and a comparison with the revised fee estimate

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Administration & Planning	960.9	197,515	206	74.7	19,314	259	970.3	202,224	208
Reporting	485.3	119,303	246	47.2	13,592	288	451.4	113,086	251
Creditors	637.9	152,150	239	197.2	57,587	292	659.1	167,460	254
Debtors	103.5	24,551	237	2.6	884	340	64.3	16,907	263
Employee Matters	342.6	87,714	256	1.8	728	404	306.5	80,313	262
Environmental Issues	0.8	128	160	-	-	-	0.8	128	160
Immediate Tasks	107.3	33,956	316	-	-	-	107.3	33,956	316
Investigation/CDDA	70.1	14,032	200	-	-	-	70.1	14,032	200
Legal Issues	62.9	20,488	326	-	111	-	62.9	20,598	327
Members	6.6	1,242	188	-	-	-	6.6	1,242	188
Other Assets	77.0	21,756	283	-	-	-	77.0	21,756	283
Other Matters	232.1	64,871	279	3.2	991	310	210.8	61,889	294
Out of scope	10.8	3,868	358	-	-	-	10.8	3,868	358
Property	596.9	157,858	264	-	-	-	596.9	157,858	264
Public Relations issues	1.4	484	346	-	-	-	1.4	484	346
Retention of Title	36.1	9,058	251	-	-	-	36.1	9,058	251
Statutory Duties	348.0	86,122	247	30.0	9,002	300	320.0	79,573	249
Trading	11.1	2,406	217	-	-	-	11.1	2,406	217
VAT & Taxation	307.4	72,797	237	54.0	14,685	272	347.3	83,538	241
Total	4,398.7	1,070,295	243	410.7	116,890	285	4,310.7	1,070,373	248

1. Please note that "Out of scope" time costs represent the Joint Administrators' time costs associated with entering into novations with RIFM, in accordance with the SPA. For the avoidance of doubt, these time costs have not been charged to the Administration estate.
2. The above table shows the latest fee estimate which was approved by the secured creditor and preferential creditors.

Appendix E Joint Administrators' time costs – explanation of the work done and ongoing

Category of work	Description of work done and ongoing
Administration & planning	<ul style="list-style-type: none"> ▶ Overall management of the case, treasury, accounting functions, statutory compliance diaries and time cost reporting – including, but not limited to, monitoring bank accounts, preparing/reviewing bank reconciliations, preparing/reviewing payments to agents/suppliers/creditors, preparing receipts & payments accounts for stakeholders, preparing SIP9 reports for stakeholders and monitoring/maintaining the IPS diary.
Bank and Statutory Reporting	<ul style="list-style-type: none"> ▶ Regular reporting to the Company's secured creditor. ▶ Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report.
Creditors	<ul style="list-style-type: none"> ▶ Receipt and recording of creditor claims. ▶ Correspondence with creditors. ▶ Processing distributions to the secured, preferential and unsecured creditors (as appropriate).
Debtors	<ul style="list-style-type: none"> ▶ Liaising with agents and our appointed solicitors regarding book debts and contract debts. ▶ Realising value from book debts, accrued income, WIP and prepayments.
Employee Matters	<ul style="list-style-type: none"> ▶ Writing to employees regarding their redundancy and TUPE. ▶ Dealing with any employee enquiries. ▶ Consultation with employees. ▶ Processing employee claims, including correspondence with RPS
Immediate Tasks	<ul style="list-style-type: none"> ▶ Completion of work streams requiring immediate attention following the appointment, in order to execute the strategy outlined in the Proposals.
Investigations	<ul style="list-style-type: none"> ▶ Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders". ▶ The Joint Administrators' report on the conduct of the directors under the Company Directors Disqualification Act 1986.
Legal Issues	<ul style="list-style-type: none"> ▶ Liaising with RIFM and our appointed solicitors to support the assignment of certain leasehold properties in use by RIFM. ▶ Dealing with any ad hoc legal issues.
Other Assets	<ul style="list-style-type: none"> ▶ Realising value from the Company's residual assets. ▶ Assessing, quantifying, and seeking to realise value from assets not recorded in the management accounts of the Company at the Date of Appointment. ▶ Recovery of the Company's physical books and records, and electronic records (including a back-up of company servers and systems), where applicable.
Property	<ul style="list-style-type: none"> ▶ Collecting licence fees from RIFM and arranging for rent payments to landlords. ▶ Collecting rent payments from the tenants of the Aberdeen Property. ▶ Dealing with landlord enquiries regarding the property interests. ▶ Liaising with Acuitus, Savills and Ryden in connection with the realisation of Aberdeen Property, Inverness Property and Elgin property. ▶ Liaising with the rating authorities in connection with council rates expenses and, where possible, securing the appropriate exemptions.
Statutory Duties	<ul style="list-style-type: none"> ▶ Completion of statutory requirements of the Administration, including notifications to creditors and members, advertising the appointment, reporting to creditors on a 6-monthly basis and at the conclusion of the Administration together with appropriate filings at Companies House. ▶ Seeking extensions of the Administration from the Court.
VAT & Taxation	<ul style="list-style-type: none"> ▶ Preparing corporation tax and quarterly VAT returns, with input from EY Tax and other specialists as appropriate. ▶ Assessment of the VAT and tax treatment of transactions and agreements entered into during the Administration. ▶ Preparing claims for VAT bad debt relief (if applicable)

Appendix F Statement of Administrators' charging policy for remuneration and expenses pursuant to Statement of Insolvency Practice No.9

The Joint Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the Company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established specifically for this engagement. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which has been agreed between the Joint Administrators and the secured creditor.

Administrators' charging policy for expenses

Statement of Insolvency Practice No. 9 divides expenses into two categories.

Category 1 expenses are defined as specific expenditure relating to the Administration of the insolvent's affairs and referable to payment to an independent third party. Such expenses can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No. 9, it is our policy to disclose Category 1 expenses drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the expenses drawn.

Category 2 expenses are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No. 9 provides that such expenses are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to seek approval for Category 2 expenses before they are drawn.

Details of Category 1 or Category 2 expenses incurred to date are included at Appendix C.

EY | Assurance | Tax | Strategy and Transactions | Consulting

About the global EY organization

EY is a global leader in assurance, tax, strategy, transaction and consulting services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. For more information about our organization, please visit ey.com.

About EY-Parthenon

EY-Parthenon teams work with clients to navigate complexity by helping them to reimagine their eco-systems, reshape their portfolios and reinvent themselves for a better future. With global connectivity and scale, EY-Parthenon teams focus on Strategy Realized – helping CEOs design and deliver strategies to better manage challenges while maximizing opportunities as they look to transform their businesses. From idea to implementation, EY-Parthenon teams help organizations to build a better working world by fostering long-term value. EY-Parthenon is a brand under which a number of EY member firms across the globe provide strategy consulting services. For more information, please visit ey.com/parthenon.

© 2020

Ernst & Young AG

ey.com

AM23

Notice of move from administration to dissolution



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

1 Company details

Company number	<input type="text"/>
Company name in full	<input type="text"/>

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

2 Court details

Court name	<input type="text"/>
Court number	<input type="text"/>

3 Administrator's name

Full forename(s)	<input type="text"/>
Surname	<input type="text"/>

4 Administrator's address

Building name/number	<input type="text"/>
Street	<input type="text"/>
Post town	<input type="text"/>
County/Region	<input type="text"/>
Postcode	<input type="text"/>
Country	<input type="text"/>

AM23

Notice of move from administration to dissolution

5 Administrator's name ①

Full forename(s)

Surname

① Other administrator

Use this section to tell us about another administrator.

6 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other administrator

Use this section to tell us about another administrator.


7 Final progress report

I have attached a copy of the final progress report

8 Sign and date

Administrator's signature

Signature

X 

X

Signature date

d d m m y y y y

AM23

Notice of move from administration to dissolution



Presenter information

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

Contact name

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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