

TO ALL CREDITORS WHO ARE NOT OPTED OUT AND ALL
OTHER PERSONS WHO RECEIVED NOTICE OF THE
ADMINISTRATORS' APPOINTMENT

15 December 2023

Ref: CGJK/SV/BC/D22.1
Email: bridie.j.clews@parthenon.ey.com

Dear Sir/Madam

Styles & Wood Limited – (in Administration) (“the Company”)

I write to inform you that the Administration has now been concluded.

I enclose, for your information, a copy of the final progress report and a copy of the notice of move to dissolution which has been filed at Companies House. The Administrators have now ceased to act and the Company will be dissolved three months after the date on which the notice is registered by Companies House.

Should you have any questions about these documents or any other aspect of the Administration, please contact Bridie Clews at this office.

Yours faithfully
For the Company



SP Vyse
For CGJ King
Joint Administrator

Enc: Copy of Form AM23 Notice of move from Administration to dissolution
Final progress report

C G J King and S J Woodward are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The affairs, business and property of the Company are being managed by the Joint Administrators, S J Woodward and C G J King, 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.

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 0 1 5 6 8 0 6 0

Company name in full Styles & Wood Limited

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

2 Court details

Court name High Court of Justice, The Business and Property Courts in Leeds
Insolvency and Companies List (ChD)

Court number C R 2 0 2 0 L D S 0 0 0 2 2 2

3 Administrator's name

Full forename(s) Charles Graham John

Surname King

4 Administrator's address

Building name/number Ernst & Young LLP

Street 1 Bridgewater Place

Water Lane

Post town Leeds

County/Region West Yorkshire , LS11 5QR

Postcode L S 1 1 5 Q R

Country United Kingdom

AM23

Notice of move from administration to dissolution

5 Administrator's name ①

Full forename(s) Samuel James
Surname Woodward

① Other administrator
Use this section to tell us about another administrator.

6 Administrator's address ②


Building name/number Ernst & Young LLP
Street 2 St Peters Square
Post town Manchester
County/Region Lancashire
Postcode M 2 3 D F
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
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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 **Bridie Clews**

Company name **Ernst & Young LLP**

Address **1 Bridgewater Place**

Water Lane

Post town **Leeds**

County/Region **West Yorkshire**

Postcode

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Country **United Kingdom**

DX

Telephone **+441132982292**



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

TO ALL KNOWN CREDITORS

19 December 2023

Ref: CGJK/TH/SV/BC/D16.1

Email: bridie.j.clews@parthenon.ey.com

Dear Sirs

Styles and Wood Limited (in Administration) (“the Company”)

High Court of Justice, The Business and Property Courts in Leeds, Insolvency and Companies List (ChD), CR2020-LDS-000222

I write to provide you with our final progress report in the Administration, which includes details of the outcome. The report covers the period from 28 August 2023 to 19 December 2023 and should be read in conjunction with the Administrators’ Statement of Proposals (“the Proposals”) dated 23 April 2020 and the previous progress reports.

Statutory information about the Company, the Administration and the office holders is set out at Appendix 1.

Summary of the Administrators’ proposals

The Proposals summarised the background of the Company along with the circumstances giving rise to the appointment of Administrators.

As stated in the Proposals, the purpose of an Administration is to achieve one of three statutory objectives:

- a. To rescue the company as a going concern
- b. 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)
- c. To realise property in order to make a distribution to one or more secured or preferential creditors

Insolvency legislation provides that objective (a) should be pursued unless it is not reasonably practicable to do so or if objective (b) would achieve a better result for the company’s creditors as a whole. Objective (c) may only be pursued if it is not reasonably practicable to achieve either objective (a) or (b) and can be pursued without unnecessarily harming the interests of the creditors of the company as a whole.

It was concluded that objective (a) was not achievable as:

- ▶ The Company was significantly loss making and unlikely to return to profit;
- ▶ The Company required significant levels of additional funding which was neither quantifiable or available;

- ▶ The lack of funding meant the business had ceased trading at many of its sites prior to the Administration; and
- ▶ The prospect of achieving a sale was extremely remote due to the Company's losses and limited value in the contract base.

As a result, the Joint Administrators pursued objective (b) (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). This enabled the Joint Administrators to use the moratorium to afford protection from creditor action and provided time to realise value from the Company's contracts alongside exploring potential disposals of its Technologies business and Joint Venture interests.

The end of the Administration

It was proposed that if at the end of the Administration the Company has no property which might permit a distribution to its creditors other than by way of the Prescribed Part, the Joint Administrators would send a notice to that effect to the Registrar of Companies. On registration of the notice the Joint Administrators' appointment would 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.

Approval of the Proposals

The Company had insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part and consequently, in accordance with the provisions of paragraph 52(1) (b) of Schedule B1 to the Act, the Administrators did not seek a decision of the creditors on the approval of the proposals.

The Joint Administrators were obliged to seek a decision of the creditors if requested to do so by creditors of the Company whose debts amount to at least 10% of the total debts of the Company.

No such request from creditors was received and the Proposals were deemed approved on 6 May 2020.

There have been no major amendments or deviations from the Proposals.

Summary of steps taken during the Administration

During the period covered by this report, the Joint Administrators' have recovered a further £0.3m from the Company's contract debts. The Administrators in conjunction with their advisers have concluded that any further value recovery from the Company's contract debts will require more formal recovery action. The timing and quantum of any future recoveries is uncertain.

Accordingly, the Administrators have (on behalf of the Company) assigned the outstanding claims to a third party to preserve value in these balances for the relevant creditors (whilst also enabling the Administration to be concluded).

The details of all other asset realisations in the Administration are set out in the previous progress reports.

Matters since our previous progress report

Since our previous progress report dated 25 September 2023, the following matters have been carried out:

- ▶ As set out above, the Administrators have assigned the outstanding contract debt claims to a third party to pursue. The benefit of any future recoveries has also been assigned to the secured creditor as the sole beneficiary with an economic interest in the outcome;
- ▶ Payment of the remaining liabilities incurred in the Administration;
- ▶ At the date of the previous progress report we had paid a prescribed part dividend to all creditors whose claim was admitted for dividend purposes. However, there was a material (and complex) claim that had not been adjudicated at the time (due to its quantum and complexity, but was provided for in accordance with insolvency legislation) pending further information from the creditor and its advisers. This claim has now been adjudicated and all prescribed part matters have been concluded. The net prescribed part dividend is reported in the receipts and payments accounts. Costs associated with the prescribed part are separately reported.
- ▶ Submitted final corporation tax and VAT returns, and obtained clearance from HMRC;
- ▶ Paid a final distribution to the secured creditor;
- ▶ Obtained discharge from liability via a decision of the secured and preferential creditors; and
- ▶ Finalised statutory reporting and compliance matters.

Distributions to creditors

Secured creditors

The secured lenders were HSBC UK Bank plc (“HSBC”) and Toscafund GP Limited (“Tosca”).

The Company had secured indebtedness of c.£48.6m at the date of appointment which related to cross guarantees provided in favour of HSBC and Tosca.

At appointment, both HSBC and Tosca both had fixed and floating charges over the assets of the Company in the following order of priority:

- HSBC – c.£20.9m; then
- Tosca – c.£27.7m

Secured distributions totalling £2.8m have been paid in the Administration, of which, c.£0.3m has been paid in the reporting period.

Realisations in the Administration have been insufficient to discharge the secured indebtedness in full.

Preferential creditors

Preferential creditor claims totalling £249,317 have been paid in full.

Non-preferential creditors

The Administrators paid a maximum prescribed part of £600,000 (before costs of dealing with the prescribed part).

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 and therefore applied in this Administration.

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 or allocated for paying the expenses of the Administration.

Receipts and payments account

A summary of our receipts and payments for the period from 28 February 2020 to 19 December 2023 is attached at Appendix 2.

Investigations

As set out in the previous reports to creditors, we have undertaken investigations into the Company's affairs, in accordance with 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 Services. No third-party funding has been provided for any investigations.

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 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 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 Proposals stated that in the event a creditors' meeting was not requisitioned and a creditors' committee was not formed, the Joint Administrators would seek to have their remuneration fixed by the secured and preferential creditors, in accordance with Rule 18.8(4) of the Insolvency (England and Wales) Rules 2016.

The Administrators' remuneration was fixed on a time cost basis via a decision of the secured and preferential creditors on 16 October 2020.

During the period covered by this report we have incurred time costs of £50,779 resulting in total time costs to date of £1,341,832.

Total fees of £848,450 plus VAT have been invoiced which is below the fee estimate dated 28 April 2023. This includes (i) amounts subject to cost cover arrangements and (ii) fees in respect of prescribed part matters (which is paid directly out of the prescribed part). No further fees will be drawn, and the Administrators will not recover their time costs in full.

As previously reported, the Administrators' time costs exceeded the original fee estimate dated 23 April 2020. The reasons for this were set out in the previous progress reports and resulted in a revision to the fee estimate. The revised fee estimate was approved by decision of the secured and preferential creditors on 26 May 2023.

An analysis of time spent along with comparison to the revised fee estimate dated 28 April 2023 is attached at Appendix 4. A description of work undertaken in relation to the time cost categories is also provided at Appendix 4.

Joint Administrators' statement of expenses incurred

During the period covered by this report we have incurred Administration expenses totalling £69,231 (plus VAT), of which £67,520 have been paid. The remaining balance of £1,711 will be written off upon closure of the Administration, together with an outstanding balance of £6,330 from prior reporting periods.

Expenses paid in the period reflect payment of final liabilities ahead of closure of the Administration including, third-party contract debt collection fees (which are paid directly from recoveries), specialist technical advice in relation to creditor claim adjudication, legal fees and charges to preserve books and records.

Further detailed commentary and analysis in relation to the expenses of the Administration is provided at Appendix 3.

The outcome of the Administration

In accordance with the terms of the Proposals, as there are no further 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 have any remaining questions about the Administration, please do not hesitate to contact Bridie Clews at this office.

Yours faithfully
for the Company



C G J King
Joint Administrator

C G J King and S J Woodward are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The affairs, business and property of the Company are being managed by the Joint Administrators, S J Woodward and C G J King, 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 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, The Business and Property Courts in Leeds, Insolvency and Companies List (ChD)
Court reference:	CR2020-LDS-000222
Registered name of the Company:	Styles & Wood Limited
Registered office address of the Company:	C/o Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Registered number:	01568060
Date of appointment of the Joint Administrators:	28 February 2020
Details of any changes of Administrator:	Robert Hunter Kelly resigned from his position as Joint Administrator on 24 June 2022
Full names of the Administrators:	Samuel James Woodward and Charles Graham John King
Office holder numbers:	12030 / 8985
Administrators' addresses:	C G J King of Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR and S J Woodward of Ernst & Young LLP, 2 St Peter's Square, Manchester, M2 3DF
Telephone number:	0113 298 2292
Name of alternative person to contact with enquiries about the case:	Bridie Clews

Appendix 2

Styles & Wood Limited (in Administration)

Joint Administrators' Summary of Receipts and Payments to 19 December 2023

Statement of Affairs Estimated to Realise Values (£)		From 28/02/20 to 27/08/23	From 28/08/23 to 19/12/23	Total
		£	£	£
Receipts				
3,900,000	Recoveries on contracts	2,150,014	299,244	2,449,259
1,131,233	Cash on appointment	1,180,311	-	1,180,311
	Technologies gross trading income	711,912	-	711,912
	St Ann's gross settlement	702,459	-	702,459
	Cost cover receipts	476,592	-	476,592
	Technologies asset sale consideration	150,000	-	150,000
	Pre-appointment VAT receipt	136,893	-	136,893
365,878	Overseas taxation	-	-	-
	Receipts from Joint Venture Interests	53,432	-	53,432
	Prepayments	11,302	-	11,302
	Duplicate payment recoveries	82,191	-	82,191
	Recharges and support receipts	53,868	-	53,868
	Other debtors	50,000	-	50,000
50,000	Sale of interest in joint ventures	33,000	-	33,000
	Fixtures and Fittings	20,820	-	20,820
	Group relief surrender income	94,418	-	94,418
	Sundry income	15,113	-	15,113
	Bank interest	13,492	1,755	15,247
		<u>5,935,818</u>	<u>301,000</u>	<u>6,236,817</u>
	Payments			
	Gross Wages & Salaries	782,736	-	782,736
	Administrators' Fees	650,000	177,617	827,617
	Debt Collection Expenses	340,105	46,409	386,514
	St Ann's Legal Fees	203,104	-	203,104
	IT Costs	118,231	-	118,231
	Legal Fees	98,831	11,890	110,721
	Technologies settlement	50,000	-	50,000
	Property costs	101,091	-	101,091
	Professional Fees	36,228	-	36,228
	Sundry Expenses	35,877	1,115	36,992
	Administrators' Disbursements	14,624	-	14,624
	Insurance	8,264	-	8,264
	Contractor Costs	6,010	-	6,010
	Claim Adjudication Expenses (Prescribed Part)	2,059	8,106	10,165
		<u>2,447,161</u>	<u>245,136</u>	<u>2,692,298</u>
	Net realisations	3,488,656	55,863	3,544,519
	Distributions			
	Secured creditor - HSBC	2,472,000	293,800	2,765,800
	Preferential creditors distribution	249,317	-	249,317
	Unsecured creditors distribution	403,801	104,759	508,559
		<u>3,125,118</u>	<u>398,559</u>	<u>3,523,676</u>
	Represented by (funds in hand)			
	Cash at Bank			10
	Net VAT receivable/(payable)			<u>20,833</u>
				<u>20,843</u>

Notes

1. Receipts and payments are stated net of VAT.
2. The Receipts and Payments account reflects the cash only element of the floating charge intercompany settlement. This relates to the sum required to settle Administration costs, preferential creditor claims and the proportion of the Prescribed Part payable to third party unsecured creditors. The remaining balance was settled on a non-cash basis.
3. Status of the Administration bank accounts were amended to be non-interest-bearing from 18 October 2023. The £1,755 recognised in the period reflects the final interest.
4. The VAT Receivable balance of £20,843 has been assigned to EY LLP by way of a Deed of Assignment to settle the outstanding balance on the Joint Administrators' invoice.
5. A cash balance of £10 has been retained as a provision for final bank account charges.

Appendix 3

Styles & Wood Limited (in Administration)

Summary of Joint Administrators' expenses incurred to 19 December 2023

£	Per estimate dated 23.02.20	Paid to 27.08.23	Paid in the period	Outstanding	Total to 19.12.23
Gross wages and salaries	(579,100)	(642,338)	-	-	(642,338)
Employers NIC	(34,711)	(76,468)	-	-	(76,468)
Employers Pension	(21,136)	(40,655)	-	-	(40,655)
Rent, rates and service charge	(54,030)	(90,819)	-	-	(90,819)
Insurance	(7,204)	(8,264)	-	-	(8,264)
Security	(2,814)	-	-	-	-
Public notices	(190)	(189)	-	-	(189)
IT	(121,371)	(118,231)	-	-	(118,231)
Employee mileage	(79)	(1,223)	-	-	(1,223)
Sundry expenses	(2,941)	(14,498)	-	-	(14,498)
Contractor fees	(1,650)	(6,010)	-	-	(6,010)
Postage	(60)	(60)	-	-	(60)
Light, Heat and Water	(1,000)	(10,272)	-	-	(10,272)
Waste and cleaning services	(2,076)	-	-	-	-
Telephone, Internet and Fax	(384)	(5,767)	-	-	(5,767)
Storage	(1,000)	(11,492)	(1,099)	-	(12,591)
Bank Charges	(750)	(649)	(16)	-	(665)
Debt Collection Expenses	(500,000)	(340,105)	(46,409)	-	(386,514)
Legal Fees and Costs (St Ann's)	-	(203,104)	-	-	(203,104)
Legal Fees and Costs (other)	(300,000)	98,831	(11,890)	-	(110,721)
Technologies settlement	-	(50,000)	-	-	(50,000)
Hilco Agent Fees	(1,000)	(36,228)	-	-	(36,228)
Statement of Affairs Costs	-	(2,000)	-	-	(2,000)
Salaries paid on behalf of Extentia Group Ltd	(19,738)	(23,275)	-	-	(23,275)
Claim Adjudication Expenses (Prescribed Part)	-	(2,059)	(8,106)	-	(10,165)
Total	(1,651,234)	(1,782,537)	(67,520)	-	(1,850,057)
Category 1 disbursements (see note 2)					
Specific Penalty Bond	(420)	(420)	-	-	(420)
Meals	-	(1,761)	-	-	(1,761)
Accommodation	-	(5,349)	-	-	(5,349)
Travel costs (excluding mileage)	(13,000)	(2,517)	-	-	(2,517)
Sundry	-	(90)	-	-	(90)
Total	(13,420)	(10,137)	-	-	(10,137)
Category 2 disbursements (see note 2)					
Mileage	(1,500)	(2,563)	-	-	(2,563)
Internal bulk copying, printing and postage	-	(1,924)	-	(8,041)	(9,965)
Total	(1,500)	(4,487)	-	(8,041)	(12,529)
Total	(1,666,154)	(1,797,161)	(67,520)	(8,041)	(1,872,722)

Notes

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
 - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder.
 - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Disbursements fall into either Category 1 or Category 2.
- 4 Outstanding expenses of £8,041 will be written off on cessation of the Administration.

Styles and Wood Limited (in Administration)

Joint Administrators' time costs to 19 December 2023

	Per revised fee estimate dated 28 April 2023			Actual in this report period			Total actual to 19 December 2023		
	Total hours	Time costs (£)	Average hourly rate (£)	Total hours	Time costs (£)	Average hourly rate (£)	Total hours	Time costs (£)	Average hourly rate (£)
Accounting & Administration	414	96,714	234	43	10,668	247	471	110,812	235
Bank & Statutory Reporting	445	116,553	262	18	4,944	272	451	118,684	263
Creditors	476	114,885	241	15	3,705	256	457	110,795	242
Debtors	208	62,154	299	3	773	249	211	62,942	298
Employee Matters	1,277	305,474	239	1	212	353	1,313	314,144	239
Immediate Tasks	109	26,523	243	3	690	230	112	27,213	243
Investigation & CDDA	85	23,343	275	-	-	-	80	21,973	275
iSite	458	131,818	288	-	-	-	458	131,818	288
Job Acceptance & Strategy	2	460	230	-	-	-	2	460	230
Legal Issues	46	14,661	319	2	667	290	54	17,073	317
Other Assets	242	66,941	277	-	-	-	242	66,966	277
Other Matters	95	25,100	264	7	2,146	290	103	27,507	266
Prescribed Part	187	52,096	279	34	10,660	311	448	123,077	275
Property	114	27,782	244	-	-	-	114	27,782	244
Retention of Title	13	3,183	245	-	-	-	13	3,183	245
Statutory Duties	198	48,863	247	17	5,297	306	223	56,337	253
Trading	15	3,785	252	-	-	-	15	3,785	261
VAT & Taxation	388	96,904	250	46	11,018	241	470	117,285	250
Total	4,772	1,217,239	255	190	50,779	268	5,236	1,341,832	256

Summary of work

The Joint Administrators have incurred time costs in dealing with, inter alia, the following matters:

- ▶ **Accounting and Administration** – includes general administrative duties, preparation for the Company entering Administration, maintaining the Joint Administrators' accounting records including providing the treasury and cashing function.
- ▶ **Bank and Statutory Reporting** – includes statutory reporting to all classes of creditors. Reports include the Joint Administrators Proposals to creditors, six monthly progress reports and filings of documents at Companies House. Also includes separate reporting to the secured creditors.
- ▶ **Creditors** – relates to correspondence with creditors, answering specific creditor queries. Also includes time spent investigating creditor positions or matters brought to the Administrators' attention.
- ▶ **Debtors** – time spent in collecting the outstanding contract balances which are due to the Company. Also includes time spent in assigning the outstanding contracts.
- ▶ **Employee matters** – relates to correspondence and calls with redundant employees, answering queries, filing forms, liaising with the Redundancy Payments Service, processing claims. It includes time spent assisting employees with their preferential claims and processing the preferential dividend. It also relates to dealing with retained employees and processing the monthly payroll. Time has also been spent dealing with employee matters and enquiries in respect of UK Government measures following the COVID-19 outbreak. There were c.280 employees of the Company to deal with. It also includes time spent adjudicating employee unsecured claims in preparation for the prescribed part distribution.
- ▶ **Immediate tasks** – relates to carrying out on appointment tasks and duties such as speaking with the Company directors, requesting key items of information and carrying out day 1 activities.

- ▶ **Investigations & CDDA** – carrying out the investigations required by Statement of Insolvency Practice No. 2 and any issues which the Administrators are made aware by creditors or other parties.
- ▶ **Job Acceptance and Strategy** – time spent in complying with the firm’s internal compliance and job acceptance procedures prior to accepting an appointment.
- ▶ **Legal Issues** – relates to meetings and conversations with our solicitors, Addleshaw Goddard LLP and other legal advisers regarding legal issues arising during the Administration such as dealing ongoing legal claims, creditor related matters, positions on contracts, adjudications and monies held in the pre-appointment accounts.
- ▶ **Other Assets** – principally relates to dealing with the Company’s Technologies businesses, St Ann’s matters and dealing with its Joint Venture Interests.
- ▶ **Other Matters** – relates to time spent on matters arising from the Administration.
- ▶ **Prescribed Part Matters** – time spent in corresponding with c.755 unsecured creditors, requesting further information to substantiate claims, conducting initial reviews of claims, issuing notices to submit claims (including notice of intended dividend) and adjudicating unsecured creditor claims. Further, it also includes time calculating and paying the distribution of a dividend. As previously noted, the time spent on this area of the Administration was funded directly from the Prescribed Part but the fees taken are materially lower than the time incurred.
- ▶ **Property** – time spent dealing with Landlord and other property related issues including arranging vacation of the properties.
- ▶ **Retention of Title** – relates to dealing with Retention of Title claims made against the Company.
- ▶ **iSite** – relates to trading activities, pursuing potential sale opportunities for the Company’s Technologies business and executing a sale of its assets.
- ▶ **Statutory duties** – time spent in complying with statutory matters under insolvency legislation.
- ▶ **Trading** – time spent in insuring continuity of supply of certain services during the period the Administrators continued to occupy the Company’s premises.
- ▶ **VAT and taxation** - investigating the Company’s VAT and corporation tax position up to the date of appointment, preparation and submission of VAT and corporation tax returns for the post appointment period. This also includes time spent on the Group Relief surrender transactions.

Significant time and resource has been expended in dealing with regulatory and statutory matters which the Joint Administrators are required to undertake, however they do not generate any direct financial benefit to creditors.

In particular, these areas relate to time spent on accounting and administration, bank and statutory reporting matters, employee matters, reporting, investigations, job acceptance procedures and statutory duties.

We would highlight that significant time has been spent on dealing with employee matters. This is a key area of the Administration and has also been further impacted by Covid.