

# Joint Liquidators' progress report from 13 July 2021 to 12 July 2022

**BUK Realisations Limited - in liquidation**

8 September 2022

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# Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report

Abbreviation or definition	Meaning
<b>Administrator</b>	Antony Steven Barrell and Michael John Andrew Jervis (21 January 2016 - 13 July 2017) Robert Jonathan Hunt (21 January 2016 - 8 November 2016)
<b>CAPA</b>	Consultiam Property Limited
<b>Company</b>	BUK (Realisations) Limited - (formerly Brantano (UK) Limited) - in Liquidation
<b>Liquidators</b>	Michael John Andrew Jervis from 13 July 2017 and David James Kelly from 30 November 2021 Toby Scott Underwood (10 May 2019 - 30 November 2021) Anthony Steven Barrell (13 July 2017 - 10 May 2019)
<b>Firm</b>	PricewaterhouseCoopers LLP
<b>IR16</b>	Insolvency (England and Wales) Rules 2016
<b>IA86</b>	Insolvency Act 1986
<b>CVL</b>	Creditors' voluntary liquidation
<b>Lender</b>	Alteri Europe, L.P.
<b>Prescribed part</b>	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
<b>Secured creditors</b>	Creditors with security in respect of their debt, in accordance with Section 248 IA86
<b>Preferential creditors</b>	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
<b>Purchaser</b>	Brantano Retail Limited (formerly Lifebelles Limited)
<b>TUPE</b>	The Transfer of Undertakings (Protection of Employment) Regulations 2006
<b>Unsecured creditors</b>	Creditors who are neither secured nor preferential

This report has been prepared by Michael John Andrew Jervis and David James Kelly as Joint Liquidators of the Company, solely to comply with the Joint Liquidators' statutory duty to report to creditors under IR16 on the progress of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any person choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Liquidators' previous reports issued to the Company's creditors, which can be found at [www.pwc.co.uk/brantano](http://www.pwc.co.uk/brantano). Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Michael John Andrew Jervis and David Kelly have been appointed as Joint Liquidators of the Company. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at:  
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.

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# Key messages

## Why we've sent you this report

I'm writing to update you on the progress of the liquidation of the Company in the 12 months since our last report dated 6 September 2021.

You can still view our earlier reports on our website at [www.pwc.co.uk/brantano](http://www.pwc.co.uk/brantano).

## Estimated outcome for creditors

The following table summarises the possible outcome for creditors, based on what we currently know.

<b>Class of creditor</b>	<b>Paid to date (p in £)</b>	<b>Current future estimate (p in £)</b>	<b>Previous estimated (p in the £)</b>
<b>Secured creditor</b>	100	N/A	N/A
<b>Preferential creditors</b>	100	N/A	N/A
<b>Unsecured creditors</b>	7.45	0 - 2	0 - 5

## What you need to do

This report is for your information and you don't need to do anything.

# Overview of what we've done to date

This is our fifth progress report in the liquidation. You may wish to refer to our previous liquidation reports and progress reports from the administration which can be found at [www.pwc.co.uk/brantano](http://www.pwc.co.uk/brantano).

The Company was previously a national retailer of shoes. During the administration, a sale of part of the business including part of the store portfolio was achieved as a going concern. The majority of employees transferred to the Purchaser, mitigating preferential and unsecured employee claims, but redundancies were necessary at the closed stores. The claims of the Secured creditor and the Preferential creditors were met in full during the administration. The Company then entered CVL in order to finalise the realisation of its assets, disclaim the remaining leasehold properties, agree unsecured claims and pay dividends to the unsecured creditors.

Most of these matters were completed in the first year of the liquidation, including payment of a first dividend to unsecured creditors of 7.45p in the £. We have remained in office to pursue a claim in respect of credit card interchange overcharges which could be a material realisation for creditors. Any net realisation from the claim after costs would be available for distribution to the Unsecured creditors.

# Outcome for creditors

## Secured creditors

As explained in our previous reports, the Lender held fixed and floating charges over all of the Company's assets and was repaid in full from realisations achieved during the administration.

## Preferential creditors (mainly employees)

The sale of the majority of the Company's business and assets ensured the transfer of 1,372 employees' jobs to the Purchaser under TUPE. Therefore no preferential claims arose in respect of these employees. The employees of the 57 stores and one concession store that were not included as part of the sale of the business and assets were made redundant. The preferential claims that resulted were paid in full via payroll during the course of trading during the administration.

## Unsecured creditors

Dividends become available for Unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay the Secured and Preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for Secured creditors may be ring-fenced for the benefit of Unsecured creditors. This Prescribed Part is paid out of 'net property', which is floating charge realisations after costs, and after paying – or setting aside enough to pay – Preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

The Prescribed Part applied to the Company as the charges were created and registered at the Companies House subsequent to the order coming into force on 15 September 2003. The maximum Prescribed Part was available of £600,000 and the Company's net property was over £3,000,000.

As both the Secured and Preferential creditors were paid in full, funds over and above the maximum Prescribed Part were available to be distributed to the Unsecured creditors. On 15 December 2017, a first unsecured dividend was declared at 7.45p in the £, and funds of £1,459,646.70 were distributed.

We remain in the office awaiting the outcome of ongoing litigation that could result in a further distribution. The quantum and timing of any realisations is unknown. But, based on what we currently know, we still estimate that a distribution of up to 2p in the £ is a possibility. Further information regarding our work in relation to the ongoing litigation can be found in the next section of this report.

# Progress since we last reported

## Potential credit card claim

The Company is party to ongoing litigation in relation to overcharging for credit card merchant services and is one of a number of claimants in this litigation. We expect that this asset has a realisable value, but the timing and quantum of a settlement is still uncertain because the outcome is dependent on a number of ongoing cases that are complex in nature and therefore causing delay. We continue to liaise with our legal representatives in respect of the claim to ensure there remains to be value for creditors in remaining in office to realise the claim however we are unable to share these details due to the nature of the claim. The costs of our legal representatives are being funded by a third party who will only receive payment should a recovery be achieved.

## Change of Liquidators

Toby Scott Underwood, one of the previous Joint Liquidators, has retired from the Firm. To make sure that outstanding issues in the liquidation continue to be pursued, an application was made to Court to remove him and appoint David James Kelly as Liquidator. David James Kelly is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The application was granted and so David James Kelly replaced Toby Scott Underwood as Liquidator with effect from 30 November 2021. The Court ordered that the costs of the application be borne by PwC. Toby Scott Underwood was released from all liability in respect of his conduct as Liquidator 28 days after the date of advertisement on this order in the London Gazette. Creditors had 28 days following publication of this notice to apply to Court to vary or discharge the Court order. No creditor sought to vary or set aside all or any terms of this order in the given period.

## Statutory and compliance

We have complied with all statutory duties as Liquidators within the last year, including the preparation and filing of the fourth annual progress report with the Registrar of Companies.

## Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice 2.

## Our receipt and payments account

We set out in Appendix A an account of our receipts and payments in the Liquidation from 13 July 2021 to 12 July 2022. We also set out the receipts and payments in the earlier periods of the liquidation and the administration.

During the period of this report there have been no further realisations, and the only payments that have been made are £88.32 in respect of VAT on legal fees.

## Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

## Our fees

We set out in Appendix C an update on our fees, disbursements and other related matters.

## Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9



IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/liquidations-creditor-fee-guide-6-april-2017.ashx?la=en>

You can also get a free of charge copy by telephoning Madeline Finkill on 0113 289 4075.

## Next report

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is sooner.

If you have any questions, please get in touch with Madeline Finkill on 0113 289 4075.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D Kelly', with a long horizontal flourish extending to the right.

David Kelly  
Joint Liquidator

# Appendices

# Appendix A: Receipts and payments

Statement of Affairs	From 21 January 2016 to 12 July 2017	From 13 July 2017 to 12 July 2021	From 13 July 2021 to 12 July 2022	Total
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Fixed Charge</b>			
	<b>Receipts</b>			
2,071,559	Cash at bank	2,071,558.89	-	-
6	Sale of business - goodwill	4.00	-	-
100,000	Sale of business - leases	100,000.00	-	-
	Sale of business - Other leasehold premiums	490,000.00	-	-
<b>2,171,565.00</b>	<b>Total fixed charge receipts</b>	<b>2,661,562.89</b>	<b>-</b>	<b>-</b>
	<b>Payments</b>			
	Property agent fees	44,250.00	-	-
	<b>Total fixed charge payments</b>	<b>44,250.00</b>	<b>-</b>	<b>-</b>
	Distribution to secured creditor under fixed charge	2,071,558.89	-	-
	<b>Net fixed charge realisations</b>	<b>545,754.00</b>	<b>-</b>	<b>-</b>
<b>£</b>	<b>Floating Charge</b>			
	<b>Receipts</b>			
199,994	Sale of business - plant and machinery	199,994.00	-	-
6,927,317	Sale of business - stock	5,870,001.00	-	-
800,000	Sale of business - book debts	800,000.00	-	-
	Sale of business - capital allowances and group relief	1.00	-	-
30,000	Sale of business - cash floats	30,000.00	-	-
73,235	Other cash floats	29,990.00	-	-
2,548,053	Cash at bank and in transit	2,590,996.50	-	-
	Bank interest	9,653.85	4,006.61	247.50
	Misc receipts / refunds (primarily rates)	472,584.77	28,764.67	-
	Funding from purchaser and associated company for payroll	1,888,460.88	-	-
	Funding from purchasers for rent	7,523,433.63	(85,445.71)	-
	Recharge from purchaser for costs associated with lease assignments	170,087.27	-	-
	Third party funds held	115,506.22	(97,218.88)	-
	Net trading receipts	2,290,987.59	(176,384.54)	-
	Biggleswade claim	-	25,000.75	-
	Funding from third party for ongoing litigation	-	13,543.14	-
<b>10,578,599.00</b>	<b>Total floating charge receipts</b>	<b>21,991,696.71</b>	<b>(287,733.96)</b>	<b>247.50</b>
	<b>Payments</b>			
	Finance / bank interest and charges	55,962.47	2,159.01	-
	Administrators' pre-appointment fees	75,795.75	-	-
	Pre-appointment legal fees	15,988.91	-	-
	Administrators' remuneration (time cost basis subject to discount)	1,202,951.35	476,436.84	-
	Liquidators' remuneration (time cost basis subject to discount)	-	160,904.15	-
	Administrators' disbursements	-	12,145.64	-
	Liquidators' disbursements	-	3,850.11	-
	Legal fees and expenses	383,068.10	72,878.94	-
	Insurance	33,697.54	-	-
	Statutory advertising	140.44	146.00	-
	Property agent fees	75,179.13	11,595.01	-
	Payroll paid in relation to purchaser and associated company	1,888,460.88	-	-
	Rent paid in relation to purchasers	7,271,725.98	119,726.03	-
	Creditors meeting costs	166.67	-	-
	Irrecoverable VAT	-	19,406.32	-
	<b>Total floating charge payments</b>	<b>11,003,137.22</b>	<b>879,248.05</b>	<b>-</b>
	Distribution to secured creditor under floating charge	8,805,995.91	-	-
	VAT Control account	(182,127.22)	179,251.82	(88.32)
	<b>Net floating charge realisations</b>	<b>2,000,436.36</b>	<b>(987,730.19)</b>	<b>159.18</b>
				<b>1,012,865.35</b>

Trading	From 21 January 2016 to 12 July 2017	From 13 July 2017 to 12 July 2021	From 13 July 2021 to 12 July 2022	Total
	£	£	£	£
<b>Receipts</b>				
Trading sales	10,363,142.77	-	-	10,363,142.77
Recharge of shared costs from associated company	118,295.45	-	-	118,295.45
<b>Total receipts</b>	<b>10,481,438.22</b>	<b>-</b>	<b>-</b>	<b>10,481,438.22</b>
<b>Payments</b>				
Customer refunds	3,615.30	-	-	3,615.30
Non-stock store purchases	53,282.86	-	-	53,282.86
Direct labour	2,166,148.13	-	-	2,166,148.13
Direct expenses	45,881.72	-	-	45,881.72
Rents	649,461.03	107,992.77	-	757,453.80
Utilities (heat and light, telephone etc.)	161,096.25	58,523.67	-	219,619.92
Rates	853,904.79	6,902.00	-	860,806.79
Logistics costs	142,478.35	-	-	142,478.35
IT costs	100,810.35	-	-	100,810.35
Repairs and maintenance	15,081.22	-	-	15,081.22
Sundry expenses (including marketing costs)	28,325.68	-	-	28,325.68
Trading agent costs and expenses	1,639,604.97	-	-	1,639,604.97
Retention of title	1,735,189.30	-	-	1,735,189.30
Duress	204,387.30	-	-	204,387.30
Office costs, stationery and postage	5,532.01	-	-	5,532.01
Insurance	73,354.77	1,064.00	-	74,418.77
Professional fees	5,472.45	-	-	5,472.45
Third party funds	872.15	-	-	872.15
PAYE/NIC and pension deductions	244,472.36	-	-	244,472.36
Irrecoverable VAT	61,479.64	1,902.10	-	63,381.74
<b>Total payments</b>	<b>8,190,450.63</b>	<b>176,384.54</b>	<b>-</b>	<b>8,366,835.17</b>
<b>Net trading receipts</b>	<b>2,290,987.59</b>	<b>(176,384.54)</b>	<b>-</b>	<b>2,114,603.05</b>

<b>Total net fixed charge realisations</b>	<b>545,754.00</b>	<b>-</b>	<b>-</b>	<b>545,754.00</b>
<b>Total net floating charge realisations</b>	<b>2,000,436.36</b>	<b>(987,730.19)</b>	<b>159.18</b>	<b>1,012,865.35</b>
<b>Distribution to unsecured creditors at 7.54p in the £ declared on 15 December 2017</b>	<b>-</b>	<b>(1,459,646.70)</b>	<b>-</b>	<b>(1,459,646.70)</b>
<b>Cash at bank in an interest bearing account</b>	<b>2,546,190.36</b>	<b>(2,447,376.89)</b>	<b>159.18</b>	<b>98,972.65</b>

## Notes to the R&P

1. Amounts shown exclude VAT. Funds currently held may include monies due to or from HMRC.
2. The directors' statement of affairs included a duplicate amount of £30,000 in respect of cash floats on appointment.
3. As explained in appendix C, our fees are based on time costs. The receipts and payments account shows the amounts paid in the period and to date for the liquidators' fees. There have been no payments made to us, our firm, or our associates other than from the insolvent estate as shown in the receipts and payments account above.

# Appendix B: Expenses

Expenses are amounts properly payable by us as Liquidators from the estate, but excludes our fees and distributions to creditors. These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Category	SIP9 definition
<b>Category 1</b>	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
<b>Category 2</b>	Payments to our Firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the general body of creditors) also has the responsibility for agreeing the policies for payment of Category 2 expenses. During the period of this report, no category 2 expenses were incurred. The following table shows the disbursements incurred in the period.

Category	Cost incurred by	Policy:	Costs incurred (£)
1	PwC	Bonding	10.00
<b>Brought forward as at 12 July 2021</b>			<b>5,219.23</b>
<b>Total incurred to 12 July 2022</b>			<b>5,229.23</b>

The following table provides details of our expenses. Expenses are amounts properly payable by us as Liquidators from the estate and includes our fees, but excludes disbursements to creditors. The table also excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipt and payment account at Appendix A, which show expenses actually paid during the period and the total paid to date.

	Brought forward from preceding period	Incurring between 13 July 2021 to 12 July 2022	Cumulative	Estimated future	Anticipated total	Initial estimate	Variance
	£	£	£	£	£	£	£
<b>Liquidation expenses</b>							
Liquidators' fees	193,681	13,796	207,476	25,000	232,476	189,299	43,177
Office holders' disbursements	5,219	10	5,229	500	5,729	13,000	(7,271)
Lawyers and property agents costs	542,721	-	542,721	20,000	562,721	472,000	90,721
Bank charges	2,159	-	2,159	100	2,259	-	2,259
Statutory advertising	146	-	146	-	146	-	146
Irrecoverable VAT	21,308	-	21,308	-	21,308	-	21,308
<b>Total</b>	<b>765,234</b>	<b>13,806</b>	<b>779,039</b>	<b>45,600</b>	<b>824,639</b>	<b>674,299</b>	<b>150,340</b>

## Notes

1. The Liquidators' fees have been updated to reflect incurred costs after the agreed discount of 15%. The anticipated total Liquidators' fees does not necessarily reflect the level that we may ultimately draw.

2. The brought forward legal and property agents costs has been updated to include costs incurred during the preceding administration. Our lawyers that are instructed to advise us in relation to the ongoing litigation are working on a "no win no fee basis" and therefore while their costs are being incurred currently, their fees will only be deducted from realisations following a settlement of the litigation.

# Appendix C: Remuneration update

During the administration, creditors fixed the basis of the Administrators' fees by reference to time properly given by the Administrators and their staff in dealing with the administration. The fee basis agreed in the administration continues to apply in the liquidation. During the administration, we prepared a Remuneration Report and a total of £40,362 (before the agreed discount of 15%) was not utilised during the administration and therefore was carried forward into the liquidation. We circulated a Remuneration Report for the liquidation on 13 November 2017 with a fees estimate of £148,937 (before the agreed discount of 15%) which was agreed by the Unsecured creditors on 1 December 2017.

The time cost charges incurred in the period covered by this report are £23,846.00 bringing total time costs during the liquidation up to 13 July 2022 to £264,951.97 before the agreed discount of 15%. Our time costs have exceeded our estimate of £189,299 being the amount carried forward from the administration and approved by the Unsecured creditors as fee approving body on 1 December 2017. This is mainly due to the fees estimate being prepared on the basis that the liquidation would last up to 1 year (i.e until July 2018). However, as explained earlier in this report, we believe there is benefit to creditors in keeping the Company in liquidation to realise any value in the ongoing litigation and therefore we may seek further fee approval should funds become available.

We set out later in this Appendix details of our work to date, anticipated future work, expenses, subcontracted work and payments to associates.

## Our hours and average rates

Time spent from 13 July 2021 to 12 July 2022		HOURS							TIME COSTS (£)	AVERAGE HOURLY RATE (£)	TIME COSTS WITH 15% DEDUCTION (£)	
Category of work	General description	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support				Total
<b>Assets</b>		0.20	-	0.70	-	4.30	-	-	5.20	2,461.00	473.27	2,091.85
	Property	0.20	-	-	-	3.75	-	-	3.95	1,789.75	453.10	1,521.29
	Other assets	-	-	0.70	-	0.55	-	-	1.25	671.25	537.00	570.56
<b>Creditors</b>		-	-	-	-	0.25	-	-	0.25	106.25	425.00	90.31
	Creditor enquiries	-	-	-	-	0.25	-	-	0.25	106.25	425.00	90.31
	Unsecured creditors	-	-	-	-	-	-	-	-	-	-	-
<b>Statutory and compliance</b>		2.90	-	1.20	1.75	7.45	2.50	-	15.80	8,167.00	516.90	6,941.95
	Progress reports	0.50	-	1.20	0.95	5.00	0.50	-	8.15	4,003.75	491.26	3,403.19
	Books and records	-	-	-	-	-	-	-	-	-	-	-
	Other statutory and compliance	2.40	-	-	0.80	2.45	2.00	-	7.65	4,163.25	544.22	3,538.76
<b>Tax and VAT</b>		-	-	-	0.05	0.65	-	-	0.70	302.50	432.14	257.13
	Tax	-	-	-	-	-	-	-	-	-	-	-
	VAT	-	-	-	0.05	0.65	-	-	0.70	302.50	432.14	257.13
<b>Administration</b>		-	-	0.25	1.85	8.25	1.60	-	11.95	5,193.25	434.58	4,414.26
	Remuneration report	-	-	-	0.50	-	-	-	0.50	344.50	-	292.83
	Strategy & planning	-	-	0.25	1.30	7.00	-	-	8.55	3,834.25	448.45	3,259.11
	Accounting and treasury	-	-	-	0.05	1.25	1.60	-	2.90	1,014.50	349.83	862.33
		3.10	-	2.15	3.65	20.90	4.10	-	33.90	16,230.00	478.76	13,795.50
<b>Brought forward as at 12 July 2021</b>									1,051.31	241,105.97	229.34	193,680.77
<b>Total</b>									1,085.21	257,335.97	237.13	207,476.27

Category of work	Fees estimate		13 July 2017 - 12 July 2022		Remaining	
	Hours	£	Hours	£	Hours	£
Assets	12.50	3,101.50	81.90	9,126.10	(69.40)	(6,024.60)
Creditors	414.50	100,325.00	530.64	96,304.92	(116.14)	4,020.08
Employees and pensions	6.00	1,416.00	5.80	1,879.00	0.20	(463.00)
Statutory and compliance	69.50	18,677.50	183.00	55,649.80	(113.50)	(36,972.30)
Tax and VAT	33.00	8,832.00	56.45	21,815.35	(23.45)	(12,983.35)
Administration	53.50	16,585.00	154.87	35,158.40	(101.37)	(18,573.40)
<b>Total hours and costs</b>	<b>589.00</b>	<b>148,937.00</b>	<b>1,012.66</b>	<b>219,933.57</b>	<b>(423.66)</b>	<b>(70,996.57)</b>
Remaining administration tasks	139.00	40,362.00	72.55	37,402.40	66.45	2,959.60
<b>Total Overall</b>	<b>728.00</b>	<b>189,299.00</b>	<b>1,085.21</b>	<b>257,335.97</b>	<b>(357.21)</b>	<b>(68,036.97)</b>

## Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidation. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

Grade	Up to 30 June 2022 £	From 1 July 2022 £
<b>Partner</b>	980	980
<b>Appointment taking director</b>	740	960
<b>Director</b>	740	915
<b>Assistant director</b>	625	900
<b>Senior Manager</b>	625	860
<b>Manager</b>	525	730
<b>Senior Associate</b>	425	515
<b>Associate</b>	280	375
<b>Support staff</b>	130	160
<b>Offshore professional</b>	280 - 425	375 - 515

Reflecting the increasingly mobile and flexible nature of the PwC workforce and the narrowing of our London and regional cost bases we have moved to one uniform rate card for our standard restructuring and insolvency services from 1 July 2022. This is in line with other parts of PwC, and is also consistent with wider insolvency market practice. We will continue to have a separate rate card for specialist services including our tax, data and technologist support.

Should an increase in charge out rates result in our time costs exceeding the fee estimate provided to creditors at the time we sought approval of the basis of our remuneration, we will need to seek approval from the relevant creditor body in order to draw fees in excess of that estimate.

We have a diverse range of experience and capability within our director and senior manager teams. We have created two further grades within this population to reflect different levels of experience. We have differentiated between those directors who take insolvency appointments and lead insolvency cases (thereby providing considerable leverage to our appointment taking partners and reducing overall costs to insolvent estates), and those directors who help to support the delivery of our insolvency strategy. We have also created differential rates in our senior manager team, acknowledging those insolvency qualified and long serving insolvency experienced senior managers separately from those who are not yet insolvency qualified.

Role descriptions applicable to the new rates are below. In addition, as the range of work that may be undertaken by our offshore professional colleagues increases, we also provide updated information for that role.

Title	Description
<b>Appointment taking director</b>	A licensed insolvency practitioner acting as an office holder on the insolvency appointment and subject to additional office-holder responsibilities compared to a Director who is not an appointed office-holder. Highly experienced in insolvency matters at a senior level, including managing complex insolvencies and supervising teams.



<b>Assistant director</b>	Individuals of Senior Manager title but who are highly experienced in insolvency matters and either with more than 10 years insolvency experience at Senior Manager level or are qualified to JIEB level.
<b>Offshore Professional</b>	Offshore professional colleagues may provide assistance, albeit that the majority of the work on this case will be undertaken by the UK based team. An off-shore professional at the higher end of the fee bracket generally has appropriate insolvency experience or an accounting qualification, depending on the nature of the work and will assist with planning and control of various aspects of the insolvency. An off-shore professional at the lower end of the fee bracket will typically have a finance-related qualification and appropriate skills to complete basic insolvency related tasks and provide administrative support to the team including efficient document preparation and data entry, records management, and general data analytics. All work under the supervision of more senior staff.

We call on colleagues such as those in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. We may also utilise Technology Specialists from the wider Business Restructuring Services team or other parts of our firm. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	From 1 July 2021 £	From 1 April 2022 £
<b>Partner</b>	1,680	1,810
<b>Director</b>	1,540	1,660
<b>Senior Manager</b>	1,425	1,570
<b>Manager</b>	860	950
<b>Senior Associate</b>	640	690
<b>Associate</b>	345	375
<b>Support staff</b>	230	205

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

## Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

## Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors or whether it was required by statute
<b>Assets</b>		
<ul style="list-style-type: none"> <li>Liaising with our solicitors regarding the ongoing litigation including the potential outcome and timing</li> </ul>	<ul style="list-style-type: none"> <li>To realise remaining value in the ongoing litigation</li> </ul>	<ul style="list-style-type: none"> <li>To maximise realisations available to creditors</li> </ul>

- Agreeing the renunciation of a Scottish lease with the landlord and their legal advisors
- Required to deal with remaining lease
- No direct financial benefit

#### Creditors

- Responding to ad hoc enquiries from creditors
- To provide all parties with the relevant information
- No direct financial benefit

#### Statutory & Compliance

- Preparing and review of the fourth annual progress report
- Filing the fourth annual progress report with the Registrar
- Dealing with and responding to general correspondence
- To meet all statutory requirements
- Required by statute or regulation

#### Tax & VAT

- Reviewing VAT invoices received for payment and tracking VAT available to recover from HMRC
- To recover all available VAT
- To ensure all monies have been recovered for creditors

#### Administration

- Processing payments and receipts
- Completing bank reconciliations
- Internal case progression meetings
- Review of time costs against fees estimate
- To manage the funds of the liquidation
- To efficiently manage the funds of the liquidation
- To plan for an efficient closure of the liquidation

## Our future work

We still need to do the following work in the liquidation. Please note this estimate does not include the costs of distributing a final dividend given the uncertainty regarding the timing of such dividend.

Work undertaken	Estimated cost (£)	Whether or not the work will provide a financial benefit to creditors
<b>Assets</b>		
<ul style="list-style-type: none"> <li>• Continue to pursue the ongoing litigation and determine what value can be realised.</li> </ul>	<ul style="list-style-type: none"> <li>• 5,000</li> </ul>	<ul style="list-style-type: none"> <li>• To realise any potential value on behalf of the creditors</li> </ul>
<b>Creditors</b>		
<ul style="list-style-type: none"> <li>• Dealing with and responding to ad hoc creditor queries</li> </ul>	<ul style="list-style-type: none"> <li>• 1,000</li> </ul>	<ul style="list-style-type: none"> <li>• To provide creditors with the requested information</li> </ul>
<b>Statutory &amp; Compliance</b>		
<ul style="list-style-type: none"> <li>• Prepare and distribute this annual report</li> <li>• Prepare and distribute the final account</li> <li>• Filing the required forms with the Registrar</li> </ul>	<ul style="list-style-type: none"> <li>• 15,000</li> </ul>	<ul style="list-style-type: none"> <li>• To meet statutory requirements</li> <li>• To update creditors of the progress in the liquidation</li> </ul>

## Tax & VAT

- Preparing and finalising a VAT 426 before closure
- 1,000
- To ensure all recoverable amounts have been refunded

## Administration

- Final payments and receipts
- Closure of the Liquidation bank account
- Obtaining necessary clearances from agents
- Closure of internal systems
- 3,000
- To efficiently manage the liquidation

## Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

## Details of subcontracted work

No work which our staff would normally do have been subcontracted during the period of this report and we do not anticipate such requirements in the future.

## Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm/organisation	Reason selected	Basis of fees
<b>Legal services, including:</b> <ul style="list-style-type: none"><li>• Ad hoc advice regarding property disposal</li><li>• Lease disclaimers</li></ul>	Eversheds LLP	Insolvency expertise	Time costs
<b>Legal services, including:</b> <ul style="list-style-type: none"><li>• Credit card litigation</li></ul>	iLaw Solicitors Ltd	Expertise	Time costs
<b>Property advice:</b> <ul style="list-style-type: none"><li>• Identifying and recovering potential rates recoveries</li></ul>	CAPA The Coupers Partnership Exacta Plc	Expertise and industry knowledge	% of realisations
<b>Property advice:</b> <ul style="list-style-type: none"><li>• Reviewing historic rateable values and identifying recoveries</li></ul>	GL Hearn Ltd	Expertise	% of realisations

# Appendix D: Other information

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<b>Company's registered name:</b>	BUK (Realisations) Limited (formerly Brantano (UK) Limited)
<b>Trading name:</b>	Brantano
<b>Registered number:</b>	03472784
<b>Registered address:</b>	Central Square, 29 Wellington Street, Leeds, LS1 4DL
<b>Date of the Liquidators' appointment:</b>	13 July 2017
<b>Liquidators' names, addresses and contact details:</b>	<p>Michael John Andrew Jervis of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT David James Kelly from 30 November 2021 of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT</p> <p>Toby Scott Underwood (10 May 2019 - 30 November 2021) of PricewaterhouseCoopers LLP, 8th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL</p> <p>Anthony Steven Barrell (13 July 2017 - 10 May 2019) of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Herald Way, East Midlands, DE74 2US</p> <p>Contact number: 0113 289 4075</p>

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