

BUK (Realisations) Limited - in liquidation

Remuneration Report: Request to revise the initial
fees estimate

14 April 2023

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1. Abbreviations and definitions

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

Abbreviation or definition	Meaning
Firm	PricewaterhouseCoopers LLP
Administrators	Anthony Steven Barrell and Michael John Andrew Jervis (21 January 2016 - 13 July 2017) Robert Jonathan Hunt (21 January 2016 - 8 November 2016)
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
The Company	BUK (Realisations) Limited - in liquidation Previous Company names: Brantano (UK) Limited (7 January 1998 - 2 March 2016) Broomco (1417) Limited (28 November 1997 - 7 January 1998)
Company Number	03472784
CVL	Creditors' Voluntary Liquidation
BRL	Brantano Retail Limited - in Administration
Lender	Alteri Europe L.P.
Preferential creditors	Creditors with claims for: <ol style="list-style-type: none">1. unpaid wages for the whole or any part of the period of four months before 21 January 2016 (up to a maximum of £800);2. accrued holiday pay for any period before 21 January 2016; and3. unpaid pension contributions in certain circumstances.
Prescribed part	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
RPS	Redundancy Payments Service (part of the Insolvency Service, an executive agency of the Department for Business, Energy & Industrial Strategy)
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
SIP	Statement of Insolvency Practice (issued by regulatory authorities, setting out principles and key compliance standards with which insolvency practitioners are required to comply)
The Liquidator(s) / we / I	David James Kelly (30 November 2021 - present) Victoria Ann Hatton (23 March 2023 - present) Michael John Andrew Jervis (13 July 2017 - 4 January 2023) Toby Scott Underwood (10 May 2019 - 30 November 2021) Anthony Steven Barrell (13 July 2017 - 10 May 2019)
Unsecured creditors	Creditors who are neither secured nor preferential

Death of liquidator

We regret to advise that Michael Jervis, one of the Joint Liquidators, sadly passed away on 4 January 2023. We confirm that the required notifications have been made in accordance with the relevant legislation. At this stage of the liquidation process, in the interim, the remaining liquidator has continued to progress the liquidation.

We have taken steps to appoint a Joint Liquidator and an application was made to the Court on 8 March 2023, an order was made on 23 March 2023 appointing Victoria Ann Hatton as Joint Liquidator.

David Kelly and Victoria Hatton are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The 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 Liquidators may act as controller 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 Liquidators. Personal data will be kept secure and processed only for matters relating to the Liquidator's appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Liquidators.

2. Background

2.1 Purpose of this report to creditors

We are writing to you to request the approval of creditors to an uplift in the amount of the Joint Liquidators' fees for our work in the liquidation.

We previously circulated two remuneration reports to creditors in the preceding Administration dated 15 March 2016 and 19 August 2016. A further remuneration report was also circulated to creditors in the CVL, dated 13 November 2017.

During the Administration, an initial meeting of creditors was held on 30 March 2016 for the purpose of agreeing our remuneration. The general body of creditors approved our fees on a time costs basis, subject to a 15% deduction on post-Administration time costs in excess of £792,000.

On 8 September 2016, the general body of creditors agreed to an uplift of the Administrators' fees, by correspondence, to time costs totalling £1,876,348 (£1,713,786 after 15% deduction).

The fees estimates of the Administration of the Company were produced taking into account the expected subsequent CVL. We informed creditors at the time that we would revert to creditors should we need to agree a revised fees estimate, particularly to deal with the costs of agreeing creditor claims and paying an unsecured dividend in the CVL. As such, the liquidators issued a remuneration report on 13 November 2017, requesting creditor approval for the CVL fees to be agreed on a time costs basis up to £148,937 (£126,596 after 15% deduction) over and above the previous estimate for the period of the administration. Creditors agreed to the proposed fees estimate and the liquidators CVL fees were approved on 1 December 2017. Taking into account the unused element of the fee estimate carried over from the administration, this meant that our discounted fee estimate for the liquidation was £160,904, and this acts as a cap of the amount of fees we can draw as Liquidators.

This fees estimate was made on the assumption that the CVL would last no more than one year, there would be no further asset realisations or litigation and that there would only be one distribution paid out of the assets already realised.

In the subsequent 5 years, we have pursued litigation in respect of the overcharging of interchange fees; this has successfully resulted in a settlement and realisation into the liquidation estate, allowing a further distribution to be paid to the unsecured creditors. We are therefore asking creditors to approve an uplift in the liquidators' fee estimate to £218,904, an increase of £58,000. This represents a recovery of approximately 46% of our estimated costs over and above the previously approved fee estimate amount.

We are asking creditors to approve our fee increase request resolution by means of a decision by correspondence. Copies of the decision notices and voting papers are attached to this document. Please consider the information in this document and then vote on resolutions. The voting forms should be returned to be received by the Liquidators by 23.59 hours on **10 May 2023**.

This document provides you with the information needed to consider how you should vote on these resolutions. There is further information available in the progress reports previously circulated to creditors; copies of these reports can be found on the case websites, which are detailed at the end of this letter.

2.2 Estimated outcome for creditors

The following table gives our current estimates on the likely return for the various classes of creditors. We caution creditors against using data in this report as a basis for estimating the value of their claims or their likely eventual entitlement to payment from the Company's assets.

Table 1 – Dividend prospects

Class of creditor	Previously paid	Forecast return	Timing
Secured creditors	100p/£	N/A	N/A
Preferential creditors	100p/£	N/A	N/A
Unsecured creditors	7.45p/£	0.5 - 1p/£	3 - 6 months

2.3 Actions required by you

We are asking the general body of creditors of the Company to consider an increase in our fees estimate on a discounted time costs basis, subject to the limit of the revised fee estimate (outlined below).

As required by IR16, we will be asking whether creditors wish to appoint a liquidation committee to assist in the CVL. We are not seeking the appointment of a committee at this time as we consider this would be of limited or no benefit to the CVL.

Please read this Remuneration Report carefully before voting on the uplift of our fees estimate.

Creditors' rights

You can find information on liquidators' fees and your rights at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/liquidations-creditor-fee-guide-1-april-2021.ashx?la=en>

3. Our revised fees estimate

3.1 Summary

This section provides the following information:

- Details of the work we propose to undertake (or have already undertaken);
- The hourly rates we propose to charge for each part of that work;
- The time we anticipate each part of the work will take; and
- Whether we think it will be necessary to seek approval to exceed the amount of the estimate, and if so, why.

A breakdown of our approved remuneration as Liquidators, is outlined below:

Insolvency Type	Basis	Approved fees estimate	Approving body	Decision Procedure	Approval date
CVL	Time costs	£160,904 (being time costs of £189,299 discounted at 15%)*	General body of creditors	By correspondence	1 December 2017

**£40,362 (£34,308 after 15% deduction) of the agreed fees estimate approved on 8 September 2016, was not utilised in the Administration of the Company due to the Company being placed into CVL (in order to disclaim any leases where a surrender was not agreed); creditors approved an uplift of £126,596, giving a fee estimate for the CVL of £160,904.*

The total amount of our proposed increase to our already approved fees estimate is £58,000. On the next page, a table summarises our time costs incurred to date and future work still to complete by area of work. As can be seen in the table, we have already incurred time costs significantly in excess of £58,000 over the previously agreed fees estimate.

In suggesting this uplift we are taking account of the following:

- Our previous estimate assumed that the liquidation would be completed within one year, that only one dividend would be paid to the creditors, and that the liquidation would not remain open to pursue any further claims that the Company may have.
- The Company was party to a group action in relation to claims made in respect of historic overcharging of interchange charges in relation to creditor card payments made to the Company (further details are set out below). The claim was potentially significant, and the inclusion of the Company in a funded group claim meant that the downside costs (other than the costs of the CVL remaining open) were limited. We therefore decided it was in the interest of the creditors to keep the liquidation open, pending a resolution of these claims. As almost all funds had been already distributed to creditors, the time spent by the Liquidators was effectively at contingent risk.
- The progress of the claims to conclusion took longer than was anticipated, meaning that the liquidation has remained open five years longer than assumed at the time of our last fee request.
- The claims have now been settled resulting in additional realisations into the liquidation for the benefit of creditors.
- We are requesting an uplift heavily discounted on our actual time costs incurred, to reflect the additional five years of work, the successful realisation into the estate, and the payment of a second dividend to unsecured creditors.

Time costs are shown at the hourly rates set out later. This fees estimate covers the statutory tasks required during the CVL and the costs of distributing the available funds by way of an unsecured dividend.

Interchange claims

The Company was a member of a group claim, but it was highly uncertain that the Interchange claim would result in value for the estate and when. At that time there were court cases proceeding between other claimants and Mastercard/Visa; it was thought likely that if these went the right way, there would be a fairly quick commercial settlement with Mastercard/Visa. Alternatively, if these cases were not helpful the claims could fall away.

Due to the uncertainty, we did not include any time for dealing with the Interchange claim in the fee estimate, and no mention of work on the claim was included in the remuneration report issued on 13 November 2017. The

remuneration report also noted that the fees estimate was based on the assumption that the CVL would be closed within one year. The dividend was declared as a first and final dividend to unsecured creditors on 15 December 2017, rather than an interim.

As the court cases subsequently progressed, advice suggested it was worth keeping the CVL open in the expectation that there would be a settlement of reasonable size (and we started to see settlements made on other cases supporting this).

The liquidators believe the crucial reason is that the fee estimate assumed a 12 month period for the liquidation, so once the liquidation was kept open longer for this matter, it was clear that the fee estimate would need to be revised. The first annual progress report stated: "We think that our time costs will exceed our initial estimate of £189,299 (including the remaining administration fee of £40,362 and liquidation fee of £148,927, both before discount of 15%), the amount approved by the unsecured creditors as fee approving body but the amount that it will be exceeded by cannot be estimated until the litigation process is finalised and we know how long we will be in office. Further fee approval may be requested if funds become available from the ongoing litigation" The only outstanding matter listed in that progress report was the interchange claim which has now been settled.

In the period since our appointment in the CVL, to 6 March 2023, we have incurred time costs of £291,752. Work done to date in the CVL, includes outstanding Administration tasks.

Table 2 – Time costs

Category of work	Previous fees estimate		Incurred from 13 July 2017 to 6 March 2023		Average hourly rate	Future costs estimate		Revised fees estimate	
	Hours	£	Hours	£	£ / hour	Hours	£	Hours	£
Assets	12.50	3,102	85.75	11,638	135.72	8.50	4,000	94.25	15,638
Creditors	414.50	100,325	537.84	100,644	187.13	1.80	1,000	539.64	101,644
Employees and pensions	6.00	1,416	6.75	2,804	415.41	1.10	500	7.85	3,304
Statutory and compliance	69.50	18,678	220.40	77,293	350.69	15.00	12,500	235.40	89,793
Tax and VAT	33.00	8,832	56.50	21,841	386.57	2.20	1,000	58.70	22,841
Administration	53.50	16,585	163.72	40,131	245.12	4.20	3,000	167.92	43,131
Total hours and costs	589.00	148,937	1,070.96	254,350	237.50	32.80	22,000	1,103.76	276,350
Remaining administration tasks	139.00	40,362	72.55	37,402	515.54	-	-	72.55	37,402
Total Overall	728.00	189,299	1,143.51	291,752	255.14	32.80	22,000	1,176.31	313,752
Discount		28,395							94,848
Revised estimate		160,904							218,904

Our total remuneration cannot exceed the total amount of this fees estimate without prior consent from the fee approving body.

The above table provides a comparison of the actual costs incurred on the various areas of work to 6 March 2023, to the approved fees estimate. To facilitate such a comparison, we report costs on the same basis and use our normal rates.

3.2 Work we propose to undertake / have undertaken in the CVL

The following table provides details of the work we propose to do (indicated by) , have already done (✓) or which is in progress (◻). It provides a brief summary for each category rather than an exhaustive list of all possible tasks. The fees estimate for each category is also shown, together with costs incurred to 6 March 2023.

Table 3 – Work undertaken since our previous remuneration report

Category of work	General description	Work included
Assets	Litigation	<ul style="list-style-type: none"> • Liaising with advisors in relation to realisable value of the interchange claim ✓ • Managing process and requesting updates in relation to the realisation of the interchange claim ✓ • Reviewing and agreeing the settlement agreement for the Company's interest in the interchange claim ✓
	Property	<ul style="list-style-type: none"> • Disclaiming leasehold property in liquidation ✓
	Insurance	<ul style="list-style-type: none"> • Corresponding with insurer regarding initial and ongoing insurance requirements □ • Review and payment of the final insurance payments following the lease disclaimers □
Creditors	Creditor enquiries	<ul style="list-style-type: none"> • Receiving and following up creditor enquiries via telephone, email and post □
	Unsecured claims	<ul style="list-style-type: none"> • Dealing with proofs of debt for dividend purposes and maintaining register with claim details □ • Preparing correspondence to potential creditors inviting lodgment of proof of debt □ • Calculating employee unsecured claims and contacting employees to agree their claim amount □ • Adjudicating claims, including requesting further information from claimants □ • Updating creditor information as required □ • Preparing correspondence to claimant advising outcome of adjudication and advising of intention to declare dividend □ • Advertising intention to declare dividend ✓ • completing the dividend process and declaring and paying a dividend to unsecured creditors in respect of the first dividend ✓ • Conducting necessary internal sanction checks before payment of second distribution □ • Calculating dividend rate and preparing dividend file □ • Preparing correspondence to creditors announcing declaration of second dividend □ • Preparing and paying distribution to creditors □ • Reissuing any necessary distribution payments □ • Payment of any unrepresented distribution cheques to the Insolvency Service Account □
Employees and pensions	Pensions	<ul style="list-style-type: none"> • Dealing with general pension scheme issues and the Pension Protection Fund □
Statutory and compliance	Remuneration report	<ul style="list-style-type: none"> • Preparing and circulating to creditors two reports giving details of the work we expect to carry out during the case, our fees estimate and the expenses that are likely to be incurred. □
	Case reviews	<ul style="list-style-type: none"> • Conducting case reviews after the first month, then every six months □

	Progress reports	<ul style="list-style-type: none"> • Preparing and issuing five periodic progress reports to creditors and the Registrar <input type="checkbox"/> • Issuing a final account to creditors on closure <input type="checkbox"/>
	Other resolutions	<ul style="list-style-type: none"> • Preparing documents and information for the purpose of obtaining approval to revise our fees and other matters in the CVL <input type="checkbox"/>
	Books and records	<ul style="list-style-type: none"> • Dealing with records in storage <input type="checkbox"/> • Sending job files to storage <input type="checkbox"/>
	Other statutory and compliance	<ul style="list-style-type: none"> • Filing of documents <input type="checkbox"/> • Updating checklists and diary management system <input type="checkbox"/>
Tax & VAT	Tax	<ul style="list-style-type: none"> • Liaising with HMRC and obtaining tax clearance <input type="checkbox"/>
	VAT	<ul style="list-style-type: none"> • Preparing a VAT reconciliation and ensuring all available VAT recoveries have been made <input type="checkbox"/> • Liaising with HMRC and obtaining necessary clearances <input type="checkbox"/>
Administration	Strategy and planning	<ul style="list-style-type: none"> • Preparing fee budgets & monitoring cost <input type="checkbox"/> • Monitoring progress and strategy on the interchange claims • Holding team meetings and discussions regarding status of the CVL <input type="checkbox"/>
	Accounting and treasury	<ul style="list-style-type: none"> • Opening and closing bank accounts and arranging facilities <input type="checkbox"/> • Dealing with receipts, payments and journals not relating to trading <input type="checkbox"/> • Carrying out bank reconciliations and managing investment of funds <input type="checkbox"/> • Corresponding with bank regarding specific transfers <input type="checkbox"/>
	Closure procedures	<ul style="list-style-type: none"> • Withdrawing undertakings not relating to trading and obtaining clearances from third parties <input type="checkbox"/> • Completing checklists and diary management system <input type="checkbox"/> • Closing down internal systems <input type="checkbox"/>

Included in the above table are tasks that we must perform that may not directly benefit creditors financially. These typically relate to fulfilling obligations imposed by statute or regulatory bodies.

3.3 Our time charging policy and hourly rates

The time we charge to the liquidation is by reference to the time properly given by our staff and us in attending to matters arising.

It is our policy to delegate tasks to appropriate members of staff considering their level of experience and any requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or the liquidators personally.

Set out below are the relevant maximum charge-out rates per hour worked for the grades of staff actually, or likely to be, involved on this assignment.

All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged. Time is charged by reference to actual work carried out on the assignment in six minute units. The minimum time charged is three minutes (i.e. 0.05 units). There has been/will be no allocation of any general costs or overhead costs. These rates will apply to each part of our work.

Specialist departments with our firm, such as Tax, VAT, Real Estate and Pensions are also used where their expert advice and services are required. We may also utilise Technology Specialists from the wider Restructuring and Forensics team or other parts of our firm, for example to gather, secure or extract company data or create a case specific digital tool to enable data to be processed efficiently. The rates applied to such specialists do vary but the figures below provide an indication of the maximum rate per hour.

Table 4 – Charge-out rates

With effect to 1 July 2022 Grade	Maximum rate per hour (£)	Specialist maximum rate per hour (£)
Partner	980	1,175
Appointment taking director	960	N/A
Director	915	1,085
Assistant Director (not appointee)	900	N/A
Senior manager	860	980
Manager	730	795
Senior associate	515	575
Associate	375	415
Offshore professionals - Senior Associate	515	515
Offshore professionals - Associate	375	375
Support staff	160	145

The previously agreed basis of our fees requires a 15% deduction to be made to the hourly rates shown above, across all grades. As noted above, our requested uplift in fee estimate applies a more significant discount, approximating to around 30% of our anticipated costs in the CVL.

For details about our previous charge out rates, please refer to the Liquidators' annual progress reports which are available to view and download on the case website: www.pwc.co.uk/brantano.

In common with all professional firms, hourly rates increase from time to time over the period of the CVL (for example to cover annual inflationary cost increases). Any material amendments to these rates will be advised to the fee approving body when seeking fee approval, and to creditors in our next statutory report.

3.4 Roles and grades of staff

The following descriptions of each grade of standard staff are a general guide only. From time to time there may be persons working on this assignment who, because of their skills and experience, are employed in positions where they may not necessarily meet all of these qualifications.

Title	Description
Partner	A licensed insolvency practitioner with extensive experience of insolvencies. A partner in PwC and senior member of management with ultimate responsibility (along with joint appointees) for the conduct of the insolvency and decisions on a case. If not an office-holder in relation to the appointment (usually only on large and complex appointments), may be qualified to accept appointments in their own right. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.
Appointment taking director	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

Director (not appointee)	Individuals highly experienced in insolvency matters at a senior level, including managing complex insolvencies and supervising teams. They may be a licensed insolvency practitioner but are not an appointed office-holder in relation to this insolvency. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.
Assistant director	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.
Senior manager	Experienced in insolvency matters with strong technical knowledge and commercial skills. Capable of supervising teams, often with a project management role on larger cases and/or responsibility for complex aspects of larger matters. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills. Grades of Senior Manager and below have delegated authority to make decisions on behalf of the appointed office-holders in certain aspects of a case.
Manager	Experienced in insolvency matters with well-developed technical and commercial skills. Capable of supervising smaller teams, and can take day-to-day responsibility for smaller to medium matters, or aspects of more complex matters. Alternatively, may have management, business, or industry skills, or a combination of skills.
Senior Associate	Generally has an insolvency qualification or accounting qualification. Assists with planning and control of various aspects of the insolvency, but is primarily responsible for completing fieldwork and/or compliance related matters under the supervision of more senior staff.
Associate	Has appropriate skills to provide administrative support to the team including efficient document preparation and data entry, records management, and general data analytics. Often a part-qualified accountant or works regularly on insolvency matters.
Offshore professionals	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 high 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 low 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.
Support staff	Has appropriate skills to provide administrative support to the team.

3.5 Further approval

Creditors should be assured that the provision of a fees estimate will not affect the proper conduct of the liquidation. If the necessary work exceeds (or is likely to exceed) that included in the fees estimate, we can seek consent, usually from the fee approving body, for our fees to exceed the fees estimate.

Given that no further asset realisations are anticipated and the second dividend to unsecured creditors will distribute the remaining funds in the liquidation, we do not anticipate any circumstances where we would make a future request to creditors for an uplift in our fees. In our periodic progress reports, we will keep creditors updated on how our fees are comparing to the revised fees estimate.

4. Expenses

4.1 What is an expense?

Expenses are amounts properly payable by the office holder from the estate but excludes our fees and dividends to creditors. These include disbursements, which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment. They fall into two categories: Category 1 and Category 2:

Disbursement	SIP9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to associates or which have an element of shared costs.

We don't need approval from creditors to pay 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 which approves our fees (in this case the general body of creditors) also has the responsibility for agreeing the policies for payment of Category 2 expenses.

The rate for services provided by the Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. All other disbursements to be charged at cost.

The table below shows the Category 2 expenses that we think will be incurred in relation to the liquidation and our proposed policy for recovering these costs:

Photocopying	Up to 5 pence per side copied, only charged for circulars to creditors and other bulk copying.
Mileage	At a maximum of 67 pence per mile (up to 2,000cc) or 92 pence per mile (over 2,000cc)

Our firm's disbursements policy allows for all properly incurred expenses to be recharged to the case.

We provide details of the disbursements incurred by our firm since our last progress report in the table below:

Category	Cost incurred by	Policy:	Costs incurred (£)
1	PwC	Courier charges	4.56
Brought forward as at 12 July 2022			5,229.23
Total incurred to 6 March 2023			5,233.79

4.2 Our expenses estimate

The following table shows expenses incurred to date and an estimate of further expenses we consider will be (or are likely to be) incurred.

The total expenses estimate for the CVL is £846,882.

This estimate excludes any expenses incurred in the Administration that have been paid from the liquidation estate, and any potential tax liabilities that may be payable as an expense of the CVL as the amounts of tax due will depend on the position at the end of the tax accounting period. This expenses statement includes any expenses that we expect to incur and pay in the CVL and expenses we incurred in the Administration but still expect to pay in the liquidation.

Table 5 – Expenses estimate

Liquidation expenses (£)	Brought forward from 12 July 2022	13 July 2022 to 6 March 2023	Cumulative	Estimated future	Anticipated total
Liquidators' fees (note 1)	257,335.97	34,416.50	291,752.47	22,000.00	313,752.47
Liquidators' disbursements	5,229.00	4.56	5,233.56	500.00	5,733.56
Lawyers and agents costs (note 2)	542,721.00	0.00	542,721.00	0.00	542,721.00
Bank charges	2,159.00	0.00	2,159.00	100.00	2,259.00
Statutory advertising	146.00	0.00	146.00	90.00	236.00
Irrecoverable VAT	21,308.00	0.00	21,308.00	0.00	21,308.00
Total	828,898.97	34,421.06	863,320.03	22,690.00	886,010.03

The anticipated total for the trading expenses and Administrators' fees included any payments that were made during the Administration. Our initial estimate can be found in the Administrators' Proposals dated 15 March 2016 and should be read in conjunction with our progress reports during the Administration all of which can be found at our website www.pwc.co.uk/brantano.

Notes

1. The Liquidators' time costs are shown here at full charge out rates, before the application of any discounts.
2. Consistent with our presentation in prior progress reports, this includes expenses incurred in the prior administration of approximately £458,000.

5. Professionals and subcontractors

The table below outlines the use of sub-contractors (work we could have done, but have outsourced), with reasons why we have subcontracted the work rather than undertaken it ourselves.

Table 6 – Professionals and subcontractors

Service provided	Name of firm	Reason selected	Basis of fees
Legal advice, including: <ul style="list-style-type: none"> • Ad-hoc advice regarding property disposal • Lease disclaimers 	Eversheds LLP	Insolvency expertise	Time costs
Property advice <ul style="list-style-type: none"> • Identifying potential rates refunds • Pursuing rates recoveries 	CAPA	Expertise and industry knowledge	% of realisations
Property advice <ul style="list-style-type: none"> • Identifying potential rates refunds • Pursuing rates recoveries 	The Coupers Partnership	Expertise and industry knowledge	% of realisations
Property advice <ul style="list-style-type: none"> • Reviewing historic rateable values and identifying recoverable amounts 	GLH	Expertise	% of realisations

Please note that:

- All firms listed above were instructed during the CVL. For a list of all firms instructed during the Administration, see the Administrators' final progress report dated 30 June 2017 at www.pwc.co.uk/brantano;
- Prior to any payment being made, invoices are reviewed and checked to the terms agreed at the outset of instruction; and
- Where fees are charged on a time costs basis, a breakdown of such costs is requested and reviewed prior to payment being made.

6. Notes and assumptions

6.1 Fees estimate

Our proposed increase to the already approved fees estimate has been produced based on the following assumptions:

- There are no further assets to realise in the CVL;
- there are no significant new creditor claims received and, if such claims are rejected, there is no appeal of our adjudications to the Court ; and
- there are no new matters which prevent us from concluding the liquidation in the next 6 months.

We expect the CVL will have concluded prior to the end of the next reporting period on 12 September 2023.

6.2 Expenses

We have assumed that there will be no further professional advice required in the CVL, so the only expenses to be incurred will be bank charges and costs associated with declaring and paying the dividend.

6.3 Associates

The liquidators have no business or personal relationships with parties responsible for approving remuneration or who provide services to the liquidators in respect of the appointment where the relationship could give rise to an actual or perceived conflict of interest.

All transactions are on a purely commercial basis and parties have been chosen based on their expertise in accordance with the needs of the CVL.

Liquidators' Receipts & Payments Account

Statement of Affairs	From 21 January 2016 to 12 July 2017	From 13 July 2017 to 12 July 2022	From 13 July 2022 to 20 March 2023	Total	
£	£	£	£	£	
£ Fixed Charge					
<i>Receipts</i>					
2,071,559.00	Cash at bank	2,071,558.89	-	-	2,071,558.89
6.00	Sale of business - goodwill	4.00	-	-	4.00
100,000.00	Sale of business - leases	100,000.00	-	-	100,000.00
	Sale of business - Other leasehold premiums	490,000.00	-	-	490,000.00
2,171,565.00	Total fixed charge receipts	2,661,562.89	-	-	2,661,562.89
<i>Payments</i>					
	Property agent fees	44,250.00	-	-	44,250.00
£ Floating Charge					
<i>Receipts</i>					
199,994.00	Sale of business - plant and machinery	199,994.00	-	-	199,994.00
6,927,317.00	Sale of business - stock	5,870,001.00	-	-	5,870,001.00
800,000.00	Sale of business - book debts	800,000.00	-	-	800,000.00
	Sale of business - capital allowances and group relief	1.00	-	-	1.00
30,000.00	Sale of business - cash floats	30,000.00	-	-	30,000.00
73,235.00	Other cash floats	29,990.00	-	-	29,990.00
2,548,053.00	Cash at bank and in transit	2,590,996.50	-	-	2,590,996.50
	Bank interest	9,653.85	4,254.11	-	13,907.96
	Misc receipts / refunds (primarily rates)	472,584.77	28,764.67	2,138.73	503,488.17
	Funding from purchaser and associated company for payroll	1,888,460.88	-	-	1,888,460.88
	Funding from purchasers for rent	7,523,433.63	(85,445.71)	-	7,437,987.92
	Recharge from purchaser for costs associated with lease assignments	170,087.27	-	-	170,087.27
	Third party funds held	115,506.22	(97,218.88)	-	18,287.34
	Legal settlement - interchange claim	-	-	145,230.30	145,230.30
	Net trading receipts	2,290,987.59	(176,384.54)	-	2,114,603.05
	Biggleswade claim	-	25,000.75	-	25,000.75
	Funding from third party for ongoing litigation	-	13,543.14	-	13,543.14
10,578,599.00	Total floating charge receipts	21,991,696.71	(287,486.46)	147,369.03	21,851,579.28
<i>Payments</i>					
	Finance / bank interest and charges	55,962.47	2,159.01	-	58,121.48
	Administrators' pre-appointment fees	75,795.75	-	-	75,795.75
	Pre-appointment legal fees	15,988.91	-	-	15,988.91
	Administrators' remuneration (time cost basis subject to discount)	1,202,951.35	476,436.84	-	1,679,388.19
	Liquidators' remuneration (time cost basis subject to discount)	-	160,904.15	-	160,904.15
	Administrators' disbursements	-	12,145.64	-	12,145.64
	Liquidators' disbursements	-	3,850.11	-	3,850.11
	Legal fees and expenses	383,068.10	72,878.94	-	455,947.04
	Insurance	33,697.54	-	-	33,697.54
	Statutory advertising	140.44	146.00	-	286.44
	Property agent fees	75,179.13	11,595.01	-	86,774.14
	Payroll paid in relation to purchaser and associated company	1,888,460.88	-	-	1,888,460.88
	Rent paid in relation to purchasers	7,271,725.98	119,726.03	-	7,391,452.01
	Creditors meeting costs	166.67	-	-	166.67
	Irrecoverable VAT	-	19,406.32	-	19,406.32
	Total floating charge payments	11,003,137.22	879,248.05	-	11,882,385.27
	Distribution to secured creditor under floating charge	8,805,995.91	-	-	8,805,995.91
	VAT Control account	(182,127.22)	179,163.50	(4,683.00)	(7,646.72)
	Net floating charge realisations	2,015,014.09	1,058,411.55	142,686.03	3,216,111.67

Total net fixed charge realisations	545,754.00	-	-	545,754.00
Total net floating charge realisations	2,000,436.36	(987,571.01)	142,686.03	1,155,551.38
Distribution to unsecured creditors at 7.54p in the £ declared on 15 December 2017	-	(1,459,646.70)	-	(1,459,646.70)
Cash at bank in an interest bearing account	2,546,190.36	(2,447,217.71)	142,686.03	241,658.68

Notes

- The directors' statement of affairs included a duplicate amount of £30,000 in respect of cash floats on appointment.
- The Prescribed Part (Section 176A of the Act and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies to the Company as the charges were created and registered at Companies House subsequent to the order coming into force on 15 September 2003. The Company's Net Property totals over £3m and so the prescribed part is calculated at the maximum of £600k.

Trading Receipts & Payments Account

Trading	From 21 January 2016 to 12 July 2017	From 13 July 2017 to 12 July 2022	From 13 July 2022 to 20 March 2023	Total
	£	£	£	£
Receipts				
Trading sales	10,363,142.77	-	-	10,363,142.77
Recharge of shared costs from associated company	118,295.45	-	-	118,295.45
Total receipts	10,481,438.22	-	-	10,481,438.22
Payments				
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
Total payments	8,190,450.63	176,384.54	-	8,366,835.17
Net trading receipts	2,290,987.59	(176,384.54)	-	2,114,603.05