



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number

Company name in full

→ **Filling in this form**

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s)

Surname

### 3 Administrator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

### 4 Administrator's name ①

Full forename(s)

Surname

① **Other administrator**

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② **Other administrator**

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	d	m	m	y	y	y	y
To date	d	d	m	m	y	y	y	y

### 7 Progress report

I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X 

X

Signature date

d	d	m	m	y	y	y	y
---	---	---	---	---	---	---	---

# AM10

## Notice of administrator's progress report

### Presenter information

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

Contact name

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

### Important information

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

### Where to send

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

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

### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

# Joint Administrators' progress report from 7 March 2023 to 6 September 2023

**Nigel Fredericks Limited (in administration)  
(in administration)**

**High Court of Justice, High Court of Justice, Business and  
Property Courts, Insolvency and Companies List (ChD)  
Case no. 7347 of 2018**

**2 October 2023**

# Table of contents

<b>Abbreviations and definitions</b>	<b>3</b>
<b>Key messages</b>	<b>5</b>
<b>Overview of what we've done to date</b>	<b>6</b>
<b>Appendix A: Receipts and payments</b>	<b>9</b>
<b>Appendix B: Expenses</b>	<b>11</b>
<b>Appendix C: Remuneration update</b>	<b>13</b>
<b>Appendix D: Other information</b>	<b>20</b>

# Abbreviations and definitions

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

Abbreviation or definition	Meaning
<b>Joint Administrators / we / us / our</b>	Rachael Maria Wilkinson and Zelf Hussain
<b>Atlantic</b>	Atlantic Risk Management Services Limited
<b>Chargeholders</b>	National Westminster Bank Plc, The Royal Bank of Scotland Commercial Services Limited and Lombard North Central Plc (all Secured creditors)
<b>Company</b>	Nigel Fredericks Limited – in administration
<b>Firm</b>	PricewaterhouseCoopers LLP
<b>Insolvency Service</b>	An executive agency of the Department of Business, Energy and Industrial Strategy.
<b>IR16</b>	Insolvency (England and Wales) Rules 2016
<b>IA86</b>	Insolvency Act 1986
<b>Sch.B1 IA86</b>	Schedule B1 to the Insolvency Act 1986
<b>HMRC</b>	HM Revenue & Customs
<b>LTO</b>	Licence to occupy
<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>	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>(the) Purchaser</b>	The purchaser of the Company's business and assets – Nigel Fredericks Trading Limited - previously in administration, dissolved 15 June 2022
<b>Proposals</b>	Joint Administrators' proposals for achieving the purpose of administration dated 14 September 2018
<b>RBS</b>	The Royal Bank of Scotland Commercial Services Limited - Chargeholder
<b>Unsecured creditors</b>	Creditors who are neither secured nor preferential

This report has been prepared by Rachael Maria Wilkinson and Zelf Hussain as Joint Administrators of the Company, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, 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 persons 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 Administrators 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 Administrators' previous reports issued to the Company's creditors, which can be found at [www.pwc.co.uk/nigel](http://www.pwc.co.uk/nigel). Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Rachael Maria Wilkinson and Zelf Hussain have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents and act without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators 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 Administrators 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 Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

# Key messages

## Why we've sent you this report

We're writing to update you on the progress of the administration of the Company in the six months since our last report dated 24 March 2023.

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

## How much creditors may receive

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

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors	62	67
Preferential creditors	NIL	NIL
Unsecured creditors	NIL	NIL

We don't think the secured creditors will fully recover their lending (totalling £8.7m including amounts owed under the invoice discounting facility) out of their security over the Company's assets.

There are no preferential creditors as there are no arrears of wages or unpaid holiday pay that we're aware of, as all employees transferred to the Purchaser.

We don't think the Company's unsecured creditors (totalling £8.7m per the Company's statement of affairs) will receive any dividend based on what we know currently. The prescribed part provisions do not apply as all realisable assets are secured by floating charges registered prior to 15 September 2003, when the prescribed part provisions came into force.

The prescribed part doesn't apply because the realisable assets of the Company are secured in the first instance by the floating charges registered against the Company before 15 September 2003. There are no assets to be captured by the charge registered after 15 September 2003 and so there are no assets from which to ring-fence the prescribed part.

## What you need to do

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

Please note that should you wish to vote in relation to any decision procedure during the administration or any subsequent liquidation or object to a decision sought by deemed consent, you'll need to submit a proof of debt, even if one is not required for dividend purposes.

A proof of debt form can be downloaded from our website at [www.pwc.co.uk/nigel](http://www.pwc.co.uk/nigel) or you can get one by emailing [beth.stoker@pwc.com](mailto:beth.stoker@pwc.com) or telephoning Beth Stoker on 0113 289 4000.



# Overview of what we've done to date

We set out below a summary of the key areas of work following our appointment on 7 September 2018. Full details can be found by reading our earlier reports.

- We completed the sale of the business and assets of the Company for a net consideration of £23k. All employees transferred to the Purchaser.
- We granted the Purchaser a licence to occupy the Company's properties.
- We discussed and arranged the assignment, extension and/or surrender of various property leases with the Purchaser and the relevant landlords.
- We provided reasonable assistance to the Purchaser in the novation of certain agreements and contracts.
- Up to the date of assignment or surrender, we managed the portfolio of properties, collecting licence fees from the Purchaser and paying rent to the landlords.
- We liaised with the Purchaser and the landlord to expedite the sale of the freehold property at 11a Carlisle Road. Once the sale had been completed, we collected the funds due to the Company into the administration estate.
- We agreed that the Purchaser would collect the book debts and RBS also appointed the debt collection firm Atlantic to monitor and report to RBS on the collection process. During the period of the administration, Atlantic collected a sum of £4.87m.
- We liaised with the Purchaser and DVLA in respect of a number of penalty notices which we received relating to vehicles previously operated by the Company's employees.
- We worked with our legal advisors to take steps to recover the remaining assets from the director's loans account.
- We secured a refund of dividends totalling £35k which had been paid to one of the Company's directors in order to reduce their director's loans account at a point when the Company did not have adequate distributable reserves.
- We pursued refunds of business rates and liaised with specialist agents to explore the possibility of securing further rates refunds.
- We reviewed the conduct of the directors prior to the insolvency of the Company and completed the required statutory submissions to The Insolvency Service.
- We sought and obtained approval from the Secured creditors to fix the basis of our fees and extend the Administration to 6 September 2020.
- We submitted a Terminal Loss Relief claim for the recovery of corporation tax paid prior to the Company's insolvency. A sum of c.£166k was received in a prior reporting period.
- We successfully petitioned to place Mr Nigel Tottman into bankruptcy in respect of the outstanding directors' loans account (see below).
- In February 2021, we transferred a sum of £361k to the bankruptcy trustees of the former director, Mr Nigel Tottman, in respect of the sale of 11a Carlisle Road. These proceeds had previously been held by us as third party funds pending the outcome of the bankruptcy petition.
- We prepared and submitted an application to Court for an extension of the administration which was granted until 6 April 2024.
- We claimed and received a pre-appointment VAT refund of £96k.
- We have continued to fulfil our statutory and regulatory obligations as Joint Administrators of the Company.

When we last reported, the key outstanding matters in the administration were as follows

- To realise the remaining director's loans asset;
- To complete any recoveries of tax and VAT assets including Section 455 tax;
- To reach an agreement with the Chargeholders in respect of the most appropriate exit route from the administration;
- To make a distribution to the Chargeholders.

We provide an update on progress made in these areas below.

# Progress since we last reported

## Asset realisations

### Director's loan account

As previously noted, the principal outstanding matter in the administration is the recovery of funds in relation to the director's loan account. The estate of the former director Mr Nigel Tottman is in bankruptcy with insolvency practitioners from Evelyn Partners LLP (formerly known as Smith and Williamson LLP) appointed as trustees ("the Trustees"). In the period covered by this report we have received a first dividend for £303,610. We continue to liaise with the Trustees regarding the progress of the proceedings and understand the Trustees are conducting further work to establish assets belonging to Mr Tottman and how these can be realised for the benefit of his creditors.

As previously reported, any return into the administration from the bankruptcy will increase the amounts distributable to the Company's Secured creditors but it is very unlikely that the Company's unsecured creditors will receive any distributions.

## Managing the Company's affairs

### VAT

The Company has deregistered for VAT with effect from 1 May 2020. VAT incurred after deregistration will be recovered via a VAT426 form.

### Tax

As you may recall from our previous reports, the Company is awaiting potential funds by way of dividend from the bankruptcy estate of Mr Tottman. If the Company receives the final distribution from the bankruptcy estate, the director's loans will be partially repaid and any outstanding amounts written off.

The Company had made tax payments to HMRC in respect of these loans under Section 455 of the Corporation Tax Act 2010. These tax payments become repayable to the Company 9 months and 1 day after the end of the period when the director's loans are repaid or written off. The amount potentially repayable is thought to be in excess of £300k. The administration of the Company will likely remain open until this matter is resolved.

## Connected party transactions

We confirm that we have not undertaken a sale of any assets to connected parties and none are expected. There have been no other connected party transactions in the period covered by this report.

## 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 No.2.

## Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administration from 7 March 2023 to 6 September 2023.

## 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.

The statement excludes our fees, distributions to creditors and potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

## Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

## 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 fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

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

## What we still need to do

As mentioned in the last report, we remain in office for the following purposes:

- To realise the remaining director's loans asset;
- To complete any recoveries of tax assets;
- Consider if a further extension to the administration is required, and if so make an application to court;
- To reach an agreement with the Chargeholders in respect of the most appropriate exit route from the administration and;
- To make a distribution to the Chargeholders.

Whilst we remain in office as Joint Administrators, we will also continue to discharge our regular statutory obligations such as submitting tax returns, dealing with any VAT matters and issuing further progress reports to creditors

## Next steps

We are currently considering the best strategy for extending / ending the administration, taking into account the assets to be recovered and statutory duties. We'll provide an update on this in our next report.

We expect to send our next report to creditors in about six months. If you have any questions, please get in touch by emailing [beth.stoker@pwc.com](mailto:beth.stoker@pwc.com) or telephoning Beth Stoker on 0113 289 4000.

Yours faithfully  
For and on behalf of the Company



Rachael Wilkinson  
Joint Administrator

# Appendix A: Receipts and payments

Directors' statement of affairs (£)	7 September 2018 to 6 March 2023 (£)	7 March 2023 to 6 September 2023 (£)	Total 7 September 2018 to 6 September 2023 (£)
<b>Floating charge</b>			
<b>Receipts</b>			
Sale of business	23,033.29	-	23,033.29
20,000.00 Sale of Property (Company's beneficial share)	382,200.00	-	382,200.00
Insurance claims and refunds	1,068.21	-	1,068.21
Contribution from Purchaser to insurance of properties unc	663.52	-	663.52
Sundry debts and refunds	4,637.57	-	4,637.57
LTO receipts	237,388.41	-	237,388.41
Bank interest received gross	14,166.29	13,427.15	27,593.44
Refund of dividends previously received by director	35,000.00	-	35,000.00
Uncertain Directors' loans	-	303,609.62	303,609.62
Uncertain Section 455 tax repayable	-	-	-
150,578.38 Prepayments and deposits	-	-	-
Pre-appointment bank accounts	1,793.22	-	1,793.22
Petition related legal costs	45,039.40	-	45,039.40
Pre-appointment VAT refund	95,676.32	-	95,676.32
Corporation tax refund - Terminal loss relief	166,201.10	-	166,201.10
Uncertain <b>Total receipts</b>	<b>1,006,867.33</b>	<b>317,036.77</b>	<b>1,323,904.10</b>
<b>Payments</b>			
Statement of affairs cost	1,500.00	-	1,500.00
LTO payments including rent and insurance	223,945.85	-	223,945.85
Property agents' fees in respect of sale of Property	8,384.86	-	8,384.86
Insurance	3,138.56	-	3,138.56
Statutory advertising	75.00	-	75.00
Irrecoverable VAT	2,303.09	-	2,303.09
Office holders' fees	100,000.00	80,000.00	180,000.00
Office holders' expenses	662.26	4.65	666.91
Agents' fees	3,107.00	-	3,107.00
Agents' disbursements	1,305.00	-	1,305.00
Legal fees and expenses	76,393.12	-	76,393.12
Pre appointment legal fees and expenses	13,635.25	-	13,635.25
Corporation tax	336.87	292.03	628.90
<b>Total payments</b>	<b>434,786.86</b>	<b>80,296.68</b>	<b>515,083.54</b>
<b>Net floating charge receipts</b>	<b>572,080.47</b>	<b>236,740.09</b>	<b>808,820.56</b>
VAT control	-	(16,000.93)	(16,000.93)
<b>Balance held in interest bearing current account</b>	<b>572,080.47</b>	<b>220,739.16</b>	<b>792,819.63</b>

## Notes

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC, or exclude monies which may be received in due course from HMRC, depending on the net VAT and tax position for the submitted periods.
2. As mentioned previously, the book debts were being collected by a third party (Atlantic) and these realisations will be covered by RBS's invoice discounting facility.
3. Funds are held in an interest bearing bank account with Barclays Bank plc.
4. As explained later in this report, our fees are based on a time cost basis.
5. 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 provided above.

6. Included within our expenses is £4.65 paid in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B.
7. The prescribed part doesn't apply because the realisable assets of the Company are secured in the first instance by the floating charges registered against the Company before 15 September 2003. There are no assets to be captured by the charge registered after 15 September 2003 and so there are no assets from which to ring-fence the prescribed part.

# Appendix B: Expenses

Expenses are amounts properly payable by us as Joint Administrators 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.

Expenses fall into two categories:

Expense	SIP 9 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 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 Secured Creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Joint 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 following table provides a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case

Category	Provided by	Basis of cost	Costs incurred £
2	PwC	<b>Photocopying</b> - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	NIL
2	PwC	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc)	NIL
1	PwC	<b>Storage costs</b>	0.32
<b>Total</b>			<b>0.32</b>

The expense policy set out above has been approved by Secured creditors

The table below provides details of all the expenses incurred in the administration:

Category	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Statement of affairs cost	1,500	-	1,500	-	1,500	1,500	-
Irrecoverable VAT	2,303	-	2,303	-	2,303	-	(2,303)
Legal fees	121,864	-	121,864	11,595	133,459	12,387	(121,072)
Pre appointment legal fees	13,585	-	13,585	-	13,585	-	(13,585)
Legal disbursements	1,028	-	1,028	-	1,028	328	(700)
Pre appointment legal disbursements	50	-	50	-	50	-	(50)
Mileage	100	-	100	-	100	100	-
Travel	59	-	59	-	59	59	-
Printing and postage	494	-	494	962	1,456	1,456	-
Insurance	2,851	-	2,851	-	2,851	4,750	1,899
Bonding	225	-	225	-	225	140	(85)
Professional fees including property agents	11,492	-	11,492	-	11,492	8,385	(3,107)
Agents' disbursements	1,305	-	1,305	-	1,305	-	(1,305)
Statutory advertising	75	-	75	90	165	150	(15)
Bank charges	-	-	-	100	100	100	-
Land Registry fee	9	-	9	-	9	-	(9)
Other office holder expenses*	1	-	1	999	1,000	1,000	-
<b>Total</b>	<b>156,941</b>	<b>-</b>	<b>156,941</b>	<b>13,746</b>	<b>170,687</b>	<b>30,355</b>	<b>(140,332)</b>

\*expense incurred in the period total £0.32 therefore doesn't show due to rounding but is included in the table above

The table also excludes any potential tax liabilities that we may need to pay as an administration 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 receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

Our expenses to date have exceeded the original estimate provided to all creditors before the basis of our fees was fixed for the following reasons.

- The Company's share of property agents' fees in respect of the sale of the Property was higher than initially anticipated. The fee was calculated as a percentage of sale proceeds which exceeded the initial expectation. This increase in property related costs was partially offset by lower insurance costs than originally anticipated.
- The increase in total legal costs is due to the Purchaser's insolvency and the associated costs we incurred in dealing with complexities relating to property leases which were yet to be assigned or surrendered.
- In addition, we have incurred further legal costs in pursuing recoveries from the director's loans account and in applying for the extensions of the administration, including longer than expected dealings with the Court due to Covid-19 and more extensive witness statement requirements. However, we have recovered a sum of c.£45k in legal fees associated with the bankruptcy application (to recover the directors' loans account) as these were treated as an expense of the bankruptcy proceedings.

# Appendix C: Remuneration update

Our fees were approved on 18 July 2019 on a time costs basis by the Secured creditors in the period covered by this report we have drawn a further £80,000.

The time costs incurred in the period covered by this report were £28,150.70. This brings total time costs incurred from 7 September 2018 to 6 September 2023 to £798,861. This amount does not necessarily reflect the total amount which we will eventually draw as fees.

Our time costs have exceeded our initial estimate of £394,496 approved by the Secured creditors for the reasons detailed further in this section. As previously noted, we are not planning to seek further fee approval as we do not anticipate drawing fees above the initial estimate. So far, we have drawn a total of £180,000 plus VAT in respect of our fees and expect to draw a further sum before the administration comes to an end. Our time costs have exceeded our original estimate in some work categories but are under budget in others. Overall, our time costs have exceeded the estimated budget for the following reasons:

- Extra work in relation to the LTO as a result of the Purchaser going into administration;
- Complexities relating to assigning and surrendering property leases;
- Dealing with a number of legal technicalities in pursuing recoveries from the director's loan;
- Extra work carried out by our tax specialists assessing a number of options for recovery of tax and dealing with HMRC queries;
- Dealing with a number of unexpected DVLA penalty notices as previously reported; and
- The length of time that the above matters involved also meant that the administration had to be extended three times resulting in significantly higher statutory and compliance costs which we had not initially anticipated.

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

## Our hours and average rates

SIP9 for the period 7 March 2023 to 6 September 2023

Category of work	Partner	Director	Senior Manager	Manager	Senior Associate	Associate/ Other	Offshore Professionals	Total Hours	Total cost (£)	Average hourly rate (£/hour)
Accounting and Treasury	-	-	-	0.35	1.60	1.20	-	3.15	1,488.20	472.44
Assets	-	0.25	-	-	0.15	-	-	0.40	317.25	793.13
Creditors	-	2.25	-	-	0.25	-	-	2.50	2,288.75	915.50
Employees & Pension	-	-	0.35	-	-	-	-	0.35	358.75	1,025.00
Statutory and Compliance	0.50	1.25	0.70	9.40	15.75	0.20	1.70	29.50	18,118.50	614.19
Strategy and Planning	-	-	-	1.10	0.90	0.10	-	2.10	1,288.50	613.57
Tax and VAT	-	-	1.50	1.10	3.15	-	-	5.75	4,290.75	746.22
<b>Total</b>	<b>0.50</b>	<b>3.75</b>	<b>2.55</b>	<b>11.95</b>	<b>21.80</b>	<b>1.50</b>	<b>1.70</b>	<b>43.75</b>	<b>28,150.70</b>	<b>643.44</b>
<b>Brought forward as at 6 March 2023</b>								<b>2,091.96</b>	<b>770,711.10</b>	<b>368.42</b>
<b>Cumulative total as at 6 September 2023</b>								<b>2,135.71</b>	<b>798,861.80</b>	<b>374.05</b>

Below is our cumulative time costs from 7 September 2018 to 6 September 2023 together with a comparison against our initial estimate.

Category of work	Total hours to 6 September 2023	Total cost to 6 September 2023 (£)	Average hourly rate (£/hour)	Estimate of total hours	Estimate of total cost (£)	Estimate of average hourly rate (£/hour)	Variance - hours	Variance - cost (£)
Accounting and Treasury	140.80	39,816.40	282.79	83.00	20,849.00	253.00	57.80	18,967.40
Assets	268.77	102,317.60	380.69	229.00	80,961.00	354.00	39.77	21,356.60
Creditors	164.22	44,322.85	269.90	204.00	49,073.00	241.00	(39.78)	(4,750.15)
Employees and Pensions	36.94	13,849.50	374.92	36.00	11,785.00	328.00	0.94	2,064.50
Investigations	35.75	9,954.70	278.45	47.00	11,632.00	245.00	(11.25)	(1,677.30)
Statutory and Compliance	901.48	346,279.40	384.12	403.00	127,182.00	315.00	498.48	219,097.40
Strategy and Planning	149.45	49,277.25	329.72	129.00	44,384.00	344.00	20.45	4,893.25
Tax and VAT	438.30	193,044.10	440.44	144.00	48,630.00	338.00	294.30	144,414.10
<b>Total</b>	<b>2,135.71</b>	<b>798,861.80</b>	<b>374.05</b>	<b>1,275.00</b>	<b>394,496.00</b>	<b>309.41</b>	<b>860.71</b>	<b>404,365.80</b>



## Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the administration. 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 administration (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. Work carried out by our cashiers, support and secretarial staff is charged separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (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 administration. 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 2022 £	From 1 July 2023 £
<b>Partner</b>	980	995
<b>Appointment taking director</b>	960	960
<b>Director (not appointee)</b>	915	915
<b>Assistant director</b>	900	900
<b>Senior manager</b>	860	860
<b>Manager</b>	730	730
<b>Senior associate</b>	515	540
<b>Associate</b>	375	395
<b>Support staff</b>	130	160
<b>Offshore professionals</b>	375-515	540

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 2022	From 1 July 2023
<b>Partner</b>	1,810	1,905
<b>Director (not appointee)</b>	1,660	1,745
<b>Senior manager</b>	1,570	1,570
<b>Manager</b>	950	1,025
<b>Senior associate</b>	690	725
<b>Associate</b>	375	470
<b>Support staff</b>	190	220
<b>Offshore professionals</b>	190	220

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

## **Payments to associates**

As we reported in the report previously, 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>Accounting and treasury</b>		
<ul style="list-style-type: none"> <li>Carrying out periodic bank reconciliations and managing investment of funds</li> </ul>	<ul style="list-style-type: none"> <li>Ensures proper and secure stewardship of funds</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement</li> </ul>
<b>Assets</b>		
<ul style="list-style-type: none"> <li>Liaising with bankruptcy trustees in relation to progress with bankruptcy matters and responding to queries</li> </ul>	<ul style="list-style-type: none"> <li>To discharge our duties in respect of the recovery of assets for creditors</li> </ul>	<ul style="list-style-type: none"> <li>Maximising realisations for the creditors</li> </ul>
<b>Creditors</b>		
<ul style="list-style-type: none"> <li>Reviewing creditor query management system and taking action where appropriate</li> <li>Updating Estimated outcome statement following receipt of dividend</li> </ul>	<ul style="list-style-type: none"> <li>To ensure correct and efficient processing of creditor details and claims</li> <li>Keeping creditors informed of the progress of the administration</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement</li> </ul>
<b>Employees and Pensions</b>		
<ul style="list-style-type: none"> <li>Responding to enquiries regarding historic pension</li> </ul>	<ul style="list-style-type: none"> <li>To discharge our statutory duty as Joint Administrators</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement</li> </ul>
<b>Statutory and compliance</b>		
<ul style="list-style-type: none"> <li>Preparing and issuing our ninth progress report to creditors members and the Registrar</li> <li>Preparing six-monthly case management review</li> <li>Filing all case related documents and correspondence</li> <li>Managing case information database</li> <li>Updating case checklists and diary management system</li> <li>Reviewing and allocating incoming post</li> <li>Maintaining the case website</li> </ul>	<ul style="list-style-type: none"> <li>To ensure correct and efficient processing of creditor information</li> <li>Ensuring effective management of the case</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement</li> </ul>
<b>Strategy and Planning</b>		

- 
- Billing in line with fee approval
  - Case progression meetings with Joint Administrators

- To ensure timely case progression and updates for creditors

- Statutory requirement and to minimise the costs of the administration

---

#### Tax and VAT

- Preparing, reviewing and submitting Corporation Tax returns
- Reviewing correspondence and liaising with HMRC as required

- To discharge our statutory duty as Joint Administrators

- Statutory requirement
-

## Our future work

We still need to do the following work to achieve the purpose of administration.

Work undertaken	Estimated cost £	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
<b>Accounting and treasury</b>		
<ul style="list-style-type: none"> <li>Carrying out periodic bank reconciliations and managing investment of funds</li> <li>Processing payment to the Secured creditor</li> <li>Processing receipts, payments and journals</li> <li>Bank account closure</li> </ul>	£4,539	<ul style="list-style-type: none"> <li>Statutory requirement</li> </ul>
<b>Assets</b>		
<ul style="list-style-type: none"> <li>Liaising with the solicitors, bankruptcy trustees and the Secured Creditor in respect of recovering the director's loans account</li> <li>Completing the recovery of the directors' loan account and associated tax related work to recover the s455 tax if the loans are repaid.</li> </ul>	£10,126	<ul style="list-style-type: none"> <li>Maximising realisations for the creditors</li> </ul>
<b>Closure</b>		
<ul style="list-style-type: none"> <li>Obtaining fee clearances from third parties</li> <li>Completing closure checklists</li> <li>Closing down internal systems</li> </ul>	£5,000	<ul style="list-style-type: none"> <li>Indirect benefit to creditors as ensures all expenses covered before final distribution to Secured creditors</li> </ul>
<b>Creditors</b>		
<ul style="list-style-type: none"> <li>Issuing correspondence to creditors and their representatives as necessary</li> <li>Maintaining a record of creditors' details and claims</li> <li>Receiving and following up creditor enquiries via telephone, email and post</li> <li>Liaising with Secured creditors in respect of their claims and amounts distributable</li> <li>Paying a distribution to Secured creditors</li> </ul>	£3,031	<ul style="list-style-type: none"> <li>Statutory requirement</li> <li>Financial benefit to Secured creditors</li> </ul>
<b>Employees and Pensions</b>		
<ul style="list-style-type: none"> <li>Dealing with any pensions or employee queries, if required</li> <li>Issuing final statutory pensions notices</li> </ul>	£631	<ul style="list-style-type: none"> <li>Statutory requirement</li> </ul>
<b>Statutory and compliance</b>		
<ul style="list-style-type: none"> <li>Issuing further progress reports to creditors, members and the Registrar, as required</li> <li>Issuing final account to creditors, members and the Registrar</li> <li>Six monthly case reviews</li> </ul>	£17,558	<ul style="list-style-type: none"> <li>Statutory requirement</li> </ul>

- Filing all case related documents and correspondence
- Updating case checklists and diary management system for statutory purposes
- Extending the administration, if required\*

#### Strategy and Planning

- |   |        |   |
|---|--------|---|
| <ul style="list-style-type: none"> <li>• Monitoring costs against budget</li> <li>• Maintaining estimated outcome statement</li> <li>• Agreeing strategy with the Secured creditors for the closure of the administration</li> <li>• Holding regular team meetings regarding the progression of the administration</li> <li>• Liaising with the secured creditor regarding exit routes and taking action accordingly</li> </ul> | £3,671 | <ul style="list-style-type: none"> <li>• Statutory requirement and to minimise the costs of the administration</li> </ul> |
|---|--------|---|

#### Tax and VAT

- |   |        |  |
|---|--------|--|
| <ul style="list-style-type: none"> <li>• Drafting and submitting periodic VAT 426 returns</li> <li>• Drafting and submitting annual tax returns</li> <li>• Drafting and submitting the final tax return and obtaining corporation tax clearance</li> <li>• Agreeing any further claims for recovery of tax assets and submitting those to HMRC such as the section 455 tax</li> </ul> | £5,895 | <ul style="list-style-type: none"> <li>• Statutory requirement</li> <li>• Recovery of tax increases return to Secured creditors</li> </ul> |
|---|--------|--|

#### Total\*

**£50,460**

\*The estimated future costs do not include any costs for extending the administration or associated additional work in the administration should an extension be required. Should an extension be required costs will increase and be reported in the next progress report.

## Our relationships

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

## Details of subcontracted work

There have been no subcontractors in the period.

## Legal and other professionals

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services, including: <ul style="list-style-type: none"><li>Appointment related matters;</li><li>Matters related to assignment of leases on properties; and</li><li>Sale of business contracts.</li></ul>	Shoosmiths LLP	Industry knowledge	Time costs
Legal services, including: <ul style="list-style-type: none"><li>Recovery of directors' loans account</li><li>Application to Court to extend the administration</li></ul>	BDB Pitmans	Industry knowledge	Time costs
Legal Counsel services in relation to: <ul style="list-style-type: none"><li>Recovery of directors' loans account</li></ul>	Max Cole of Ely Place Chambers (instructed by BDB Pitmans on our behalf)	Expertise and competitive fees	Fixed fee
Property agents in relation to: <ul style="list-style-type: none"><li>Property valuation</li><li>Marketing the property and arranging viewings</li><li>Reviewing offers received</li><li>Liaising with solicitors and interested parties</li><li>Issuing heads of terms to relevant parties</li></ul>	Lambert Smith Hampton Group LLP	Industry knowledge	Fixed fee and percentage of realisations

# Appendix D: Other information

---

<b>Court details for the administration:</b>	High Court of Justice Business and Property Courts of England and Wales Insolvency & Companies List (ChD)  Case number 7347 of 2018
<b>Company's registered name:</b>	Nigel Fredericks Limited
<b>Trading name:</b>	Nigel Fredericks Limited
<b>Registered number:</b>	00375784
<b>Registered address:</b>	Central Square, 29 Wellington Street, Leeds, West Yorkshire, LS1 4DL
<b>Date of the Joint Administrators' appointment:</b>	7 September 2018
<b>Joint Administrators' names, addresses and contact details:</b>	Rachael Maria Wilkinson of PricewaterhouseCoopers LLP, 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH  Zelf Hussain of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT  Email for contact: <a href="mailto:beth.stoker@pwc.com">beth.stoker@pwc.com</a> 0113 289 4000
<b>Extension(s) to the initial period of appointment:</b>	Twelve-month extension by creditors' approval to 6 September 2020. Twelve-month extension granted by the Court to 6 September 2021. Thirty-one month extension granted by the Court to 6 April 2024.

---