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Nigel Fredericks Limited – In Administration
Remuneration Report: Initial Information to
Creditors including Fees Estimate

14 May 2019



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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
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
LTO	Licence to Occupy
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 7 September 2018 (up to a maximum of £800);2. accrued holiday pay for any period before 7 September 2018; 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
Purchaser	Nigel Fredericks Trading Limited
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 Administrators / The Joint Administrators / we / us / our	Rachael Maria Wilkinson and Zelf Hussain
The Company	Nigel Fredericks Limited – in administration
Unsecured creditors	Creditors who are neither secured nor preferential

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 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](https://www.pwc.co.uk) website or by contacting the joint administrators.

2. Background

2.1. Purpose of this initial advice to creditors

If a company or individual is facing financial difficulty they may enter a formal insolvency process under the control of an independent external person (an insolvency practitioner). The costs of the proceedings are paid out of the assets of the company or the individual's estate and include the insolvency practitioner's remuneration, which in this case would be our fees for acting as joint administrators.

We must seek approval to the basis of our remuneration before it is paid and provide the fee approving body with sufficient information for them to make a decision. Insolvency law determines who the fee approving body is (and it depends on the circumstances of the case), but it's usually those creditors who have a direct interest in the amount paid because it impacts on how much those creditors recover.

We must also give all known creditors details of the work we expect to carry out during the case and the expenses that are likely to be incurred. Also, if our fees are proposed to include remuneration calculated on a time costs basis, we must provide an estimate of those fees. This report provides all this information and details of where further information can be obtained.

2.2. Action required by you

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. The joint administrators, their firm, its members, partners and staff and advisers accept no liability to any party for any reliance placed upon this report.

Table 1 – dividend prospects

<i>Class of creditor</i>	<i>Forecast return</i>	<i>Timing</i>
Secured creditors	60 p/£	12 months
Preferential creditors	Not applicable	Not applicable
Unsecured creditors	0 p/£	Not applicable

We stated in our proposals dated 14 September 2018 that we believed there will be no funds to distribute to unsecured creditors and the prescribed part doesn't apply. We are not aware of any preferential creditors.

Therefore if no committee is appointed, the secured creditors have the responsibility for fixing the basis of our fees and Category 2 disbursements (as defined in Section 4.1). We will seek such fee approval separately in due course.

This Remuneration Report is therefore for information purposes only and no action is required.

Creditors' rights

You can find information on administrators' fees and your rights at

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

A copy is available free of charge by contacting Nadia Mann on 07753 460 276.

2.3. How fees are calculated

Insolvency law currently allows fees to be calculated in three ways:

- As a percentage of the value of the property which we deal with (often referred to as a “percentage basis”);
- By reference to the time properly given by us and our staff attending to the matters arising (“time costs basis”); or
- A set amount (a fixed fee).

The basis of our fees can be a combination of the above and different bases can be used for different parts of our work. The fee approving body decides which basis (or combination of bases) should be used to calculate fees, once it is satisfied that the fee basis proposed represents the most appropriate mechanism in the circumstances of the case.

In this case we are proposing that our remuneration is on a time costs basis only, for the following reasons:

- It ensures that creditors are only charged for work that is performed;
- We are required to perform a number of tasks which do not relate to the realisation of assets (for example: reporting to creditors, investigating the conduct of the directors, managing the property portfolio and responding to relatively high volumes of creditor queries); and
- We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in the administration.

In the next section, we include details of our fees estimate.

Insolvency law says that in determining the basis of our remuneration, regard must be had to the following:

- the complexity (or otherwise) of the case;
- any exceptional responsibility falling on us;
- the effectiveness with which we are carrying out, or to have carried out, our duties; and
- the value and nature of the property with which we have to deal.

3. Our fees estimate

3.1. Summary

This section provides the following information:

- Details of the work we propose to undertake;
- 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.

The total amount of our fees estimate is £394,496. The following tables summarise our anticipated time costs and then provide more detail on each area of work. Time costs are shown at the hourly rates set out later. We also explain (given the circumstances of this case) why there are reasons that we do not expect to draw these time costs in full. We haven't included an estimate of our fees and the expenses for any subsequent liquidation.

In the period since our appointment to 26 April 2019, we have incurred time costs of £301,825, representing 77% of the fees estimate.

Table 2 – Time costs

<i>Category of work</i>	<i>Hours</i>	<i>Fees estimate (£k)</i>	<i>Average hourly rate (£/hour)</i>	<i>Hours incurred to 26 April 2019</i>	<i>Time costs incurred to 26 April 2019 (£k)</i>	<i>Average hourly rate for time costs incurred to 26 April 2019 (£/hour)</i>
Statutory and compliance	403	127,182	315	380	122,602	323
Assets	229	80,961	354	188	67,824	361
Creditors	204	49,073	241	128	30,978	242
Tax and VAT	144	48,630	338	75	32,750	437
Strategy and planning	129	44,384	344	54	15,551	288
Accounting and treasury	83	20,849	253	64	13,630	213
Employees and pensions	36	11,785	328	26	8,858	341
Investigations	47	11,632	245	35	9,632	275
Total hours and fees estimate	1,274	394,496	310	950	301,825	318

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

The above table provides an estimate of the anticipated time likely to be required on the various areas of work and in future reports we will provide an update by reference to actual costs incurred. To facilitate such a comparison, we are likely to report costs on the same basis and using our normal rates.

However, in the circumstances of this case, we do not expect to draw these costs in full for the following potential reasons:

- Different rates may be agreed with the fee approving body;
- We may agree with the fee approving body to limit the amount we draw; and
- To reflect the changing circumstances of the case.

We will keep creditors informed in our periodic progress reports.

3.2. Work we propose to undertake

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 26 April 2019.

Table 3 – Work we propose to do

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>
Assets Estimate: 229 hours £80,961 Incurred to date: 188 hours £67,824	Sale of business	<ul style="list-style-type: none"> • Providing reasonable assistance to the Purchaser as required, for the purpose of transferring contracts and agreements ✓
	Property	<ul style="list-style-type: none"> • Carrying out title searches and securing relevant property records ✓ • Realising the Company's share in the property at 11a Carlisle Rd ✓ • Liaising with valuers, agents and landlords ✓ • Liaising with Purchaser to expedite the assignment of property leases □ • Liaising with landlords to ensure correct invoicing of rent □ • Negotiating with third parties on the property sale, transfer or surrender ✓
	Debtors	<ul style="list-style-type: none"> • Reviewing and assessing debtors' ledgers ✓ • Liaising with debt collectors to monitor realisation of book debts □
	Retention of title claims	<ul style="list-style-type: none"> • Arranging for the completion of retention of title claim forms ✓ • Maintaining retention of title file ✓ • Arranging site visits by claimants to identify goods ✓ • Adjudicating retention of title claims ✓ • Corresponding with claimants regarding outcome of adjudication ✓ • Liaising with the Purchaser in respect of claims made ✓ • Dealing with any new claims if required →
	Insurance	<ul style="list-style-type: none"> • Identifying potential issues requiring attention of insurance specialists ✓ • Realising value from pre-appointment policy ✓ • Reviewing and maintaining insurance policies □ • Corresponding with insurer regarding initial and ongoing insurance requirements □
	Third party assets	<ul style="list-style-type: none"> • Liaising with owners/lessors ✓ • Liaising with the Purchaser regarding lease novation ✓
	Directors' loan account	<ul style="list-style-type: none"> • Liaising with directors to realise the directors' loan account □
Creditors Estimate: 204 hours £49,073	Creditor enquiries	<ul style="list-style-type: none"> • Setting up a dedicated website for delivery of initial and ongoing communications and reports ✓ • Maintaining the dedicated website for the administration □ • Receiving and following up creditor enquiries via telephone, email and post □

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>
Incurring to date: 128 hours £30,978		<ul style="list-style-type: none"> • Reviewing and preparing correspondence to creditors and their representatives <input type="checkbox"/> • Completing confirmation of debt requests and sending to creditors <input type="checkbox"/> • Acknowledging receipt and filing proofs of debt when not related to a dividend <input type="checkbox"/>
	Secured creditors	<ul style="list-style-type: none"> • Notifying secured creditors of appointment ✓ • Preparing reports to secured creditors <input type="checkbox"/> • Responding to secured creditors' queries <input type="checkbox"/> • Making distributions in accordance with security entitlements →
	Preferential claims	<ul style="list-style-type: none"> • Corresponding with employees to establish if any preferential claims exist ✓
	Unsecured claims	<ul style="list-style-type: none"> • Receiving proofs of debt and maintaining register <input type="checkbox"/>
	Shareholder enquiries	<ul style="list-style-type: none"> • Responding to any shareholder queries →
Employees and pensions Estimate: 36 hours £11,785	Communications with employees	<ul style="list-style-type: none"> • Drafting, issuing and delivering initial communications and announcements ✓ • Preparing letters to employees advising of their entitlements and options available ✓ • Receiving and following up employee enquiries via telephone, post and email <input type="checkbox"/>
Incurring to date: 26 hours £8,858	Payroll	<ul style="list-style-type: none"> • Reviewing employee files and company's books and records ✓ • Dealing with incorrect PAYE references for transferred employees ✓ • Responding to employee queries in relation to deductions/payments to relevant agencies and third parties ✓
	Other employee matters	<ul style="list-style-type: none"> • Following up on issues relating to pre-appointment payments issued to employees ✓ • Dealing with any employee enquiries via telephone, post and email • Corresponding with the RPS ✓ • Dealing with employee related statutory documents and notices ✓
	Pensions	<ul style="list-style-type: none"> • Reviewing relevant policies ✓ • Reviewing position in relation to the pre-appointment pensions contributions ✓ • Reviewing pensions position in relation to transferred employees ✓ • Issuing statutory notices ✓ • Dealing with general pension scheme issues and the Pension Protection Fund <input type="checkbox"/>
Investigations Estimate: 47 hours £11,632	Conducting investigations	<ul style="list-style-type: none"> • Issuing, chasing and reviewing directors' questionnaires ✓ • Reviewing books and records in relation to investigatory work ✓ • Preparing comparative financial statements ✓ • Preparing investigation file and lodging findings with the Department for Business, Innovation and Skills ✓
Incurring to date: 35 hours £9,632	Asset recoveries	<ul style="list-style-type: none"> • Liaising with directors regarding certain transactions <input type="checkbox"/> • Providing further information to the Insolvency Service, as necessary →
	Asset recoveries	<ul style="list-style-type: none"> • Identifying potential asset recoveries ✓ • Instructing and liaising with solicitors regarding recovery actions <input type="checkbox"/> • Holding internal meetings to discuss status of recoveries <input type="checkbox"/>

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>
Statutory and compliance Estimate: 403 hours £127,182 Incurred to date: 380 hours £122,602	Initial letters and notifications	<ul style="list-style-type: none"> Attending to negotiations and settlement matters <input type="checkbox"/> Preparing and issuing all necessary initial letters and notices regarding the administration and our appointment ✓
	SIP 16	<ul style="list-style-type: none"> Drafting and issuing our report on the pre-packaged sale of the business in accordance with SIP 16 ✓
	Proposals and initial meeting of creditors	<ul style="list-style-type: none"> Drafting and reviewing a statement of proposals to creditors including preparing receipts and payments accounts and statutory information. ✓ Circulating notice of the proposals to creditors, members and the Registrar of Companies. ✓ Filing notice of approval of the proposals ✓
	Statement of affairs	<ul style="list-style-type: none"> Regular and extensive liaison with directors to obtain the Statement of Affairs ✓ Filing statement of affairs with the Registrar of Companies ✓
	Progress reports and extensions	<ul style="list-style-type: none"> Preparing and issuing periodic progress reports to creditors and the Registrar <input type="checkbox"/> If necessary, making applications to creditors or court for the extension of the administration and filing relevant notices →
	Remuneration report and fee approval	<ul style="list-style-type: none"> Preparing and circulating to creditors a report 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. ✓ Obtaining fee approval from relevant approving body <input type="checkbox"/>
	Books and records	<ul style="list-style-type: none"> Liaising with the Purchaser regarding storage and destruction of Company books and records where not related to investigatory work → Dealing with records in storage , as required → Sending job files to storage →
	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"/>
Other resolutions	<ul style="list-style-type: none"> As necessary, preparing documents and information for the purpose of obtaining approval to fees, Category 2 disbursements and other matters in the administration → If required, issuing notices and associated documentation for seeking decisions of creditors → 	
Tax and VAT Estimate: 144 hours £48,630 Incurred to date: 75 hours £32,750	Tax	<ul style="list-style-type: none"> Gathering information for the initial tax review ✓ Carrying out tax review and subsequent enquiries <input type="checkbox"/> Preparing tax computations <input type="checkbox"/> Liaising with HMRC regarding corporation tax matters <input type="checkbox"/> Obtaining final tax clearance →
	VAT	<ul style="list-style-type: none"> Gathering information for the initial VAT review ✓ Carrying out VAT review and subsequent enquiries ✓ Holding meetings with VAT specialists to discuss the option to tax on various properties ✓ Preparing VAT returns <input type="checkbox"/>

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>
		<ul style="list-style-type: none"> • Liaising with HMRC regarding VAT matters and subsequent de-registration <input type="checkbox"/>
Administration and planning Estimate: 212 hours £65,233	Strategy and planning	<ul style="list-style-type: none"> • Completing tasks relating to job acceptance ✓ • Preparing fee budgets and monitoring costs <input type="checkbox"/> • Preparing and revising estimated outcome statements <input type="checkbox"/> • Holding team meetings and discussions regarding status of administration <input type="checkbox"/>
Incurred to date: 118 hours £29,181	Case reviews	<ul style="list-style-type: none"> • Conducting case reviews after the first month, then every six months <input type="checkbox"/>
	Accounting and treasury	<ul style="list-style-type: none"> • Opening bank account and arranging facilities ✓ • Dealing with receipts, payments and journals <input type="checkbox"/> • Carrying out bank reconciliations and managing investment of funds <input type="checkbox"/> • If required, corresponding with bank regarding any specific transfers → • Closing bank account →
	Closure procedures	<ul style="list-style-type: none"> • Obtaining clearances from third parties → • Completing checklists and diary management system → • Closing down internal systems →

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, such as the filing of proposals and statement of affairs with the Registrar of Companies, drafting and submitting tax and VAT returns and other statutory matters, and regular communications with the creditors.

3.3. Our time charging policy and hourly rates

The time we charge to the administration 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 administrators 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 and 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, Property and Pensions are also used where their expert advice and services are required. Such specialist rates do vary but the figures below provide an indication of the maximum rate per hour.

Table 4 – Charge-out rates

With effect to 30 June 2019	Maximum rate per hour (£)	Specialist maximum rate per hour (£)
Grade		
Partner	640	1520
Director	540	1390
Senior Manager	465	1230
Manager	365	770
Senior Associate	275	570
Associate	180	305
Support staff	95	250

In common with all professional firms, hourly rates increase from time to time over the period of the administration (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. Further approval

Creditors should be assured that the provision of a fees estimate will not affect the proper conduct of the administration. 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.

Our fees estimate is based on a number of assumptions, which are explained in Section 5. In broad terms and in our experience, the key issues likely to affect the level of costs are the:

- availability and quality of the books and records;
- level of co-operation received, for example from the directors;
- recovery of amounts due to the Company and speed of those realisations;
- support from external stakeholders, including landlords; and
- any changes to our strategy that might be necessary as a result of the above.

On the basis of present information, we do not think further approval (to increase the fees estimate) will be required.

In our periodic progress reports, we will keep creditors updated on how our fees are comparing to this fees estimate.

4. Expenses

4.1. What is an expense?

Expenses are defined in SIP9 as amounts properly payable by the office holder from the estate which are not office holders' remuneration or a distribution 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 independent third parties where there is specific expenditure directly referable to the appointment in question.
Category 2	Costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis.

Our firm's disbursements policy allows for all properly incurred expenses to be recharged to the case. We don't need approval from creditors to draw Category 1 disbursements as these have all been provided by third parties, but we do need approval to draw Category 2 disbursements as these are for services provided by our firm. The body of creditors who approve our fees also have responsibility for agreeing the policies for the payment of Category 2 disbursements, which in this case are as follows:

Photocopying At 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.

Mileage At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc).

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 case is £30,439.24.

The estimate excludes any potential tax liabilities that may be payable as an expense of the administration in due course because amounts due will depend on the position at the end of the tax accounting periods.

Our expenses estimate excludes pre-administration costs that (if approved) would be payable as an expense of the administration and which were explained in more detail in our proposals dated 14 September 2018 and our first report dated 2 April 2019.

Whilst pre-administration costs are subject to approval in the same manner as our remuneration, they do not form part of our remuneration in relation to our work as joint administrators following our appointment. As mentioned in our previous communications, we do not envisage at the present time that we will be seeking approval for our unpaid pre-administration time costs to be paid as an expense of the administration. However, we are seeking approval for the payment of the pre-administration legal expenses.

Table 5 – Expenses estimate

<i>Nature of expenses</i>	<i>Incurred to date (£)</i>	<i>Estimate of future expenses (£)</i>	<i>Total estimate of expenses (£)</i>
Statement of affairs cost	1,500.00	-	1,500.00
Irrecoverable VAT	0.05	-	0.05
Legal fees	7,387.44	5,000.00	12,387.44
Legal disbursements	328.22	-	328.22
Property agents	8,384.86	-	8,384.86
Mileage	100.00	-	100.00
Travel	58.60	-	58.60
Printing and postage	456.09	1,000.00	1,456.09
Insurance	2,850.02	1,900.00	4,750.02
Bonding	-	140.00	140.00
Statutory advertising	75.00	75.00	150.00
Bank charges	-	100.00	100.00
Office holders' disbursements	-	1,000.00	1,000.00
Other	-	1,000.00	1,000.00
Total expenses	20,799.24	9,640.00	30,439.24

Rental costs have not been included in this estimate as they are a pass-through cost recharged in full to the Purchaser under the LTO.

5. Professionals and subcontractors

Table 6 – Professionals and subcontractors

Service provided	Name of firm	Reason selected	Basis of fees
Legal advice, including: <ul style="list-style-type: none">• Appointment related matters;• Sale of business contract and post-sale matters; and• Matters related to assignment of leases on properties.	Shoosmiths LLP	Industry knowledge	Time costs and disbursements
Property agents – work includes: <ul style="list-style-type: none">• Property valuation;• Marketing the property and arranging viewings;• Reviewing offers received;• Liaising with solicitors and interested parties; and• Issuing heads of terms to relevant parties.	Lambert Smith Hampton Group LLP	Industry knowledge	Fixed fee and percentage of realisations
Legal services in relation to recovery of directors' loan asset	BDB Pitmans	Industry knowledge	Time costs and disbursements

We require all third party professionals to submit time costs analyses and narratives where appropriate, or schedules of realisations, as necessary, in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- Review amounts charged against the description of work undertaken and the circumstances of the case;
- Seek further breakdown of costs and detail of work undertaken where necessary; and
- Review invoices against any fee agreements with the suppliers.

We are satisfied that the amounts incurred to date are reasonable in the circumstances of the case.

6. Notes and assumptions

6.1. Fees estimate

- We have assumed the administration will last between 18 months and two years and that one extension to the administration will be required.
- We expect that the administration extension will be granted by the secured creditors and we won't have to apply to Court for approval of the extension.
- We have also assumed that the Company will move to dissolution once we have paid a dividend to the secured creditors and completed our work in the administration.
- We don't expect that there will be a distribution to unsecured creditors of the Company.
- We have assumed that our hourly charge out rates will increase by around 2% per year, with increases likely to happen on 1 July.

6.2. Expenses

- The property in which the Company holds a beneficial interest was sold on 3 May 2019. Other than insuring the Company's interest in the property up to the date of sale and agents' fees for the sale we do not expect any further external costs directly associated with the property.
- We have asked third parties, e.g. solicitors, for estimates of their future costs where possible.
- The level of legal fees and disbursements will depend on the extent of the directors' cooperation in the recovery of assets.
- Most of the Company's books and records will continue to be stored by the Purchaser who will arrange for these to be destroyed at the appropriate time. We therefore expect that any storage costs will be minimal.
- Office holders' disbursements such as printing and postage costs will depend on the length of the administration and the amount of communications that will need to be issued to creditors and members.
- We have included a contingency amount of £1,000 in our future expenses estimate for any unforeseen costs of the administration.

6.3. Associates

We have no business or personal relationships with parties responsible for approving remuneration or who provide services to the administrators in respect of the appointment where the relationship could give rise to a conflict of interest.