

Joint liquidators' progress report from 22 July 2021 to 21 July 2022

16 September 2022

**Fleetway Travel Limited and Fleetway Aviation Limited
(both in liquidation)**

Table of contents

Abbreviations and definitions	3
Key messages	5
Overview of what we've done to date	6
Information relating to the administration for the period after the administrators' final report	7
Outcome for creditors	8
Progress since we last reported	9
Appendix A: Receipts and payments	13
Appendix B: Expenses	15
Appendix C: Remuneration update	18
Appendix D: Other information	23

Abbreviations and definitions

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

Abbreviation or definition	Meaning
Joint Liquidators/we/us/our	Steven Sherry and David Robert Baxendale
ATTF	Air Travel Trust Fund
Bank	Lloyds Bank plc
BEIS	Department for Business, Energy & Industrial Strategy
Companies / UK Group / Fleetway	Fleetway Travel Limited and Fleetway Aviation Limited
Liquidation / CVL	Creditors' Voluntary Liquidation
Eversheds	Eversheds Sutherland (International) LLP
Former Joint Administrators	Steven Sherry and David Baxendale
FWA	Fleetway Aviation Limited
FWT	Fleetway Travel Limited
GCS Travel	GCS Travel Limited
Hilco	Hilco Streambank and Hilco Valuation Services, both trading names of Hilco Appraisal Limited
HMRC	HM Revenue and Customs
IA86	Insolvency Act 1986
Period / Reporting Period	22 July 2021 to 21 July 2022
Preferential creditors	Primarily employee claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and 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
PwC / firm	PricewaterhouseCoopers LLP
RPS	Redundancy Payments Service, part of the Insolvency Service, which is an executive agency sponsored by BEIS, and which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
Secured creditor	A creditor with security in respect of their debt, in accordance with section 248 IA86

SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply
SIP 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates
Travelsmart	Travelsmart Holdings Limited, part of the Travelsmart Group and the direct parent of FWT
Travelsmart Group	Travelsmart International Group Limited and its subsidiaries
Unsecured creditors	Creditors who are neither secured nor preferential

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

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

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

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

Please note you should read this report in conjunction with the Joint Liquidators' previous administration reports issued to the Companies creditors, which can be found at www.pwc.co.uk/fleetway. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Steven Sherry and David Baxendale have been appointed as Joint Liquidators of the Companies. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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

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

I'm writing to update you on the progress of the liquidation of the Companies. You can still view our earlier reports prepared by the Former Joint Administrators on our website at www.pwc.co.uk/fleetwaytravel.

Please get in touch with Adam Thompson at uk_fleetway_queries@pwc.com if you need the password to access the reports.

How much creditors have received

The following table summarises the possible outcome for creditors ¹, based on what we currently know.

Fleetway Travel Limited

Class of creditor	Current estimate (p in £)	Previous estimate from Administration (p in £)	Estimated timing
Secured creditor(s)	100	100	Paid in full
Preferential creditors	100	100	Paid - 25 May 2022
Unsecured creditors	26 - 29	26 - 29	Within 3 - 6 months

Fleetway Aviation Limited

Class of creditor	Current estimate (p in £)	Previous estimate from Administration (p in £)	Estimated timing
Unsecured creditors	38 - 40	38 - 44	Within 3 - 6 months

This is a brief summary of the possible outcome for creditors based on what we know so far. You shouldn't use it as the main basis of any bad debt provision or debt trading. Please read the rest of this document.

What you need to do

We've asked for outstanding claims from unsecured creditors so that we can agree them for dividend purposes.

If you haven't already done so, please send your claim to us so that we can agree it. Our preferred method for creditors to submit claims and supporting documents is via the Turnkey (IPS) online portal, as this is the most efficient and cost effective way for us to deal with your claim and also allows you to better track its status, so we recommend the use of the online portal for claim submission.

Your unique login details will have been sent to you via post to enable you to submit your claim. If you have not received these details, and wish to submit a claim, please get in touch with Josh Liburd at uk_fleetway_queries@pwc.com. Please be aware that we are unable to provide login details over the phone or via email for data security reasons.

All creditors wishing to receive the anticipated dividend payment must submit a claim.

Overview of what we've done to date

This is our first progress report to members and creditors in the liquidation.

On 13 July 2020, we were appointed joint administrators of the Companies. The administrations both ended on 12 July 2021, when the Companies went into CVL and we were appointed as Joint Liquidators on 22 July 2021.

At the end of the previous administrations the key outstanding matters were as follows (each bullet point applies to both companies unless stated):

Realisation of remaining assets

- Finalise collections of the book debts owed (FWA);
- Conclude the intercompany debtor positions and collect any sums due as a result;
- Finalise any fixed asset realisations and recover funds from agents (FWT); and
- Recover any applicable amount under the multilateral interchange claim (FWT).

Other issues

- Agree and settle business wind-down and other costs of the administrations;
- Adjudicate preferential (FWT only) and unsecured creditor claims;
- Issue a dividend to preferential creditors (FWT only);
- Issue a dividend to unsecured creditors; and
- Conclude our statutory obligations, including VAT and tax matters on the case.

Since our appointment, we have continued to progress the above matters with a view to realising the remaining funds in the liquidation and making distributions to the preferential and unsecured creditors of FWT and unsecured creditors of FWA. We set out in a later section of this report our progress in the period covered by this report.

Information relating to the administration for the period after the administrators' final report

We are required to disclose any matters that occurred between the date of our final administration progress report (12 July 2021) and the registration of the notice of moving the Companies into CVL at Companies House on 22 July 2021.

We can confirm that the following receipt was received into FWT between the above dates:

- A pre-appointment insurance refund totalling £1,557.96.

Outcome for creditors

Secured creditor

As you may recall from the Proposals and the Former Joint Administrators final progress report, the secured creditor, ATTF, held a fixed charge over a ring-fenced deposit account held by FWT. At the date of appointment, this account contained £2.9m, which was subsequently transferred to the ATTF.

Based on our latest correspondence we expect that there will be surplus funds of c£400k to be returned to the liquidation after paying customer claims and following the settlement of associated costs. As a result we do not expect that the ATTF will have an unsecured claim in the liquidation as there was no shortfall from the funds held in the deposit account.

FWA did not grant security to any of its creditors.

Preferential creditors

On appointment of the Former Joint Administrators, FWT employed 60 staff and preferential claims were estimated at £91k. The actual preferential claims received were £69,777.36 and, following the resolution of an employee tribunal claim, a preferential dividend was paid on 25 May 2022 at a rate of 100p/£.

FWA does not have any preferential creditors.

Unsecured creditors

There are no floating charges registered against the Companies and therefore there is not expected to be a prescribed part. We think a dividend between 26p/£ - 29p/£ will be paid to the unsecured creditors of FWT based on what we know currently.

We've calculated this on the estimate of the unsecured creditors included in the statement of affairs provided to the Former Joint Administrators. This estimate depends on future realisations, liquidation costs and finalising claims from unsecured creditors and is only an indication. You shouldn't use it as the main basis for any bad debt provisions.

FWT is the sole creditor in FWA. Accordingly, we expect a dividend of between 38p/£ - 40p/£ will be paid from FWA to FWT.

Progress since we last reported

Realisation of assets

FWT

Administration surplus

During the period, surplus funds of £2,827,495.28 were released into the administration. This includes a receipt of £1,557.96 detailed above.

Intercompany debt - Travelsmart Holdings Limited

On appointment, the directors' statement of affairs stated that there was an intercompany debt with a book value of c.£6m was owed to FWT from its parent, Travelsmart Holdings Limited ("TSH"), however the directors did not believe that this would realise any monies in the administration due the financial position of TSH and security provided to lenders which meant that TSH would rank low in the priority ranking.

TSH is the ultimate parent of DH Enterprise & Associates LLC and GCS Travel Limited which together operate as a travel business in the US. TSH reported net liabilities of £28m at 30 April 2021, including secured bank loans of £6m. Following our review of the position we agreed to settle the debt by way of a reduction in the expected dividend to another group company, GCS Travel, which will result in an additional £30k being available for the creditors of FWT. Although significantly less than the debt owed, it was not originally envisaged that any monies would be obtained in relation to this debt and we therefore considered this to be the best outcome for creditors in the circumstances.

Interchange claim

As reported in the administration, FWT has an interchange claim against Mastercard/Visa for potential overcharged credit card merchant services pre-appointment which has been assigned to Henderson & Jones Limited. An initial payment of £1,000 was received and we have further agreed a percentage share of any future recoveries. We are unable to estimate the outcome with any certainty at this stage, but we continue to liaise with Henderson & Jones for updates.

Bank interest

Interest receivable of £5,973.28 has been received in the period.

Insurance refund

An insurance refund of £177.72 has been received in the period.

Intercompany claim

As explained in our prior reports in the administration, FWT is the sole creditor of FWA and has a claim in the estate of FWA of c£2.8m. The current estimated return to creditors of FWA is between 38p/£-40p/£ and is expected to be realised in the next 3-6 months.

Surplus funds from the ATTF

Following a recent update from the ATTF, we expect that surplus funds of c£400k will be returned to the liquidation following the payment of final costs. This also means that ATTF does not have an unsecured claim in the liquidation as there was no shortfall from the funds held in the deposit account.

FWA

Administration surplus

During the period, surplus funds of £1,684,087.74 were released into the administration.

Administration VAT refund

A VAT refund of £52,350.72 was received in the liquidation, this recovery related to VAT returns submitted in the prior administration.

Ryanair book debt

The majority of airline book debts were collected in the administration. The largest outstanding balance is from Ryanair. Recovering this debt has proved challenging, however collections to date total c.£100k (currently held on trust by the pre-appointment bankers) and we are continuing recovery actions against Ryanair but the recoverability of the remaining debts due at this point is unlikely.

Bank interest

Interest receivable of £3,893.60 has been received in the period.

Sundry airline refund

A refund of £508 has been received in the period relating to a Jet2 airline booking.

Connected party transactions

There have been no connected party transactions in the liquidation. Please refer to the Former Joint Administrators final report available at www.pwc.co.uk/fleetwaytravel for details of connected party transactions made in the administrations.

Statutory and compliance

During the reporting period, we have continued to manage the VAT affairs of the Companies, with all VAT returns up to the quarter ending 30 June 2022 submitted. We will continue to prepare the quarterly VAT returns for the Companies during the liquidations until it is deemed appropriate to deregister from VAT.

We have also complied with our statutory obligations to prepare and file corporation tax returns for the administration period. These returns have been submitted to HMRC, along with the period between the end of the administrations and liquidation appointments.

Investigations and actions

As Former Joint Administrators, we reviewed the Companies affairs and took into account any points raised by creditors in discharging our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

At this time, nothing has come to our attention 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 accounts

We set out in Appendix A accounts of our receipts and payments in the liquidations from 22 July 2021 to 21 July 2022.

Our expenses

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

The statements exclude any potential tax liabilities that we may need to pay as a liquidation 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 fees, expenses and other related matters.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

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

You can also get a copy free of charge by contacting Adam Thompson on 020 7583 5000 or emailing at uk_fleetway_queries@pwc.com.

What we still need to do

In order to conclude matters in the liquidation, we need to finalise the remaining asset realisations, distribute funds from FWA to FWT and declare a distribution to the unsecured creditors of FWT. Once this work has been completed, we can conclude the final administrative matters to enable the Liquidators to vacate office and the Companies will move to dissolution.

Next report

We expect to send our next report to creditors at the end of the liquidations or in about 12 months, whichever is sooner. If you've got any questions, please contact Josh Liburd at uk_fleetway_queries@pwc.com.

Yours faithfully
For and on behalf of the Companies



Steven Sherry
Joint Liquidator

Appendices

Appendix A: Receipts and payments

FWT - Receipts and payments account

22 July 21 to
21 July 22
£

Receipts

Bank interest	5,973.28
Surplus funds from administration	2,827,495.28
Insurance refund	177.72
Total receipts	2,833,646.28

Payments

Office holders' fees (former administrators' fees on a time costs basis)	(350,000.00)
IT costs	(2,612.94)
Storage costs	(3,054.78)
Statutory advertising	(87.00)
Total Payments	(355,754.72)

Net cash position

2,477,891.56

Distribution to preferential creditors (69,777.36)

VAT Control Account (71,150.94)

Funds held in interest-bearing account

2,336,963.26

Notes to the R&P

1. Amounts shown exclude VAT, funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties.
2. The statement of affairs figures have not been disclosed in the liquidation as they relate to assets realised in the prior administration.
3. As explained earlier in this report, a receipt of £1,557.96 was received during the period between the administration ending and liquidation appointment taking effect. The surplus funds received from the administration shown above include these additional funds and this is why the funds received are higher than those shown in the administrators' final report.
4. On 25 May 2022 we paid a dividend to preferential creditors at the rate of 100 pence in the £.

FWA Receipts & Payments Account	22 July 21 to 21 July 22 £
Receipts	
Administration VAT refund	52,350.72
Bank interest	3,893.60
Surplus funds from administration	1,684,087.74
Sundry debts & refunds	508.00
Total receipts	1,740,840.06
Payments	
Office holders' fees (former administrators' fees on a time costs basis)	(150,000.00)
Statutory advertising	(87.00)
Total Payments	(150,087.00)
Net cash position	1,590,753.06
VAT Control Account	(17.40)
Funds held in interest-bearing account	1,590,735.66

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties.
2. The statement of affairs figures have not been disclosed in the liquidation as they relate to assets realised in the prior administration.

Appendix B: Expenses

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

Expenses fall into two categories:

Expense	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 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 unsecured creditors) also has the responsibility for agreeing the policies for payment of Category 2 expenses.

The following table provides a breakdown of the Category 2 expenses have been incurred by us as liquidators or our associates, together with details of the Category 1 expenses that have been incurred by PwC and will be recharged to the case:

FWT

Category	Cost incurred by	Policy:	Costs incurred (£)
2	PwC	Photocopying - at 12 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	35.64
1	PwC	Storage	221.32
1	PwC	Postage	52.80
Total			309.76

FWA

Category	Cost incurred by	Policy:	Costs incurred (£)
2	PwC	Photocopying - at 12 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
1	PwC	Storage	6.77
Total			6.77

The expense policy set out above has been approved by the Companies' unsecured creditors.

The tables below provide details of the expenses incurred in the liquidations. They also include the balances brought forward from the prior administrations. This is because the estimates provided in the administrations carried through

to the liquidations and, for transparency and ease of comparison against those estimates, we have carried the balances forward.

FWT

Nature of expenses	Brought forward from administration	Incurred in the period	Cumulative	Estimated Future	Anticipated Total	Initial Estimate	Variance
Agents' fees and disbursements - Hilco	39,435	-	39,435	-	39,435	39,935	(500)
Bank charges	180	-	180	30	210	165	45
Debt collection fees	16,221	-	16,221	-	16,221	-	16,221
Duress payments	1,678	-	1,678	-	1,678	1,678	-
Gross wages, salaries and other staff costs	373,078	-	373,078	-	373,078	343,134	29,944
Insurance	1,374	-	1,374	-	1,374	1,426	(52)
IT costs	55,279	2,613	57,892	-	57,892	50,527	7,365
Legal fees and expenses	50,793	-	50,793	-	50,793	50,793	-
Mail redirection	642	-	642	-	642	642	-
Office holders' disbursements	19,269	310	19,579	2,100	21,679	21,749	(70)
Pre-administration costs - PwC	76,469	-	76,469	-	76,469	76,469	-
Pre-administration costs - Eversheds	13,480	-	13,480	-	13,480	12,000	1,480
Professional fees - payroll administration	727	-	727	-	727	577	151
Rent and utilities	23,365	-	23,365	-	23,365	27,206	(3,841)
Statutory advertising	83	87	170	90	260	333	(73)
Storage costs	2,500	3,055	5,555	1,500	7,055	2,500	4,555
Total expenses	674,575	6,064	680,640	3,720	684,360	629,136	55,224

FWA

Nature of expenses	Brought forward from administration	Incurred in the period	Cumulative	Estimated Future	Anticipated Total	Initial Estimate	Variance
Bank charges	60	-	60	-	60	110	(50)
Debt collection fees	2,092	-	2,092	-	2,092	3,092	(1,000)
Debt collection agent's fees	76,349	-	76,349	-	76,349	91,349	(15,000)
Gross wages, salaries and other staff costs	98,617	-	98,617	-	98,617	123,617	(25,000)
Insurance	627	-	627	-	627	1,127	(500)
IT costs	35,668	-	35,668	-	35,668	38,368	(2,700)
Legal fees and expenses	21,118	-	21,118	-	21,118	30,118	(9,000)
Office holders' disbursements	-	7	7	250	257	3,000	(2,743)
Pre-administration costs - PwC	35,744	-	35,744	-	35,744	35,744	-
Pre-administration costs - Eversheds	4,747	-	4,747	-	4,747	5,609	(862)
Professional fees - payroll administration	102	-	102	-	102	262	(160)
Statutory advertising	83	87	170	90	260	333	(73)
Total expenses	275,208	94	275,302	340	275,642	332,730	(57,088)

The tables also exclude any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period. The tables 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 have exceeded the estimate provided to all creditors in FWT. This is because the administration took longer to conclude than initially anticipated and due to the complexity of claims adjudication and realising the remaining assets.

Appendix C: Remuneration update

During the administrations, creditors fixed the basis of the administrators' fees by reference to time properly given by the administrators and their staff in dealing with the administrations.

The fee basis agreed in the administrations continues to apply in the liquidations. This means that our fees as Joint Liquidators will be calculated by reference to the time properly given by the Joint Liquidators and their staff in dealing with the liquidations.

The time cost charges incurred in the period covered by this report are £142,108.50 for FWT and £25,061.00 for FWA.

We have drawn fees in the period of £350,000 for FWT and £150,000 for FWA. These fees relate to outstanding fees due from the prior administrations. We have not yet drawn fees for our work in the liquidations.

We think that our time costs will exceed our initial estimates approved by the unsecured creditors as the fee approving body. However we do not intend to seek approval to draw fees above our initial estimates.

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

Our hours and average rates from 22 July 2021 to 21 July 2022

FWT

Work type category	Partner	Director	Assistant Director	Senior Manager	Senior Manager	Senior Associate	Associate	Total hours	Total cost (£)	Average hourly rate
Accounting and Treasury	0.50				0.95	12.46	11.40	25.31	9,591.00	378.94
Assets	0.50	1.20	0.30	-	0.80	13.10		15.90	7,659.50	481.73
Creditors		0.30		12.80	2.75	168.25	23.10	207.20	89,832.50	433.55
Employees and Pensions					1.00	2.45		3.45	1,596.50	462.75
Statutory and Compliance	11.05		0.20	1.50	6.50	26.80	8.40	54.45	28,793.00	528.80
Strategy and Planning		0.10			0.25	0.85	1.45	2.65	972.50	366.98
Tax and VAT					0.60	5.70	2.35	8.65	3,683.50	425.84
Grand Total	12.05	1.60	0.50	14.30	12.85	229.61	46.70	317.61	142,108.50	447.43

FWA

Work type category	Partner	Director	Senior Manager	Senior Manager	Senior Associate	Associate	Total hours	Total cost (£)	Average hourly rate
Accounting and Treasury			0.30	0.15	8.10	3.55	12.10	4,711.75	389.40
Assets					0.10		0.10	42.50	425.00
Creditors			0.20			2.45	2.65	872.75	329.34
Statutory and Compliance	2.00		2.75	1.85	20.80	6.20	33.60	15,712.50	467.63
Strategy and Planning		0.10		0.20	0.95	1.55	2.80	1,016.75	363.13
Tax and VAT				0.30	4.45	1.65	6.40	2,704.75	422.62
Grand Total	2.00	0.10	3.25	2.50	34.40	15.40	57.65	25,061.00	434.71

Our time charging policy and hourly rates

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

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

Title	Description
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.
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.
Offshore professional	Offshore professional colleagues may provide assistance, albeit that the majority of the work on this case will be undertaken by the UK based team. An off-shore professional at the higher end of the fee bracket generally has appropriate insolvency experience or an accounting qualification, depending on the nature of the work and will assist with planning and control of various aspects of the insolvency. An off-shore professional at the lower end of the fee bracket will typically have a finance-related qualification and appropriate skills to complete basic insolvency related tasks and provide administrative support to the team including efficient document preparation and data entry, records management, and general data analytics. All work under the supervision of more senior staff.

Grade	From 1 July 2021 £/hr	From 1 July 2022 £/hr
Partner	955	980
Appointment taking director	840	960
Director	840	915
Assistant director (not appointee)	665	900
Senior Manager	665	860
Manager	575	730
Senior Associate	465	515
Associate	245	375
Offshore professionals	245	515
Support Staff	155	160

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Specialist maximum rate per hour	From 1 July 2021	From 1 July 2022
Grade	(£)	(£)
Partner	1,680	1,680
Director	1,540	1,540
Senior Manager	1,425	1,425
Manager	860	860
Senior Associate	640	640
Associate	345	415
Support Staff	230	230

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

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report.

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. Unless otherwise stated, the work undertaken applies to both Companies.

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors, or whether it was required by statute
Accounting & treasury	<ul style="list-style-type: none"> Opening liquidation bank accounts Dealing with receipts, payments and journals Issuing the preferential dividend payments (FWT) Carrying out periodic bank reconciliations Corresponding with bank regarding specific transfers 	<ul style="list-style-type: none"> Many tasks required by regulation, for the proper management of funds held
Assets	<ul style="list-style-type: none"> Correspondence with debtors, including escalation letters and dealing with counter claims Work in relation to inter-company claims (FWT) 	<ul style="list-style-type: none"> To maximise realisations for creditors
Creditors (primarily FWT)	<ul style="list-style-type: none"> Receipting and filing claims Overseeing the initial claims review process completed by retained employees Receiving and following up creditor enquiries via telephone, email and post Reviewing and preparing correspondence to creditors and their representatives Claims adjudication 	<ul style="list-style-type: none"> Benefit to creditors in ensuring claims are logged for dividend purposes, and creditors are kept informed of case progression

Employees & pensions (FWT only)	<ul style="list-style-type: none"> • Liaising with the RPS to facilitate resolution of any issues, enabling timely payments to employees • Liaising with former employee in relation to employment tribunal claim • Dealing with pension scheme issues and ensuring pension contributions are made • Calculating and declaring the distribution to preferential creditors 	<ul style="list-style-type: none"> • Keeping employees informed and dealing with the impact of the pandemic • Required for the proper management of the administration • Some tasks required by regulation or best practice
Statutory & compliance	<ul style="list-style-type: none"> • Updating checklists and case diary management • Drafting the first annual liquidation report • Completion of tasks required to move companies from administration to liquidation • Completing six monthly case reviews to track case progression 	<ul style="list-style-type: none"> • Required by statute • Ensures creditors are kept apprised of case progression
Strategy & planning	<ul style="list-style-type: none"> • Holding team meetings and discussions regarding status of liquidation • Reviewing the liquidation strategy to ensure it is appropriate and being progressed 	<ul style="list-style-type: none"> • Some tasks required by statute or regulation and ensures the proper management of the administrations
Tax & VAT	<ul style="list-style-type: none"> • Preparing quarterly post-appointment VAT returns • Commencing preparation of post-appointment tax returns • Preparing the corporation tax returns for the administration period and period between administration expiration and liquidation appointment 	<ul style="list-style-type: none"> • Required to act as proper officer for the Companies' tax and VAT affairs

Our future work

We still need to do the following work in the liquidation. Unless otherwise stated, the work undertaken applies to both Companies.

Area of work	Work undertaken	Estimated cost £	Why the work was necessary and what, if any, financial benefit the work provided to creditors, or whether it was required by statute
Accounting & treasury	<ul style="list-style-type: none"> • Dealing with receipts, payments and journals • Carrying out periodic bank reconciliations • Corresponding with bank regarding specific transfers • Issuing distribution payments • Bank account closure 	FWT: £8,000 FWA: £2,500	<ul style="list-style-type: none"> • Many tasks required by regulation, for the proper management of funds held
Assets	<ul style="list-style-type: none"> • Correspondence with remaining debtors (FWA) • Work in relation to inter-company claims • Liaising with Henderson & Jones re the interchange claim (FWT) 	FWT: £1,500 FWA: £2,500	<ul style="list-style-type: none"> • To maximise realisations for creditors
Creditors (primarily FWT)	<ul style="list-style-type: none"> • Receipt and filing claims • Receiving and following up creditor enquiries via telephone, email and post • Reviewing and preparing correspondence to creditors and their representatives • Calculating the dividend to unsecured creditors • Liaising with secured creditor (FWT) 	FWT: £10,000 FWA: £2,500	<ul style="list-style-type: none"> • Benefit to creditors in ensuring claims are logged for dividend purposes, and creditors are kept informed of case progression

Employees & pensions (FWT only)	<ul style="list-style-type: none"> • Reissuing preferential dividends • Adjudicating unsecured employee claims • Dealing with pension scheme notices upon ceasing to act 	FWT: £3,000 FWA: £nil	<ul style="list-style-type: none"> • Required for the proper management of the administration • Some tasks required by regulation or best practice
Statutory & compliance	<ul style="list-style-type: none"> • Updating checklists and case diary management • Preparing and issuing the liquidators' annual report • Preparing and issuing the liquidators' final report • Completion of tasks required to move companies from liquidation to dissolution 	FWT: £10,000 FWA: £5,500	<ul style="list-style-type: none"> • Required by statute • Ensures creditors are kept apprised of case progression
Strategy & planning	<ul style="list-style-type: none"> • Holding team meetings and discussions regarding status of liquidation • Reviewing the liquidation strategy to ensure it is appropriate and being progressed 	FWT: £2,500 FWA: £2,000	<ul style="list-style-type: none"> • Some tasks required by statute or regulation and ensures the proper management of the administrations
Tax & VAT	<ul style="list-style-type: none"> • Preparing quarterly post-appointment VAT returns • Preparing & submitting the VAT deregistration forms and final return • Preparing the liquidation return & clearance request 	FWT: £1,500 FWA: £1,500	<ul style="list-style-type: none"> • Required to act as proper officer for the Companies' tax and VAT affairs

Our relationships

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

Details of subcontracted work

We have not subcontracted any work in the liquidation, book debt collections were subcontracted in the prior administration to Benjamin Braude, a former director of the Companies.

Legal and other professional firms

We haven't instructed any legal or professional advisors during the liquidation, however for details of advisors instructed in the Former Administration, please refer to the final administration report.

Appendix D: Other information

Companies' registered names and registered numbers:	Fleetway Travel Limited - 02157381 Fleetway Aviation Limited - 06437175
Registered address:	PricewaterhouseCoopers LLP, 8th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Liquidators' appointment:	22 July 2021
Liquidators' names, addresses and contact details:	Steven Sherry and David Baxendale of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT Contact my colleague, Adam Thompson, at: uk_fleetway_queries@pwc.com
