



For further information, please  
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[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 0 7 5 4 0 1 0

Company name in full Frank's Ice Cream Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Richard J

Surname Lewis

### 3 Administrator's address

Building name/number 2 Glass Wharf

Street Temple Quay

Post town Bristol

County/Region

Postcode B S 2 0 E L

Country

### 4 Administrator's name ①

Full forename(s) Alistair

Surname Wardell

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 6th Floor

Street 3 Callaghan Square

Post town Cardiff

County/Region

Postcode C F 1 0 5 B T

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	<sup>d</sup> 1	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3
To date	<sup>d</sup> 1	<sup>d</sup> 6	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

<sup>d</sup> 1	<sup>d</sup> 0	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3
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**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 **Richard J Jackson**

Company name **Grant Thornton UK LLP**

Address **11th Floor**

**Landmark St Peter's Square**

Post town **1 Oxford St**

County/Region **Manchester**

Postcode **M 1 4 P B**

Country

DX

Telephone **0161 953 6900**

**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**

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# **Frank's Ice Cream Limited - in administration**

**Joint Administrators' progress report  
for the period 17 March 2023 to  
16 September 2023**

UK Restructuring  
Grant Thornton UK LLP  
11th Floor  
Landmark St Peter's Square  
1 Oxford St  
Manchester  
M1 4PB  
T +44 (0)161 953 6906

Prepared by: Richard Lewis, joint administrator

Contact details: Should you wish to discuss any matters in  
this report, please email  
[cmusupport@uk.gt.com](mailto:cmusupport@uk.gt.com), or write to the  
above address

# Guide to this report

## Report sections

### Definitions

#### 1 **Executive summary**

This should be read in conjunction with the remainder of the report, together with its appendices

#### 2 **Progress**

Includes strategy and progress (trading, sale of business, realisation of assets)

#### 3 **Investigations into the affairs of the company**

Includes strategy and progress

#### 4 **Creditors and dividends**

Includes creditor balances and information on dividends

#### 5 **Joint administrators' remuneration and expenses**

Includes details of payments to the joint administrators (including details of fees and expenses incurred) and their associates

#### 6 **Future strategy**

Includes summary details of further work to be done, exit route, general information for readers (eg data protection) and timing of the next report

## Report appendices

#### A **Notice about this report**

Includes information about the preparation and purpose of the report, reliance on it and no liability

#### B **Statutory information**

Includes information required about the company (eg name, address) and about the administration (eg proceedings, administrators, contact details)

#### C **Abstract of the joint administrators' receipts and payments**

#### D **Statement of Insolvency Practice 9 disclosure: Payments to the joint administrators and their associates**

Includes remuneration basis, work done, expenses of the joint administrators, sub-contracted out work, relationships requiring disclosure

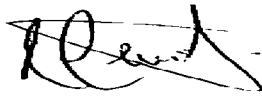
# Definitions

The following definitions are used either within the body of this report, the appendices to it, or both.

<b>Act</b>	Insolvency Act 1986
<b>Barclays / Bank</b>	Barclays Bank PLC
<b>Company</b>	Frank's Ice Cream Limited
<b>CVL</b>	Creditors' Voluntary Liquidation
<b>DBW</b>	Development Bank of Wales PLC, DBW Investments (14) Limited and DBW Investments (3) Limited
<b>Derwydd / Purchaser</b>	Derwydd Mansion Events Limited
<b>ERA</b>	ERA Solutions Limited
<b>Firm / Grant Thornton</b>	Grant Thornton UK LLP
<b>HMRC</b>	HM Revenue & Customs
<b>Joint Administrators / we / us / our</b>	Richard Lewis Alistair Wardell
<b>LSH</b>	Lambert Smith Hampton
<b>PAYE</b>	Pay As You Earn
<b>Pegasus</b>	Pegasus Planning Group Ltd
<b>Period</b>	The reporting period from 17 March 2023 to 16 September 2023
<b>Proposals</b>	The Joint Administrators' proposals dated 11 May 2023
<b>RPS</b>	Redundancy Payments Service
<b>Rules</b>	Insolvency (England and Wales) Rules 2016
<b>SIP</b>	Statement of Insolvency Practice
<b>Square</b>	Squareup International Limited
<b>TLT</b>	TLT LLP
<b>TUPE</b>	Transfer of Undertakings (Protection of Employment) Regulations 2006
<b>UK</b>	United Kingdom
<b>VAT</b>	Value added tax

# 1 Executive summary

- This progress report for the Company's administration covers the Period
- Our proposals were deemed approved on 25 May 2023 in accordance with rule 3.38(4) of the Rules
- The key work done in the Period was to:
  - Market the business and assets for sale
  - Oversee and conclude trading of the ice cream parlour for an 18 week period
  - Complete the sale of the ice cream parlour business and assets
  - Agree the sale and exchange contracts on the ice cream parlour building
  - Agree sales of the majority of the plant and machinery
  - Engage in negotiations in relation to the sale of the factory building
- The return to the secured creditors is currently uncertain but we anticipate that they will not be repaid in full
- We do not anticipate a return to the preferential creditors
- We do not anticipate a return to the unsecured creditors (Section 4 – Creditors and dividends)
- The administration is currently due to end on 16 March 2024
- As there will not be sufficient funds to make a distribution to unsecured creditors, it is anticipated that the administration will end by filing a notice to dissolve the Company.



Richard Lewis  
Joint Administrator

10 October 2023

## 2 Progress

### 2.1 Strategy and progress in the Period

As set out in the Proposals, following an accelerated marketing exercise with a deadline for offers of 29 March 2023, offers were received for the business but they were significantly below LSH's valuation of the assets. Due to this and the other reasons set out in the Proposals, the Joint Administrators were unable to recommence manufacturing in the factory and the factory staff were made redundant.

We re-opened the ice cream parlour on 24 March 2023 with the objective of increasing the likelihood of a successful sale of that part of the business.

### 2.2 Trading

The Joint Administrators commenced trading the ice cream parlour on 24 March 2023 and continued trading for 18 weeks until a sale of the business and certain assets completed on 28 July 2023. The objective of trading was to increase the likelihood of a successful sale of that part of the Company's business.

All staff working in the ice cream parlour were retained post on appointment. On completion of the sale, all remaining ice cream parlour staff transferred to the Purchaser under TUPE.

As at the date of the Joint Administrators' Proposals, and after six weeks of trading, the Joint Administrators had anticipated that trading would either be break-even or incur a small loss. Sales peaked in week 10 but after that they followed a downward trajectory and by week 18, weekly sales were materially less than during earlier trading.

In addition to lower than estimated sales, wage costs and heat and light costs were higher than originally estimated. Together, these factors have contributed to a trading cash out flow of £28,697 to date. In addition, we estimate further costs in relation to trading in the region of £7,000 which are yet to be paid.

Despite the trading loss, the Joint Administrators consider that the successful sale of the ice cream business and certain assets, and the sale of the ice cream parlour property, at values above our agent's estimates would not have been achieved without trading. In addition, employee claims have been mitigated due to the TUPE transfer.

Trading accounts the Joint Administrators had opened with a small number of suppliers have now mostly been finalised and settled.

### 2.3 Offers received

As set out in the Proposals, several offers were received for the business and/or assets both during and after the initial accelerated marketing exercise. In conjunction with LSH, we negotiated with these parties but unfortunately no proceedable offers for the whole business were received at a level above LSH's valuation of the assets.

An offer for the ice cream parlour business and assets of £16,000, and for the property of £435,000, was received and accepted from Derwydd, a company owned and controlled by two of the three directors of the Company. Details of the transaction are set out in section 2.4 below. The transaction for the business and assets completed on 28 July 2023 and contracts were exchanged in relation to the property. Our solicitor, TLT, is currently holding the funds in relation to the business and assets sale, and also funds relating to a deposit of £21,750 (5%) paid on exchange of contracts for the property.



We have received and accepted offers for the factory plant and machinery of £202,565 to date. There may be a small number of further sales, but realisations are not anticipated to be material relative to the sales to date. LSH is currently holding these funds which will be remitted to us when the plant and machinery sales are complete.

We have received several offers for the factory building and LSH continue to negotiate with these parties.

The offers received and accepted for the ice cream parlour business, assets and property, and the offers received for the factory plant and machinery were all in excess of LSH's valuation of the assets. We therefore determined that acceptance of these offers provided the best result for creditors.

While undertaking our due diligence on the property, we identified a planning condition which restricted the use of the ice cream parlour building for purposes ancillary to the main factory building and also restricted a sale or sublet to form a separate industrial unit. The exchanged sale of the ice cream parlour building and the future sale of the factory building were conditional on the local authority removing this planning condition. We therefore engaged Pegasus which submitted an application on 19 July 2023 to Carmarthenshire County Council, the local authority, to remove the condition. Approval of the removal of planning condition was granted on 11 September 2023.

## 2.4 Details of the ice cream parlour transaction

We achieved a sale of the trade and assets of the ice cream parlour part of the Company and have exchanged contracts on the parlour building, as detailed below:

Name of purchaser	Derwydd Mansion Events Limited
<b>Consideration and allocation against assets:</b>	
<b>Goodwill</b>	£1,000
<b>Plant and Machinery</b>	£14,997
<b>Stock</b>	£1
<b>Sellar's Records</b>	£1
<b>Elected Business Contracts</b>	£1
	-----
<b>Subtotal of business and assets</b>	£16,000
<b>Property</b>	£435,000
	-----
<b>Total</b>	£451,000
<b>Date of exchange</b>	28 July 2023
<b>Deferred consideration terms (and any security held)</b>	n/a
<b>Employees transferred</b>	14
<b>Creditor mitigation</b>	Employee TUPE transfer reduced claims in the administration
<b>Purchaser's connection to the Company</b>	The director/shareholders of Derwydd, Maria Dallavalle and Renaldo Dallavalle, are also directors of the Company. Renaldo Dallavalle is also a shareholder of the Company.

The realisations from the sale to the connected party are in excess of any other offer received for the ice cream parlour assets, and in excess with the in-situ value estimated by LSH. We therefore determined that acceptance of the offer provided the best result for creditors.

## 2.5 Realisation of assets

We attach as Appendix C, an account of our receipts and payments for the Period.

### Trading

As noted above, we have incurred a trading cash out flow of £28,697 to date and we estimate further costs in relation to trading in the region of £7,000 which are yet to be paid.

### Debtors

Debtor realisations to date amount to £103,870. No further realisations are anticipated.

On appointment, the Company's records showed outstanding debts amounted to £190,406. On undertaking further analysis, it was identified that £70,218 had in fact been paid to the Company prior to the Joint Administrators' appointment meaning that the actual ledger balance on appointment was £120,189.

The uncollectable debts are primarily a duplicate invoice (£7,679) and an internal recharge from the manufacturing factory to the ice cream parlour (£7,550).

### Square balance at date of appointment

At the date of our appointment, there were funds of £933 in the Company's pre-appointment account with Square (card processing) which were transferred to the Company's administration bank account.

### Bank interest

Bank interest of £635 has been received in the Period.

## 2.6 Assets remaining to be realised

As noted above:

- We have accepted offers of £202,565 for plant and machinery to date. LSH is currently holding these funds which will be remitted to us when the sales are complete
- We have exchanged contracts in relation to the sale of the ice cream parlour buildings for £435,000. We anticipate that the sale will complete within the next four weeks
- We have received several offers for the factory building and LSH continue to negotiate with these parties. We anticipate completing a sale within the next 12 weeks.

# 3 Investigations into the affairs of the Company

## 3.1 Statutory investigations

We undertook an investigation into the Company's affairs to establish whether there were any potential asset recoveries, or conduct matters that required further investigation, taking into account the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.

Based on the outcome of our investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors. However, we would be pleased to receive from any creditor any useful information concerning the Company, its dealing or conduct which may assist us.

# 4 Creditors and dividends

## 4.1 Secured creditors

Details of the charges granted to the secured creditors were provided in the Proposals.

To date no distribution has been made to Barclays under its security. We anticipate that Barclays will be repaid in full.

To date no distribution has been made to DBW under its security. We anticipate that there will be a shortfall to this creditor.

## 4.2 Preferential creditors

### Ordinary preferential creditors

These may include employee claims for wages and salary up to £800 per person and accrued holiday pay, and employee contributions to occupational pension schemes deducted in the four months before the insolvency. A significant element of these claims has been transferred to the Secretary of State, following payment of employment related claims by the RPS.

There were 38 employees at the date of appointment. 19 were made redundant, five left of their own accord and 14 transferred to the Purchaser under TUPE.

We currently anticipate that there will be insufficient funds available to pay a dividend to the ordinary preferential creditors.

### Secondary preferential creditors

These include HMRC claims for arrears of VAT and for sums deducted in respect of PAYE, employees' national insurance contributions and student loan repayments, and construction industry scheme deductions, as applicable.

We have not received a claim to date.

We currently anticipate that there will be insufficient funds available to pay a dividend to the secondary preferential creditors.

## 4.3 Unsecured creditors

The estimated financial position of the Company, included in the Proposals, details unsecured creditor claims of £1.59 million. Claims we have received which are materially different to those recorded on the estimated financial position include:

- Funding Circle Eclipse Lending Limited: We have received a claim for the sum of £303,039. The estimated financial position included this claim at £193,031.
- Seda UK Limited: We have received a claim for the sum of £162,548. The estimated financial position included this claim at £24,560.

We have not adjudicated creditor claims and are therefore unable to comment on the variances.

**Prescribed part**

In accordance with section 176A of the Act, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £800,000.

We do not anticipate there will be sufficient funds available for a prescribed part distribution to unsecured creditors.

**Sanctioned creditors**

Any distributions to be made to creditors, in any class, who are designated under the UK sanctions regime (and the United States (US), European Union (EU) and other applicable sanctions regimes) (Sanctioned Creditors) will be frozen to comply with our legal obligations and will not be made available to Sanctioned Creditors unless, in very limited circumstances, the payment of the distribution is permitted by licenses issued by all applicable sanctions authorities.

We are not aware of any sanctioned creditors.

**Dividend prospects**

There is unlikely to be a dividend payable to this class of creditor.

# 5 Joint Administrators' remuneration and expenses

## 5.1 Overview

Our remuneration basis has not yet been fixed. We consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors and will therefore seek fee approval from the secured creditors.

We have incurred time costs and expenses in the Period amounting to £734,481 and £215,397. Expenses of £181,304 have been settled to date.

Further details about remuneration and expenses are provided in Appendix D to this report.

These are our time costs at our standard charge out rates. The actual level of time costs recovered will be substantially less and detailed in future reports once our remuneration basis is agreed by the secured creditors.

# 6 Future strategy

## 6.1 Future conduct of the administration

We will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- realisation of assets, including property, plant and equipment
- payment of administration expenses, including our remuneration
- finalisation of the Company's tax affairs, including completion of corporation tax and VAT returns and settlement of any liabilities
- complying with statutory and compliance obligations
- paying distributions to the secured creditors

## 6.2 Extension of the administration

The duration of an administration is restricted to 12 months from the date of commencement unless it is extended with the permission of the creditors or the court. The administration is currently due to end on 16 March 2024.

If an extension is required, the Joint Administrators will seek a resolution from the secured creditors requesting an extension of up to 12 months.

## 6.3 Exit from administration

As detailed in our proposals we do not consider it likely that we will have sufficient funds to make a distribution to unsecured creditors and therefore intend to exit the administration and move to dissolution.

## 6.4 Discharge from liability

As there are insufficient funds to make a distribution to creditors, we will seek consent from each secured creditor in order to obtain our discharge from liability.

## 6.5 Data protection

Any personal information held by the Company will continue to be processed for the purposes of the administration of the Company and in accordance with the requirements of data protection. Our privacy notice on our website ([www.granthornton.co.uk/en/privacy](http://www.granthornton.co.uk/en/privacy)) contains further details as to how we may use, process and store personal data.

## 6.6 Contact from third parties

Please be aware that fraudsters have been known to masquerade as legitimate administrators. Fraudsters may contact creditors asking for an upfront fee or tax to release an investment or to enable payment of a dividend / the release of money payable to the creditor. An administrator would never ask for such a payment nor instruct a third party to make such a request.

## 6.7 Future reporting

Our next report to creditors will be issued no later than 16 April 2024, or earlier if the administration has been completed by that date.

# A Notice about this report

This report has been prepared solely to comply with the Joint Administrators' statutory duty to report to creditors under the Rules 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 purposes, or in any other context.

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

Any persons choosing to rely on this report for any purpose or in any context other than under the Rules 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 that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointment of the Joint Administrators is personal to them and to the fullest extent permitted by law, Grant Thornton does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

Please note you should read this progress report in conjunction with the Joint Administrators' previous progress reports and the Proposals issued to the Company's creditors, which can be found on the Grant Thornton portal (<https://www.grantthornton.co.uk/portal/>). Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.



## B Statutory information

### Company information

Company name	Frank's Ice Cream Limited
Date of incorporation	19 March 1963
Company registration number	00754010
Former trading address	Capel Hendre Industrial Estate Ammanford Carmarthenshire SA18 3SJ
Former registered office	Capel Hendre Industrial Estate Ammanford Carmarthenshire SA18 3SJ
Present registered office	11th Floor Landmark St Peter's Square 1 Oxford St Manchester M1 4PB

### Administration information

Administration appointment	The administration appointment granted in the High Court of Justice, Business & Property Courts, 000007 of 2023
Appointor	the directors
Date of appointment	17 March 2023
Joint Administrators' names	Richard J Lewis Alistair Wardell
Joint Administrators' addresses	2 Glass Wharf, Temple Quay, Bristol, BS2 0EL 6th Floor, 3 Callaghan Square, Cardiff, CF10 5BT
Purpose of the administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up
Estimated value of the net property and confirmation of the prescribed part cap	We estimate that there will be insufficient funds available for a prescribed part. The prescribed part is capped at the statutory maximum of £800,000
Prescribed part distribution	The Joint Administrators do not intend to apply to court to obtain an order that the prescribed part shall not apply
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Act, the functions of the administrators are to be exercised by any or all of them
Current administration expiry date	16 March 2024

**Frank's Ice Cream Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**

C

Statement of Affairs £	From 17/03/2023 To 16/09/2023 £	From 17/03/2023 To 16/09/2023 £
POST APPOINTMENT SALES		
Sales	126,084.22	126,084.22
	<u>126,084.22</u>	<u>126,084.22</u>
PURCHASES		
Ingredients	29,824.34	29,824.34
Purchases	816.66	816.66
	<u>(30,641.00)</u>	<u>(30,641.00)</u>
OTHER DIRECT COSTS		
Gift card honouring	639.52	639.52
	<u>(639.52)</u>	<u>(639.52)</u>
TRADING EXPENDITURE		
Rates	331.20	331.20
Heat & Light	23,481.91	23,481.91
Water	1,464.16	1,464.16
Telephone	4,637.38	4,637.38
Carriage	0.84	0.84
Insurance	2,891.50	2,891.50
Square transactions fees	1,272.20	1,272.20
Hire of Equipment	11,442.12	11,442.12
Repairs & Maintenance	196.65	196.65
Waste disposal	1,030.99	1,030.99
Stationery	146.46	146.46
PAYE/NI	3,610.53	3,610.53
Net Wages	71,094.19	71,094.19
Other Payroll Deductions	1,451.45	1,451.45
Employee Expenses	449.60	449.60
	<u>(123,501.18)</u>	<u>(123,501.18)</u>
<b>TRADING SURPLUS/(DEFICIT)</b>	<b><u>(28,697.48)</u></b>	<b><u>(28,697.48)</u></b>

**Frank's Ice Cream Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 17/03/2023 To 16/09/2023 £	From 17/03/2023 To 16/09/2023 £
COSTS OF REALISATION		
Other Property Expenses	11,315.72	11,315.72
Insurance	4,467.83	4,467.83
	(15,783.55)	(15,783.55)
ASSET REALISATIONS		
Bank/ISA InterestGross	635.10	635.10
Book Debts	103,870.24	103,870.24
Square Balance as at DOA	933.02	933.02
Trading Surplus/(Deficit)	(28,697.48)	(28,697.48)
	76,740.88	76,740.88
COST OF REALISATIONS		
Bank Charges	274.00	274.00
Debt Collection	5,033.04	5,033.04
Disposal of Company Records	397.00	397.00
Professional Fees	5,580.00	5,580.00
Statutory Advertising	93.50	93.50
	(11,377.54)	(11,377.54)
	<b>49,579.79</b>	<b>49,579.79</b>
REPRESENTED BY		
Fixed Charge VAT on Purchases		60.00
Floating Current Account IB		48,949.81
HMRC - VAT received/paid		14,953.25
VAT on Purchases		10,837.59
VAT on Sales		(25,220.86)
		<b>49,579.79</b>

**Note:**

The Statement of Affairs was not provided by the Company's directors and therefore a comparison by category cannot be made.

## D Payments to the Joint Administrators and their associates

### SIP9 disclosure

This appendix has been prepared in accordance with the requirements of the Act, the Rules and SIP9. In summary, it covers:

- pre-appointment costs
- remuneration basis
- work done by the Joint Administrators and their team during the Period
- statement of expenses incurred in the Period
- payments to associates
- relationships requiring disclosure
- sub-contracted work
- information for creditors (rights, remuneration, committees).

Pre-appointment costs

Pre-administration costs are fees charged and expenses incurred by the Joint Administrators, or other qualified insolvency practitioners, before the Company entered administration but with a view to it doing so. To the extent they remain unpaid when the Company entered administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, Grant Thornton was engaged by the Company through an engagement letter dated 13 March 2023 (the Agreement), under which the fee basis was agreed at a blended rate of £235 per hour applicable to all staff working on the assignment plus out-of-pocket expenses and VAT as appropriate. Grant Thornton's pre-administration costs under the Agreement amount to £11,844 plus VAT, in accordance with the Agreement. Secured creditor approval will be sought for payment of £11,844 of the pre-administration fees.

Details of the pre-administration costs are provided below:

Cost	Work done	Why the work was necessary pre-appointment and how it furthered the achievement of an objective of administration	Incurred			Unpaid	
			Grade	Hrs	£		£
Grant Thornton fees	• Administration eligibility assessment	• To confirm that an objective of administration could be achieved and that administration, therefore, was an option for the company	Partner	16.45			
	• Pre-appointment practicalities		Manager	33.95			
	• Assisting management with the practicalities and formalities of placing the Company into administration	• To assist management in liaising with key stakeholders; and to advise directors (as a board) of their general responsibilities with regard to insolvency	Executive				
			Administrator				
			Total	50.40	11,844.00		11,844.00

Notes:

- Partner includes director
- Manager includes associate directors and managers
- Executive includes assistant managers and executives

## Post-appointment costs

### Remuneration basis of the Joint Administrators

As at the date of this report the remuneration basis has not been set. Creditor approval to fix the fee basis will be sought on the sale of the Company's freehold properties. During the Period, time costs were incurred totalling £735,371 represented by 1,452 hours at an average hourly rate of £506 as shown in the 'Work done' section below. No amounts have been paid to date. Until at least such time as the remuneration basis has been fixed it is not possible to anticipate the total of our remuneration that will be paid from the estate.

At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

#### Proposed remuneration basis

The Proposals stated that the Joint Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors.

A consequence of this statement is that rule 18.18(4) of the Rules provides that the basis of the Joint Administrators' remuneration shall be fixed, if, as in this case, there is no creditors committee, by (a) the consent of each of the secured creditors; or (b) if the Joint Administrators have made or intends to make a distribution to preferential creditors (i) the consent of each of the secured creditors, and (ii) a decision of the preferential creditors in a decision procedure.

Although the unsecured creditors are not involved in fixing the basis of the Joint Administrators' remuneration, rule 18.16(4) nevertheless requires that where the proposed basis of remuneration is by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administration, the Joint Administrators must, prior to the determination of the basis, deliver to the creditors (a) a fees estimate and (b) details of the expenses which will be or are likely to be incurred.

As time costs are likely to form the proposed remuneration basis we provide, below, a fee estimate and details of the expenses that will be, or are likely to be, incurred - please see the 'fees estimate' section.

#### Likely return to creditors

Unfortunately, there are insufficient funds available for a dividend to be paid to unsecured and preferential creditors.

#### Fees estimate and work done in the Period

A fees estimate comprises the work anticipated to be undertaken and the estimated respective time cost (remuneration chargeable) – the remuneration eventually paid may be more or less than the fees estimate depending on the complexity of the case as it progresses and the value of asset recoveries or successful claims, for example. The fees estimate below is based on all of the information available to us as at the date of this report. We have considered and accounted for the different levels of expertise that we anticipate will be required to do the work we anticipate necessary to complete the administration, in calculating the time and cost included in the fees estimate table provided below. The table below also includes narrative details of the work done in the Period (numerical analysis of the work done is in the subsequent table and details of expenses incurred in the Period are provided in the 'Expenses' section further below). A more detailed numerical break down of the fees estimate is included in the SIP9 time costs analysis table further below.

Note that the fees estimate is also based on the following assumptions:

- Both property sales are completed within the next eight weeks
- All other matters are finalised, and the administration is completed prior to the anniversary.

Unless otherwise stated, both the work done in the Period and the work anticipated is to comply with legislation and/or best practice requirements and, where applicable, to secure, manage and realise assets/recover claims to help generate financial value for the benefit of the estate and for distributions to creditors to be made (should sufficient funds become available). The work adds value to the insolvency process, if not financial value to the estate, and helps facilitate efficient case management.

Work done and why it was necessary	Anticipated work and why it is necessary	Fees estimate		
<b>Trading</b> Estimated expenses: Raw materials (£30,641), Wages (£71,094), Heat, light and power (£23,482), Equipment hire (£11,442), Other (see receipts and payments for detail)		<b>370 hrs</b>	<b>£185,000</b>	<b>£/hr 500</b>
<b>Trading general</b> <ul style="list-style-type: none"> <li>Managing suppliers and retained employees and ensuring necessary payment of invoices and payroll requirements</li> <li>Ongoing cash flow monitoring required to facilitate supplier payments</li> <li>Detailed cash-flow analysis and projections of expected net realisations for the administration. Including assessment of actual versus budget trading realisations</li> <li>Reviewing and approving payments for the day-to-day running of the business</li> <li>Monitoring and reconciling cash balances in the administration accounts to the Company systems to reconcile collections</li> <li>Posting journals and reviewing weekly journals</li> <li>Initiated contact with suppliers by telephone, email, and letter</li> <li>Establishing arrangements for continued supply of services and systems</li> <li>Responded and dealt with all supplier queries in a timely manner</li> <li>Implementing Joint Administrators' controls and processes</li> <li>Review of the Company's operating processes to identify suppliers to be rationalised or decommissioned</li> <li>Assessment and identification of key employees for the business</li> <li>Communicated with all employees, supervising payroll, and ensuring all compliance matters are dealt with</li> <li>Held update meetings with continuing staff</li> <li>Contacted suppliers and service providers to withdraw undertakings on sale of the ice cream parlour business and seek to finalise accounts and settle trading liabilities</li> <li>The above work was done to protect asset value and support the case strategy; secure continuity of supplies and maintenance of key systems; to ensure that the Joint Administrators carry out their duties and adhere to statutory compliance</li> </ul>		<ul style="list-style-type: none"> <li>Finalise trading accounts and settle all trading liabilities</li> </ul>		

**Assets**

313 hrs      £192,815      £/hr 547

Estimated expenses: Property agent (£18,115), Plant and machinery agent (£22,257), Legal fees (£38,139) , Insurance (£14,187), Heat, light and power (£15,316), Debt collection (£5,033), Planning fees (£3,730)

**Insurance**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>Reviewed Company records to ascertain the status of the pre-appointment insurance premiums</li> <li>Liaised with approved insurance broker to ensure that appropriate cover is in place and to ensure that there is specific cover relating to Company's assets</li> <li>Taking action to address high priority insurance issues raised by insurance broker</li> <li>The above work was undertaken to comply with regulation and law; ensure that Company assets were secured and realised; to mitigate the risk of loss from an insurable event; to ensure the safety of the assets and the working environment for staff and visitors to the site</li> </ul> | <ul style="list-style-type: none"> <li>Ensure insurance cover is maintained until all assets are realised</li> </ul> |
|---|--|

**Property**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>Liaised with retained employees regarding the CCTV at the property</li> <li>Liaised with property agents to ascertain costs to secure the property</li> <li>Instructed CAPA to ascertain whether any rates refund is due</li> <li>Attending regular meetings with agents to discuss disposal strategies and to realise the best value from the assets</li> <li>Managing retained staff to assist in factory site management and site maintenance</li> <li>Compiling property documentation to share with interested parties</li> <li>Ensuring ongoing compliance with health and safety regulations</li> <li>Ensuring security is sufficient to protect value of the assets</li> <li>Liaising with utility providers to ensure ongoing provision of services</li> <li>The above work was undertaken to ensure compliance with health and safety and maximise realisations from the property assets</li> </ul> | <ul style="list-style-type: none"> <li>Progress properties sales to conclusion</li> </ul> |
|--|---|

**Debtors**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>Review the ledger for outstanding amounts due to the Company</li> <li>Appoint a collection agent to maximise realisations in an efficient manner for the benefit of the estate</li> </ul> | <ul style="list-style-type: none"> <li>No further work anticipated</li> </ul> |
|--|---|

**Vehicles**

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>Appointed and liaised with agents who reviewed lease documents and undertook desk top valuations of the vehicles to ascertain whether value could be realised</li> <li>Liaised with the lease companies for vehicle collection as necessary</li> <li>The above work was undertaken to ensure assets were identified, secured and realised</li> </ul> | <ul style="list-style-type: none"> <li>No further work anticipated</li> </ul> |
|---|---|



**Plant & machinery, fixtures & fittings, equipment**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Review of Company documentation</li> <li>• Liaising with agents regarding potential value and compare to cost of sales</li> <li>• Facilitating site visits for interested parties</li> <li>• Attending regular meetings with agents to discuss disposal strategies and to realise the best value from the assets</li> <li>• Ensuring security is sufficient across the site to protect value of the assets</li> </ul> | <ul style="list-style-type: none"> <li>• Liaise with agents to finalise sales and receive realisations into the estate</li> </ul> |
|--|---|

**Stock & work-in- progress**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Liaising with agent in relation to sale of stock</li> </ul> | <ul style="list-style-type: none"> <li>• No further work anticipated</li> </ul> |
|--|---|

**Cash at bank**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Correspondence with the pre-appointment bankers to ascertain the level of funds held in the pre-appointment bank account and arranged for their transfer</li> </ul> | <ul style="list-style-type: none"> <li>• No further work anticipated</li> </ul> |
|--|---|

**Sale of business**

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Marketed the Company, its property and assets to interested parties with the objective of achieving a sale of business</li> <li>• Compiled and sent information memorandum to interested parties and liaised with the interested parties to address their queries accordingly</li> <li>• Preparing non-disclosure agreements for interested parties</li> <li>• Negotiated with potential purchasers regarding offers and details of the planned transaction</li> <li>• Facilitating site visits from interested parties</li> <li>• Assessing offers from interested parties</li> </ul> | <ul style="list-style-type: none"> <li>• No further work anticipated</li> </ul> |
|---|---|

**Other assets**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Correspondence with supplier in relation to pre-appointment refund due to the estate</li> </ul> | <ul style="list-style-type: none"> <li>• No further work anticipated</li> </ul> |
|--|---|

**Investigations**

67 hrs      £28,156      £/hr 434

Estimated expenses: n/a

**Debtor / directors / senior employees**

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Conduct a preliminary review into the affairs of the Company</li> <li>• Requested completion of director questionnaires to understand the Company history</li> </ul> | <ul style="list-style-type: none"> <li>• No further work anticipated</li> </ul> |
|---|---|

**Books & records**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• Reviewed the software platforms in use and collated information from these</li> <li>• Discussed ongoing usage with the software providers</li> </ul> | <ul style="list-style-type: none"> <li>• Liaise with agents in relation to extracting the data from the Company's computer systems before disposing of them</li> </ul> |
|---|--|

- Seeking assistance from retained employees regarding the requirement of ongoing software platforms
- Secure physical and electronic books and records
- Collating books and records from the trading site
- Managing retained staff to assist with the collation of books and records

**Bank statements & analysis**

- Analysis and review of bank statements

- No further work anticipated

**Claims**

- Analysis and review of information for potential claims

- No further work anticipated

**Creditors** 173 hrs £83,825 £/hr 436

Estimated expenses: Employment consultancy (£1,850)

**Secured**

- Correspondence with the secured creditors
- Initial reporting and regular updates to the secured creditors
- Requested information and approval on various matters including the sale of business
- Preparing and updating the estimated outcome statement and assumptions to provide visibility to the secured creditors of potential realisations under their security
- Corresponding with the secured creditors to keep them informed of the progress of the administration

- Ongoing correspondence with the secured creditors to keep them informed of the progress
- Making distributions to secured creditors and maintaining outcome statements

**Employees & pensions**

- Gathered information in relation to employees and the status of relevant arrears
- Engaged in regular communication with the employees
- Liaised with employees to inform them of the administration and made redundancies where required
- Liaised with our agent ERA Solutions and provided input on the agreement of employee claims
- Collected Company property from employees, such as keys and access fobs
- Facilitated the collection of personal belongings from site
- Obtained relevant payroll details to ensure payment of wages to retained employees
- Liaised with the pension scheme with respect to pre-appointment contributions due but not paid
- Organising redundancy correspondence to be sent to employees
- Resolving queries of employees
- Maintenance of employee pension contributions

- No further work anticipated

**Unsecured**

- Gathered information in relation to known unsecured creditors in respect of their claims in the estate
- Respond to ad hoc queries as required

<ul style="list-style-type: none"><li>Responses to ad hoc queries as required</li><li>Speaking to customers who wished to terminate contracts</li><li>Corresponding with all creditors advising of appointment and other statutory requirements</li></ul>	
<b>Retention of title</b> <ul style="list-style-type: none"><li>Notifying retention of title creditors of the appointment</li><li>Reviewing creditor documentation and retention of title clauses to assess validity of claims</li><li>Review documentation provided by claimants and formally adjudicate the claims received</li><li>Managing retained staff to assist with inventory counts</li><li>Facilitating inspections of assets and co-ordinating asset collections</li></ul>	<ul style="list-style-type: none"><li>No further work anticipated</li></ul>
<b>Administration</b> Estimated expenses: Records management (£397), Advertising (£94), Bank fees (£274)	634 hrs      £298,308      £/hr 506
<b>Appointment formalities</b> <ul style="list-style-type: none"><li>Producing standard appointment documentation and letters</li><li>Advertising of appointment</li><li>Filing appointment documents</li><li>Completing statutory checklists</li><li>Prepare, circulate and advertise notice of appointment</li></ul>	<ul style="list-style-type: none"><li>No further work anticipated</li></ul>
<b>Case set-up</b> <ul style="list-style-type: none"><li>Setting-up and maintaining a case record on the Insolvency Practitioners System, including inputting company/debtor and appointment details, setting the appropriate reporting diary to facilitate compliance with statutory requirements</li><li>Calculating, completing and submitting the bordereau notification to protect the insolvency estate</li><li>Collating and assessing information regarding data collection, storage, processing and destruction to comply with data protection regulations; implementing and maintaining any necessary data protection strategies, reporting any known issues</li></ul>	<ul style="list-style-type: none"><li>No further work anticipated</li></ul>
<b>Case management</b> <ul style="list-style-type: none"><li>Determine and document case strategy</li><li>Regular team calls for all team members to ensure administration team provides efficient and cost-effective case management</li><li>Case management reviews and other procedures to ensure effective risk management and compliance with internal procedures</li><li>On-going recording and archiving of case specific files on Joint Administrators' case management systems</li><li>Review data protection protocols</li></ul>	<ul style="list-style-type: none"><li>Regular team calls for all team members to ensure administration team provides efficient and cost-effective case management</li><li>Case management reviews and other procedures to ensure effective risk management and compliance with internal procedures</li><li>On-going recording and archiving of case specific files on Joint Administrators' case management systems</li><li>Review data protection protocols</li><li>Review of case and progress by Insolvency Practitioners and internal risk management team</li></ul>

- Review of case and progress by Insolvency Practitioners and internal risk management team
- Compile a forecast of work to be undertaken for the purposes of circulation to creditors
- Review of case and ongoing progress by insolvency practitioners and risk management team
- Completion of statutory Insolvency Practitioners' System diary lines
- Preparation of standard documentation to Company creditors, solicitors, and auditors

- Compile a forecast of work to be undertaken for the purposes of circulation to creditors
- Review of case and ongoing progress by insolvency practitioners and risk management team
- Completion of statutory Insolvency Practitioners' System diary lines
- Preparation of standard documentation to Company creditors, solicitors, and auditors

**Reports to creditors, notices & decisions**

- Notify creditors of appointment
- Preparing the Proposals and progress reports in respect of the administration

- Preparation of progress reports and decision procedures for creditors

**Statement of affairs**

- Liaise with the directors in respect of the statement of affairs

- No further work anticipated

**Treasury, billing & funding**

- Processed and recorded the large volume of transactions that occurred during the period of the administration, which included, but not limited to trading receipts, supplier payments, legal fees, agent commissions, employee expenses, employee payroll, bank sweeps and creditor distributions
- Manage and maintain the estate bank account
- Payment of retained employees' wages
- Payment of supplier and other third party costs incurred during the administration
- Processing and recording transactions arising during the period of the administration
- Arranging and accounting for the various receipts and payments of the Company
- Reconciling bank accounts to cashbook

- Payment, processing and recording transactions arising during the period of the administration
- Reconciling bank accounts to cashbook

**Tax**

- Collation of tax information
- Completing VAT checklist and reviewing Companies House filings
- Review of the tax and VAT implications of a potential transaction

- Calculation and completion of corporation tax returns
- Calculation and completion of VAT returns

**Pensions**

- Collected and assessed pensions information
- Liaised with retained employees to gather further pensions information
- Correspondence with Pensions Regulator and pension scheme
- Review the Company records for pension information
- Complete and file statutory forms to fulfil pension obligations

- No further work anticipated

Closure	<ul style="list-style-type: none"><li>• Obtain relevant clearances and make final submissions to HMRC and The Pensions Regulator</li><li>• Conducting final case review and reconciliation to ensure all matters are concluded, liabilities and dividends paid</li><li>• Preparing, issuing and filing final report to creditors and other required statutory notices</li><li>• Arranging continued storage (following closure of the case) and subsequent secure destruction of records in accordance with regulations</li><li>• Close bank accounts</li><li>• Prepare and submit bordereau release</li></ul>			
Total fees estimate		1,558 hrs	£788,104	£/hr 485
Total expense estimate			£256,051	

<sup>1</sup>Other IPs – Insolvency Practitioners -, OR – Official Receiver

## Detailed SIP9 time cost analysis for the Period and fees estimate variance analysis as at Period end

Period from 17/03/2023 to 16/09/2023

Area of work	Partner		Manager		Executive		Administrator		Period total			Current fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Trading:									362.95	184,638.25	508.72	370.00	185,000.00	500.00	7.05	361.75
Trading general	21.60	15,012.00	119.70	70,992.00	221.65	98,634.25	-	-	362.95	184,638.25	508.72	370.00	185,000.00	500.00	7.05	361.75
Realisation of Assets:									296.75	181,977.00	613.23	313.35	192,815.25	547.79	16.60	10,838.25
Insurance	-	-	10.95	6,441.50	-	-	-	-	10.95	6,441.50	588.26	13.00	7,800.00	600.00	2.05	1,358.50
Property	31.10	21,614.50	18.10	10,769.50	1.25	386.25	-	-	50.45	32,770.25	649.56	65.00	42,250.00	650.00	14.55	9,479.75
Debtors	-	-	9.80	5,831.00	0.70	311.50	-	-	10.50	6,142.50	585.00	10.50	6,142.50	585.00	-	-
Vehicles	-	-	1.70	1,011.50	-	-	-	-	1.70	1,011.50	595.00	1.70	1,011.50	595.00	-	-
Plant & machinery, fixtures & fittings, equipment	1.35	938.25	17.20	10,234.00	-	-	-	-	18.55	11,172.25	602.28	18.55	11,172.25	602.28	-	-
Cash at bank	-	-	-	-	4.60	2,047.00	-	-	4.60	2,047.00	445.00	4.60	2,047.00	445.00	-	-
Sale of business	41.75	30,816.25	144.80	84,730.50	7.25	3,226.25	-	-	193.80	118,773.00	612.86	193.80	118,773.00	612.86	-	-
Other assets	-	-	-	-	0.20	49.00	-	-	0.20	49.00	245.00	0.20	49.00	245.00	-	-
Stock & work-in-progress	-	-	6.00	3,570.00	-	-	-	-	6.00	3,570.00	595.00	6.00	3,570.00	595.00	-	-
Investigations:									67.20	28,156.26	434.69	67.20	28,156.26	434.69	-	-
Debtor / director / senior employees	2.40	1,668.00	14.45	8,101.50	15.25	6,226.25	0.70	46.01	32.80	16,041.76	489.08	32.80	16,041.76	489.08	-	-
Books & records	-	-	2.20	1,309.00	8.15	3,506.75	-	-	10.35	4,815.75	465.29	10.35	4,815.75	465.29	-	-
Bank statements & analysis	-	-	3.50	2,082.50	9.80	2,523.50	8.40	1,512.00	21.70	6,118.00	281.94	21.70	6,118.00	281.94	-	-
Claims	-	-	0.90	535.50	1.45	645.25	-	-	2.35	1,180.75	502.45	2.35	1,180.75	502.45	-	-
Creditors:									160.50	77,270.87	481.44	173.10	83,824.50	436.25	12.60	6,553.63
Secured	15.05	10,459.75	7.70	4,581.50	-	-	-	-	22.75	15,041.25	661.15	30.00	19,500.00	650.00	7.25	4,458.75
Employees & pensions	7.75	5,386.25	41.95	23,008.00	43.50	18,367.50	-	-	93.20	46,761.75	501.74	95.00	47,500.00	500.00	1.80	738.25
Unsecured	1.65	1,146.75	11.70	5,852.50	13.50	5,607.50	17.60	2,836.62	44.45	15,443.37	347.43	48.00	16,800.00	350.00	3.55	1,356.63
Retention of title	-	-	-	-	0.10	24.50	-	-	0.10	24.50	245.00	0.10	24.50	245.00	-	-
Administration:									565.00	262,438.83	504.50	634.40	298,308.00	506.32	69.40	35,869.17
Appointment formalities	2.00	1,590.00	4.35	1,924.50	46.55	20,604.75	-	-	52.90	24,119.25	455.94	52.90	24,119.25	455.94	-	-
Case set-up	-	-	10.75	6,175.00	12.15	5,236.75	-	-	22.90	11,411.75	498.33	22.90	11,411.75	498.33	-	-
Case management	10.45	7,462.75	91.85	51,271.00	103.70	44,546.50	2.20	350.29	208.20	103,630.54	497.75	225.00	112,500.00	500.00	16.80	8,869.46
Reports to creditors, notices & decisions	-	-	49.05	26,744.00	14.40	4,868.00	4.65	665.60	68.10	32,277.60	473.97	105.00	49,875.00	475.00	36.90	17,597.41
Statement of affairs	-	-	0.60	357.00	1.00	245.00	-	-	1.60	602.00	376.25	1.60	602.00	376.25	-	-
Treasury, billing & funding	24.00	19,080.00	34.80	13,104.00	53.65	19,421.75	54.15	9,661.30	166.60	61,267.05	367.75	175.00	64,750.00	370.00	8.40	3,482.95
Tax	5.80	5,191.00	9.30	5,533.50	1.85	633.25	4.60	1,531.15	21.55	12,888.90	598.09	30.00	18,000.00	600.00	8.45	5,111.10
Pensions	-	-	20.40	16,038.00	0.75	203.75	-	-	21.15	16,241.75	767.93	22.00	17,050.00	775.00	0.85	808.25
Total	164.90	120,365.50	631.75	360,197.50	561.45	237,315.25	92.30	16,602.96	1,452.40	734,481.21	508.52	1,558.05	788,104.01	485.01	105.65	53,622.80

## Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant manager and executives
- Adverse variances are presented in brackets
- Total time costs paid to date: £0
- Please note that the actual time incurred in the Period may slightly differ to that reported in the table above. This is due to lags between time being recorded on our internal system by staff and then being posted to the case. We do not expect any differences to be material and any such discrepancies will be noted in our next report.

## Statement of expenses incurred in the Period

This table provides details of expenses incurred in the Period in connection with the work done by the Joint Administrators.

Category	Incurred in the Period (£)	Of which paid by the estate as at Period end (£)
<b>Category 1 expenses</b>		
Parking	25	-
Insolvency Practitioners' Bond	410	-
Postage	620	-
Bank charges	274	274
Statutory advertising	94	94
Insurance	4,468	4,468
Legal fees - TLT	25,482	-
Debt collection fees – JP Associates	5,033	5,033
Employment consultancy fees – ERA Solutions	1,850	1,850
Planning consultancy fees – Pegasus	3,500	3,500
Local authority planning application fee	230	230
Disposal of Company records	397	397
Heat and light in relation to the factory building	11,316	11,316
Trading Expenses	161,142	154,142
<b>Category 2 expenses</b>		
Mileage	556	-
<b>Total expenses</b>	<b>215,397</b>	<b>181,304</b>

Expenses are any payments from the estate which are neither the Joint Administrators' remuneration nor a distribution to a creditor or member, but they may include disbursements which are payments first met by and then reimbursed to the Joint Administrators from the estate. Expenses fall into two categories:

Category 1 expenses

These are also known as 'out of pocket expenses' and are payments to third parties not associated with the Joint Administrators where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval from creditors.

Category 2 expenses

These are expenses directly referable to the insolvent estate but payments that are either to an associate, or that include shared or allocated costs that may be incurred by the Joint Administrators or their firm and that can be allocated to the appointment on a proper and reasonable basis. Category 2 expenses require approval in the same manner as the Joint Administrators' remuneration.

The basis and resolutions are set out in the table below for shared or allocated costs, where applicable, and mileage.

Fee / cost basis		Resolution obtained
Mileage	Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are provided in the table above, where incurred	Not yet obtained

Payments to associates

We confirm that, in the Period, we have not enlisted services from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has an association.

To the extent that services have been enlisted from Grant Thornton UK LLP's specialist teams, for example tax, pensions, digital forensics, or any others, the narrative for and cost of their work is included in the work done narrative and SIP9 time costs analysis details in the 'Work done by the Joint Administrators and their team during the Period' section above.

We confirm that in the Period, we have not enlisted any other services from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has an association.

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the Joint Administrators' fee basis.

Sub-contracted work

During the Period we have sub-contracted the following work that could otherwise have been carried out by us or our team:

Sub-contractor	Work sub-contracted	Reason(s) for sub-contracting
ERA Solutions Limited	<ul style="list-style-type: none"><li>Employment rights advice</li></ul>	<ul style="list-style-type: none"><li>Specific expertise and technology</li></ul>
J & P Associated Limited	<ul style="list-style-type: none"><li>Book debt collection</li></ul>	<ul style="list-style-type: none"><li>Specific expertise and cost efficiency</li></ul>
Consultiam Property Limited t/a CAPA	<ul style="list-style-type: none"><li>Pre-appointment business rates review</li></ul>	<ul style="list-style-type: none"><li>Specific expertise</li></ul>



The costs incurred and paid for each subcontractor can be seen in the 'Statement of expenses incurred in the Period' table above.

### Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) remuneration, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.grantthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.



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