



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

### 1 Company details

Company number	0	5	0	1	5	0	4	7
Company name in full	Montpelier Professional Limited							

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s)	Paul Nicholas
Surname	Dumbell

### 3 Administrator's address

Building name/number	1 St Peter's Square
Street	Manchester
Post town	M2 3AE
County/Region	
Postcode	
Country	

### 4 Administrator's name ①

Full forename(s)	David James
Surname	Costley-Wood

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number	1 St Peter's Square
Street	Manchester
Post town	M2 3AE
County/Region	
Postcode	
Country	

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

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

### 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> 0	<sup>d</sup> 9	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
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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 **Ryan Manuel**

Company name **KPMG LLP**

Address  
**1 St Peter's Square**  
**Manchester**

Post town **M2 3AE**

County/Region

Postcode

Country

DX

Telephone  
**Tel +44 (0) 161 246 4000**

**Checklist**

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

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

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



# Joint Administrators' progress report for the period 12 March 2020 to 11 September 2020

Montpelier Professional  
Limited - in Administration

9 April 2020

Deemed delivered: 9 April  
2020

# Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 7).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website:

<http://www.insolvency-kpmg.co.uk/case+KPMG+MJ315A2420.html>. We hope this is helpful to you.

**Please also note that an important legal notice about this progress report is attached (Appendix 8).**

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# 1 Executive summary

This progress report is in respect of the administration of Montpelier Professional Limited (the 'Company') and covers the period from 12 March 2020 to 11 September 2020 (the 'Period')

Paul Dumbell and David Costley-Wood of KPMG LLP ('KPMG') were appointed Joint Administrators of the Company on 12 March 2019.

The Company's assets are limited to its equity investment in its subsidiaries, together with any intercompany balances due from those subsidiaries.

During the Period, we have been working to maximise the return to the administration estate and The Royal Bank of Scotland International Limited (the 'Bank'), in realising the respective interests in the Company's subsidiaries. A summary of the current position is provided in Section 2. Work is continuing in respect of two subsidiaries, which we anticipate will be finalised prior to the current automatic end date of the administration on 11 March 2021.

The Bank had outstanding debt of £3.667 million due to it from the Company. The Bank will see a reduction in the debt owed to it by the Company, by way of sums flowing to the Bank from the Company's subsidiaries that will not first pass through the administration estate, due to the security structure in place. The exact outcome to the Bank cannot be determined at this time, however it is unlikely that the Bank will recover its lending in full.

It is unlikely that there will be a dividend to preferential creditors or unsecured creditors.

The administration is currently due to end on 11 March 2021.

Please note: you should read this progress report in conjunction with our previous progress reports and proposals issued to the Company's creditors, which can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+MJ315A2420.html>.

Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Paul Dumbell  
*Joint Administrator*

## 2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our previous progress report.

### 2.1 Strategy and progress to date

#### Strategy

As previously reported, the Company's assets are limited to its equity investment in its subsidiaries, together with intercompany balances due from certain subsidiaries. Realisations from these Company assets comprise:

- Cash sums that do flow through the administration estate, and
- Cash sums that do not flow through the administration estate, as they flow directly to the Bank. This is as certain subsidiaries provided a cross guarantee, dated 26 March 2010, in respect of the Company debt owed to the Bank. The Bank also has security registered directly against the subsidiaries. Additionally, sums due to the Company from certain subsidiaries had been assigned to the Bank prior to the date of administration.

Cash realisations from Company assets that do flow through the administration estate are potentially insufficient to fully discharge the costs of the administration, additionally a significant amount of time has been spent in dealing with Company assets, that upon their realisation, flow directly to the Bank. On that basis, it is necessary that the Bank put the administration estate in funds sufficient to discharge the costs of the administration. Accordingly, the Bank has made an interim payment of £91,000 into the administration estate, but this was received after the Period end date, and so this does not appear in the receipts and payments account shown in Appendix 2.

#### Trading subsidiaries

At the date of our appointment, two of the Company's subsidiaries were trading under the control of their directors, those subsidiaries being Montpelier Professional (Fylde) Limited ('Fylde') and Montpelier Professional (Lancs) Limited ('Lancs'). We facilitated sales processes for the business and assets of those entities, to assist their directors in achieving maximum value. The Company was not party to these transactions and therefore we cannot disclose any details.

In respect of Fylde, this matter is now complete, as previously reported. Following a demand made under the cross guarantee provided by that subsidiary, the Bank has recovered £191,481, which has been applied in reducing the debt owed by the Company.

In the case of Lancs, this matter is ongoing and so the outcome is not yet fully established. Most of the proceeds generated from the sale of the business and assets of Lancs will be payable directly to the Bank, once finalised. However, we do expect that sums will also be paid into the administration estate, by way of settlement of a £1.577 million intercompany debt owed from Lancs to the Company, which had not been assigned to the Bank. We remain actively involved in this matter and will provide an update in our next report.



## **Non-trading subsidiaries**

There are an additional three subsidiaries that had undergone a sale of their business and assets in the years preceding our appointment, Montpelier Professional (Borders) Limited ('Borders'), Montpelier Professional (Leeds) Limited ('Leeds'), and Montpelier Professional (West End) Limited ('West End'). A fourth subsidiary, Montpelier Professional (Galloway) Limited ('Galloway'), had undergone a sale of its shares and so was no longer properly a subsidiary at the date of our appointment. Please see our previous reports, where the details relevant to each subsidiary have been provided.

In the case of the Borders, Leeds and West End, assets realisations were continuing at the date of our appointment, mainly due to the ongoing collection of goodwill, which had been deferred on a contingent basis over a number of years from the date of sale. Some work-in-progress and book debt collections were also ongoing. The Company and the Bank have a shared interest in the proceeds of these respective sales, which we have been seeking to maximise throughout the course of the administration to date.

As part of our duties, we have reviewed these transactions and assessed the implications for the administration estate and the Bank, and to whom cash sums are expected to flow. We have also taken part in discussions with the respective subsidiary directors, where there is an interest to the administration estate, but also facilitated discussions between those directors and the Bank, where necessary.

In the case of Galloway, deferred consideration was still payable by the purchaser on a monthly basis, however those sums had been assigned by the Company to the Bank, and so are being collected directly by the Bank without our continued involvement.

In the case of Leeds, we outlined in a prior report that the Company was the major creditor by virtue of an intercompany debt totalling £514,000. This debt had been assigned to the Bank at the time the Bank provided its release to enable the sale of Leeds business and assets to complete in 2016. At the date of our appointment, deferred proceeds of the sale had not been collected fully by Leeds and the intercompany debt had not been discharged. This matter is now complete with the Bank recovering an agreed sum, which has been applied in reducing the debt owed by the Company.

In the case of West End, this matter remains ongoing and so the outcome cannot yet be fully established. Deferred proceeds from the sale of the business and assets of West End in 2015 continue to be collected, which the Company's interest in had been assigned to the Bank when it provided a release to enable the sale to proceed. Sums due are now being collected by the Bank directly from West End, without our continued involvement.

The matter of Borders remains ongoing and we remain actively involved in seeking to bring it to a close. An update will be provided in our next report.

## **2.2 Asset realisations**

Realisations during the Period are set out in the attached receipts and payments account (Appendix 2).

There have been no asset realisations in the Period.

## Investigations

We reviewed the affairs of the Company to find out if there are any actions that can be taken against third parties to increase recoveries for creditors. We do not consider it appropriate to carry out further investigation work.

## 2.3 Costs

Payments made in this Period are set out in the attached receipts and payments account (Appendix 2).

There have been no payments made in the Period.

An estimate of all anticipated costs likely to be incurred throughout the duration of the administration is set out in the attached expenses estimate (Appendix 5).

Where realisations from Company assets that do flow through the administration estate as insufficient to discharge the costs of the administration, it will be necessary for the Bank to put the administration estate in funds sufficient to do so. The Bank has made an interim payment of £91,000 into the administration estate, but this was received after the Period end date, and so this does not appear in the receipts and payments account shown in Appendix 2.

## 2.4 Schedule of expenses

We have detailed the costs incurred during the Period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

# 3 Dividend prospects

## 3.1 Secured creditor

The Royal Bank of Scotland International Limited

At the date of our appointment, the Bank had outstanding debt of £3.667 million due to it from the Company, which is secured by way of a debenture dated 27 August 2008, which comprises fixed and floating charges over the Company and its assets.

The Bank also has the benefit of cross guarantees over certain of the Company's subsidiaries (and other connected entities), with security registered directly against those subsidiaries, in addition to that registered against the Company. Additionally, sums due to the Company from certain subsidiaries had been assigned to the Bank.

During the Period, we appointed an independent solicitor, Nexus Solicitors Limited, to review the Bank's security structure, which they have confirmed as valid.

As we have set out above, the Bank will see a reduction in the debt owed to it by the Company, by way of sums flowing to it from the subsidiaries that will not first pass through the administration estate, due to the security structure in place. The exact outcome to the Bank cannot be determined at this time, however it is unlikely that the Bank will recover its lending in full.

### **3.2 Preferential creditors**

We estimate the amount of preferential claims to be £1,200.

Based on current estimates, it is highly unlikely that there will be a dividend to preferential creditors.

### **3.3 Unsecured creditors**

Based on current estimates, it is highly unlikely that there will be a dividend to unsecured creditors.

## **4 Joint Administrators' remuneration, disbursements and pre-administration costs**

### **4.1 Joint Administrators' remuneration and disbursements**

We are seeking approval from Bank, as Secured creditor, that:

our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 4 and the charge-out rates included in Appendix 6.

disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 6.

Should the circumstances of the administration change, we reserve the right to revert to general body of creditors in order to seek approval for the basis of our remuneration.

#### **Time costs**

From 12 March 2020 to 11 September 2020, we have incurred time costs of £53,934. These represent 121 hours at an average rate of £444 per hour.

#### **Remuneration**

During the Period, we have not drawn any remuneration.

#### **Disbursements**

During the Period, we have incurred disbursements of 42.30.

#### **Additional information**

We have attached a revised expenses estimate at Appendix 5.

We have attached (Appendix 6) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 12 March 2020 to 11 September 2020. We have also attached our charging and disbursements policy.

## **5 Future strategy**

### **5.1 Future conduct of the administration**

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

- Continue to progress matters in order to realise the Company's interest in its subsidiaries, specifically in respect of Borders and Lancs, where matters remain ongoing. We will also continue to seek to maximise the return to the Bank, where funds flow directly do it from those subsidiaries.
- Settle costs incurred in the administration and where asset realisations into the administration estate are insufficient to settle to the costs of the administration, we will liaise with the Bank to ensure that the administration estate is put in sufficient funds to do so; and
- Otherwise progress the administration to closure and complete all statutory formalities.

### **5.2 Discharge from liability**

We are seeking approval the Bank, in its capacity as Secured creditor, that we be discharged from liability in respect of any actions as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Should the circumstances of the administration change, we reserve the right to revert to the general body of creditors in order to obtain discharge from liability.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

### **5.3 Future reporting**

We intend to provide our final progress report by 11 March 2021.

## Appendix 1      Statutory information

### Company information

Company name	Montpelier Professional Limited
Date of incorporation	14 January 2004
Company registration number	05015047
Present registered office	KPMG LLP, One St Peter's Square, Manchester, UK, M2 3AE

### Administration information

Administration appointment	The administration appointment granted in High Court of Justice in Leeds, 289 of 2019
Appointor	Qualifying floating charge holder
Date of appointment	12 March 2019
Joint Administrators' details	Paul Dumbell and David Costley-Wood
Prescribed Part distribution	The Prescribed Part is not applicable on this case as there is expected to be insufficient net property.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	11 March 2021

## Appendix 2 Joint Administrators' receipts and payments account

<b>Montpelier Professional Limited - in Administration</b>			
<b>Abstract of receipts &amp; payments</b>			
Statement of affairs (£)		From 12/03/2020 To 11/09/2020 (£)	From 12/03/2019 To 11/09/2020 (£)
FIXED CHARGE ASSETS			
3,000,000.00	Investment in subsidiaries	NIL	NIL
		NIL	NIL
FIXED CHARGE CREDITORS			
(3,200,000.00)	RBS International	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
1,000.00	Furniture & equipment	NIL	NIL
133,899.00	Cash at bank	NIL	NIL
		NIL	NIL
PREFERENTIAL CREDITORS			
(1,200.00)	Employees' holiday pay	NIL	NIL
		NIL	NIL
FLOATING CHARGE CREDITORS			
(200,000.00)	RBS International	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
(37,705.00)	Trade & expense	NIL	NIL
(11,173,419.00)	Parent company	NIL	NIL
(407.00)	Non-preferential PAYE/NIC	NIL	NIL
(3,942.00)	Non-preferential VAT	NIL	NIL
(179,650.00)	Anthony Armitage	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(5,600,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
<b>(17,261,424.00)</b>		<b>NIL</b>	<b>NIL</b>

## Appendix 3      Schedule of expenses

<b>Schedule of expenses (12/03/2020 to 11/09/2020)</b>			
<b>Expenses (£)</b>	<b>Incurred and paid in the period (£)</b>	<b>Incurred in the period not yet paid (£)</b>	<b>Total (£)</b>
Administrators' time costs	0.00	53,934.00	53,934.00
Legal fees – Addleshaw Goddard	0.00	5,650.00	5,650.00
Legal fees – Nexus Solicitors	0.00	6,000.00	6,000.00
Insurance	0.00	651.38	651.38
Books and records storage	0.00	128.52	128.52
<b>Total</b>	<b>0.00</b>	<b>66,363.90</b>	<b>66,363.90</b>

Please note that the accrual for our remuneration has been based on time costs incurred in the Period.

### **Requests for further information and right to challenge our remuneration and expenses**

#### **Creditors' requests for further information**

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

#### **Creditors' right to challenge our remuneration and expenses**

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Ryan Manuel at KPMG LLP, One St Peter's Square, Manchester, UK, M2 3AE.

## Appendix 4 Joint Administrators' revised time cost estimate

Montpelier Professional Limited - in Administration								
		Prior estimated time costs for the engagement			Revised estimated time costs for the engagement			
		Estimated Total hours	Estimated Time cost (£)	Estimated Average hourly rate (£)	Revised Estimated Total hours	Revised Estimated Time cost (£)	Revised Estimated Average hourly rate (£)	
Administration & planning								
Bankrupt/Director/Member		10.50	2,472.50	235.48	10.50	2,472.50	235.48	
Cashiering	Note 1	6.50	1,611.50	247.92	7.30	1,853.70	253.93	
General	Note 2	28.30	11,199.50	395.74	25.80	10,962.00	424.88	
Statutory and compliance	Note 3	384.80	132,906.00	345.39	362.80	125,985.00	347.26	
Tax	Note 4	57.35	20,961.00	365.49	58.25	22,176.50	380.71	
Creditors								
Creditors and claims		Note 5	80.60	34,640.00	429.78	105.60	51,902.50	491.50
Employees	Note 6	14.00	4,833.00	345.21	14.00	4,833.00	345.21	
Investigation								
Directors		Note 7	10.50	5,022.50	478.33	8.50	3,782.50	445.00
Investigations	Note 8	7.50	2,887.00	384.93	6.50	2,420.00	372.31	
Realisation of assets								
Asset realisation		Note 9	326.30	146,141.40	447.87	354.80	168,243.90	474.19
Total		926.35	362,674.40	3,676.14	954.05	394,631.60	413.64	

**Important note: The above table indicates the estimated time costs that we anticipate incurring in bringing the administration to a conclusion. However, the fees we seek to draw will be limited to £225,000.**

We have revised our time costs estimate for the administration shown in our prior progress report, an explanation of this is provided below.

### Note 1

This work involves liaising with operating separate administration bank accounts, including weekly bank reconciliations and processing transactions during the course of administration. Time costs estimated to be incurred here have increased marginally.

### Note 2

Arranging for electronic and paper records to be backed-up and collected respectively, including utilising internal contacts to undertake the electronic back- up, fee approval to be obtained, time-costs to be monitored regularly and fees to be raised. Our estimated time costs have decreased for dealing with these matters.

### Note 3

Undertaking post-appointment related formalities, formulating and regularly reviewing the administration strategy, arranging an adequate level of bonding, assisting with the preparation of the Statement of Affairs and closure related formalities. Our estimated time costs have decreased for dealing with these matters.

### Note 4

Undertaking a review of tax matters on appointment, including VAT, Corporation Tax and PAYE, dealing with post-appointment tax matters including the preparation and filing of VAT and Corporation Tax returns. Time costs estimated to be incurred here have increased marginally.

### Note 5



Notifying the creditors of our appointment, dealing with creditor queries, preparing statutory reports. Our estimated time costs have increased as we expect to incur costs in additional reporting requirements to the Bank and additional progress reports to creditors.

**Note 6**

The Company employed one employee. The work includes convening redundancy and pensions. Our estimated time costs remain the same as no further work is to be incurred.

**Note 7**

Drafting and submission of the D form, dealing with director queries and ongoing correspondence with the directors. Our estimated time costs have decreased in dealing with these matters.

**Note 8**

Our estimated time costs have decreased in dealing with investigations and undertaking a review of pre-appointment transactions.

**Note 9**

This time includes dealing with the Company's assets, specifically seeking to maximise the return to the Bank and the administration estate when realising the respective interests in the subsidiaries. Our estimated time costs have increased as additional time above that anticipated is being incurred in bringing these issues to a close.

## Appendix 5 Joint Administrators' revised expenses estimate

Summary of Expenses from appointment					
Total for Administration					
Expenses (£)	Narrative	Prior estimates (£)	Paid to date (£)	Future costs (£)	Total (£)
<b>Cost of realisations</b>					
Administrators' fees	Note 1	<b>362,674.40</b>	0.00	225,000.00	<b>225,000.00</b>
Legal fees (AG)	Note 2	<b>25,000.00</b>	0.00	25,000.00	<b>25,000.00</b>
Legal fees (AG) – pre admin	Note 3	<b>2,600.00</b>	0.00	0.00	<b>0.00</b>
Legal disbursements (AG) – pre admin	Note 3	<b>50.00</b>	0.00	0.00	<b>0.00</b>
Legal fees (Nexus)	Note 4	<b>0.00</b>	0.00	6,000.00	<b>6,000.00</b>
Agents'/Valuers' fees	Note 5	<b>1,000</b>	0.00	1,000	<b>1,000</b>
Insurance	Note 6	<b>2,500.00</b>	0.00	1,196.61	<b>1,196.61</b>
Statutory Advertising	Note 7	<b>73.00</b>	0.00	73.00	<b>73.00</b>
Books and Records	Note 8	<b>529.20</b>	0.00	1,000.00	<b>1,000.00</b>
<b>Total</b>		<b>394,426.60</b>	<b>0.00</b>	<b>259,269.61</b>	<b>259,269.61</b>

### Note 1

The Joint Administrators will not draw fees exceeding £225,000.

### Note 2

Estimated costs of our legal advisers, Addleshaw Goddard, associated with exploring options around the assets and the provision of other general legal advice.

### Note 3

Pre-administration costs of our legal advisers, Addleshaw Goddard. We no longer anticipate that these will be paid as an expense of the administration.

### Note 4

Costs of Nexus Solicitors, for providing confirmation as to the validity of our appointment and of the Banks security.

### Note 5

Estimated fee for Sanderson Weatherall LLP on marketing the two trading assets.

### Note 6

Insurance premiums for the assets and public liability cover.

### Note 7

Advertising in the Gazette in accordance with legislation.

### Note 8

Fees to Wensleydale Storage Solutions who are a third-party storage site that have been holding books and records belonging to the Company. Also, forward storage charges to Iron Mountain who will hold records on behalf of the Joint Administrators.

## Appendix 6 Joint Administrators' charging and disbursements policy

### Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee and pensions from KPMG in-house specialists.

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

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please contact Ryan Manuel on 0113 2313566.

### Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

### Table of charge-out rates

Charge-out rates (£) for: Restructuring	
Grade	From 01 Jan 2020 £/hr
Partner	690
Director	620
Senior Manager	560
Manager	467
Senior Administrator	325
Administrator	236
Support	147

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

## Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

*Category 1 disbursements:* These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

*Category 2 disbursements:* These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 45p per mile.

Use of company car – 60p per mile.

Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements (excluding VAT) during the period 12 March 2020 to 11 September 2020.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Travel	42.30		NIL		<b>42.30</b>
<b>Total</b>	<b>42.30</b>		<b>NIL</b>		<b>42.30</b>

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

Category 2 disbursements are to be approved in the same manner as our remuneration.

Narrative of work carried out for the period 12 March 2020 to 11 September 2020

The key areas of work have been:

Statutory and compliance	collating initial information to enable us to carry out our statutory duties, including creditor information and details of assets providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment; preparing statutory receipts and payments accounts;
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	arranging bonding and complying with statutory requirements; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	formulating, monitoring and reviewing the administration strategy, including the decision to trade and meetings with internal and external parties to agree the same; briefing of our staff on the administration strategy and matters in relation to various work-streams; regular case management and reviewing of progress, including regular team update meetings and calls; meeting with management to review and update strategy and monitor progress; reviewing and authorising junior staff correspondence and other work; dealing with queries arising during the appointment; reviewing matters affecting the outcome of the administration; allocating and managing staff/case resourcing and budgeting exercises and reviews; liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters; complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to debenture holders	providing written and oral updates to representatives of the Bank regarding the progress of the administration and case strategy.
Cashiering	setting up administration bank accounts and dealing with the Company's pre-appointment accounts; preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	reviewing the Company's pre-appointment corporation tax and VAT position; analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; working initially on tax returns relating to the periods affected by the administration; dealing with post appointment tax compliance.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage.
Asset realisations	Continuing to seek to maximise the return to the Company and Bank upon realisation of respective interests in the Company's subsidiaries.
Creditors and claims	drafting our progress report; providing reports to the Bank

## Time costs

### SIP 9 –Time costs analysis (12/03/2020 to 11/09/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration &amp; planning</b>			
Cashiering			
General (Cashiering)	<b>0.60</b>	195.00	325.00
General			
Books and records	<b>8.00</b>	2,350.00	293.75
Fees and WIP	<b>7.50</b>	3,502.50	467.00
Statutory and compliance			
Appointment and related formalities	<b>2.00</b>	1,240.00	620.00
Checklist & reviews	<b>3.50</b>	1,057.00	302.00

**SIP 9 –Time costs analysis (12/03/2020 to 11/09/2020)**

	Hours	Time Cost (£)	Average Hourly Rate (£)
Extension related formalities	<b>5.00</b>	1,180.00	236.00
Reports to debenture holders	<b>14.80</b>	5,213.60	352.27
Strategy documents	<b>2.00</b>	472.00	236.00
Tax			
Post appointment corporation tax	<b>1.10</b>	357.50	325.00
Post appointment VAT	<b>0.20</b>	65.00	325.00
<b>Creditors</b>			
Creditors and claims			
Secured creditors	<b>9.50</b>	5,813.50	611.95
Statutory reports	<b>21.50</b>	9,922.00	461.49
<b>Realisation of assets</b>			
Asset Realisation			
Cash and investments	<b>45.70</b>	22,565.90	493.78
<b>Total in period</b>	<b>121.40</b>	<b>53,934.00</b>	<b>444.27</b>

Brought forward time (appointment date to SIP 9 period start date)	732.75	285,776.40
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	121.40	53,934.00
Carry forward time (appointment date to SIP 9 period end date)	854.15	339,710.40

## Appendix 7      Glossary

<b>Bank/Secured creditor</b>	The Royal Bank of Scotland International Limited
<b>Director</b>	Edward Watkin Gittins
<b>Company</b>	Montpelier Professional Limited – in Administration
<b>Lancs</b>	Montpelier Professional (Lancs) Limited
<b>Fylde</b>	Montpelier Professional (Fylde) Limited
<b>Borders</b>	Montpelier Professional (Borders) Limited
<b>West End</b>	Montpelier Professional (West End) Limited
<b>Leeds</b>	Montpelier Professional (Leeds) Limited
<b>Joint Administrators/we/our/us</b>	Paul Dumbell and David Costley-Wood
<b>KPMG</b>	KPMG LLP
<b>Agents</b>	Sanderson Weatherall LLP
<b>Legal Advisors</b>	Addleshaw Goddard LLP

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

## Appendix 8      Notice: About this report

This report has been prepared by Paul Dumbell and David Costley-Wood, the Joint Administrators of Montpellier Professional Limited – in Administration (the ‘Company’), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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 person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Paul Nicholas Dumbell and David James Costley-Wood are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [home.kpmg.com/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html](https://home.kpmg.com/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html).

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP 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.



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