

WU07

Notice of progress report in a winding-up by the court



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 5 2 7 8 0 1 1

Company name in full One Blackfriars Limited

→ **Filling in this form**

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Adrian

Surname Hyde

3 Liquidator's address

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

4 Liquidator's name ①

Full forename(s) Kevin

Surname Murphy

① **Other liquidator**

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

② **Other liquidator**

Use this section to tell us about
another liquidator.

WU07

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6 Period of progress report

From date	^d 3	^d 0	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0	
To date	^d 2	^d 9	^m 0	^m 3	^y 2	^y 0	^y 2	^y 1	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X  X								
Signature date	^d 2	^d 6	^m 0	^m 5	^y 2	^y 0	^y 2	^y 1	

 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 **Chris Pearson**

Company name **Begbies Traynor (London) LLP**

Address **31st Floor**

40 Bank Street

Post town **London**

County/Region

Postcode **E 1 4 5 N R**

Country

DX

Telephone **020 7516 1500**

 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 or email 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

One Blackfriars Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 30/03/2020 To 29/03/2021 £	From 30/03/2016 To 29/03/2021 £
ASSET REALISATIONS		
Deposit on Creditor's Petition	NIL	1,350.00
	NIL	1,350.00
COST OF REALISATIONS		
Bank Charges	88.00	440.00
O.R.'s Company Liquidation Admin Fe	NIL	2,520.00
	(88.00)	(2,960.00)
	(88.00)	(1,610.00)
REPRESENTED BY		
ISA NIB		(1,610.00)
		(1,610.00)

Note:



Adrian Hyde
Joint Liquidator

**One Blackfriars Limited (In Compulsory
Liquidation)**

High Court of Justice No. 001114 of 2016

Progress report

Period: 30 March 2020 to 29 March 2021

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Please note that with effect from 16 January 2021, CVR Global LLP, became part of Begbies Traynor's corporate recovery and insolvency practice. Further information in relation to Begbies Traynor and the Begbies Traynor Group can be accessed at: <http://www.begbies-traynorgroup.com>. CVR Global LLP will trade as 'Begbies Traynor' with immediate effect and will continue to operate from CVR Global LLP's existing offices. CVR Global LLP becoming part of Begbies Traynor will not affect the ongoing administration of the above mentioned case, which will continue to be dealt with by the existing members of the CVR Global LLP Team, with support from Begbies Traynor's personnel based elsewhere when required.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
“the Company”	One Blackfriars Limited (In Liquidation)
“the liquidation”	The appointment of liquidators by the Secretary of State pursuant to Section 137 of the Act the making of a Winding Up Order in the Companies Court on 21 March 2016 under reference number 001114 of 2016.
“the liquidators”, “we”, “our” and “us”	Adrian Hyde of Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London, E14 5NR and Kevin Murphy of Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London, E14 5NR
“the Act”	The Insolvency Act 1986 (as amended)
“the Rules”	The Insolvency (England and Wales) Rules 2016 (as amended)
“secured creditor” and “unsecured creditor”	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and “unsecured creditor” is to be read accordingly (Section 248(1)(a) of the Act)
“security”	(i) In relation to England and Wales, any mortgage, charge, or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
“preferential creditor”	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	N/a
Company registered number:	05278011
Company registered office:	C/o CVR Global LLP, 20 Funnival St, London, EC4A 1JQ
Former trading address:	1 – 16 Blackfriars Road, London, SE1

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date of winding up order:	21 March 2016
Date of liquidators' appointment:	30 March 2016

Changes in liquidator (if any): N/a

4. PROGRESS DURING THE PERIOD COVERED BY THIS REPORT

This is our fifth annual progress report and should be read in conjunction with our previous progress reports.

4.1 Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 30 March 2020 to 29 March 2021.

There were no receipts or payments (other than bank charges) during the Review Period.

4.2 What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous reports contains details of the work undertaken since our appointment.

4.2.1 General case administration and planning

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Many of these tasks may assist in the efficient and compliant progression of the administration of the case, but also have a direct benefit of enhancing realisations for the insolvent estate. All of this helps ensure that the work is carried out to a high professional standard.

The following material work was carried out in this category:

- Conducting periodic case reviews to ensure that the liquidation is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining a digital electronic filing system. This includes documentation that records and explains the manner in which the administration of the case has been conducted. It also records any decisions made by the joint liquidators that materially affect the liquidation.

Whilst the above work will not result in a better return for the Company's creditors, it ensured that the liquidation was administered effectively and was compliant with statutory deadlines.

4.2.2 Compliance with the Insolvency Act, Rules and best practice

The following material work was carried out in this category:

- Monitoring and maintaining an adequate statutory bond;

- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments;
- Periodic reviews of ethical, anti-money laundering and anti-bribery safeguards; and
- Preparation and release of fifth annual progress report to creditors.

4.2.3 Investigations

Creditors will recall from our historic reports that the Company was previously in administration with Shay Bannon and Sarah Rayment of BDO LLP (“BDO”) appointed as joint administrators (“the Former Administrators”). During the administration the Company’s principal asset, land located at 1 – 16 Blackfriars Road, London, (“the Land”) was sold. Following the dissolution of the Company post administration, the Company was restored to the register of companies and wound up to enable an investigation into the circumstances surrounding the sale to be carried out. Further historic details relating to the administration and the winding up of the Company can be found in my previous reports to creditors.

Time was incurred in this category carrying out investigative work prior to trial in support of the Joint Liquidator’s claims against the Former Administrators.

Claims Against the Former Administrators

During the Review Period, the claims against the Former Administrators referred to in my earlier reports proceeded to trial. Judgment was handed down shortly before the end of this reporting period confirming that the judge had found against the Joint Liquidators (see section 8 for further details).

The vast majority of time costs incurred during the Review Period related to work carried out prior to and during the five-week remote trial held across June 2020 to July 2020. This work included:

- Daily virtual attendance at Court by a partner and manager;
- Daily post-trial meetings between the liquidators and our legal team to discuss trial progression and strategy;
- Supplementary investigative work carried out in response to issues arising during the course of the trial; and
- High volume of regular correspondence between liquidators and legal team.

This work was necessary to pursue the sole asset recovery source in this liquidation.

Please note, the time spent carrying out this work was incurred prior to the acquisition of CVR Global LLP by Begbies Traynor using CVR Global LLP time recording software. As a result of the migration to Begbies Traynor software, this time (originally allotted to “legal matters”) was reallocated to “case planning” in Begbies Traynor’s time recording system. As such, the time costs analyses appended to this report at appendix 2 record a high volume of time to “case planning”.

For the avoidance of doubt, virtually all of the time incurred under “case planning” relates to work carried out pursuing the claims against the Former Administrators, and in particular, the trial that took place during the Review Period.

4.3.7 Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, tax, litigation, pensions and travel

The following material tasks were carried out under these categories:

- Preparation and filing of annual corporation tax returns.
- Periodic stakeholder meetings

5. ESTIMATED OUTCOME FOR CREDITORS

The following sections explain the anticipated outcomes to creditors and any distributions paid.

5.1 Secured creditors

The Company granted various fixed and floating charges in favour of a banking syndicate consisting of The Royal Bank of Scotland plc, Allied Irish Bank plc and Santander UK plc (“the Syndicate”) in order to secure funding for the development of the Land. The Royal Bank of Scotland plc, in its capacity as security trustee for the Syndicate, is registered as the beneficiary of the following charges at Companies House (“the Syndicate Charges”):

Charge Type	Date created	Date delivered	Short particulars
Debenture (senior)	24-Jun-08	02-Jul-08	Fixed and floating charge
Debenture (mezzanine)	24-Jun-08	02-Jul-08	Fixed and floating charge
Debenture (senior)	22-Jun-10	03-Jul-10	Fixed and floating charge
Debenture	22-Jun-10	07-Jul-10	Fixed and floating charge

According to records lodged at Companies House the Syndicate Charges remain outstanding.

However, please note, the Former Administrators state in their final progress report (dated 2 October 2012) that the Syndicate were owed approximately £69m by the Company at the date of their appointment, and that this sum would continue to attract interest. It is also stated in the Former Administrators’ receipts and payments account as at 2 October 2012 that the Syndicate were paid a total of £70,877,948 in dividends during the administration, suggesting they were repaid in full. Various requests have been made to RBS since my appointment to formally confirm that the debts owed to the Syndicate have been repaid in full and that the Syndicate Charges were therefore satisfied.

To date, we have received no response from RBS.

Formby 2010 Ltd, a company associated with the Company’s directors, loaned the Company £20,000,000, which was secured by a fourth-ranking fixed and floating charge over the assets of the Company, created on 22 June 2010 and filed at Companies House on 9 July 2010. A partial distribution was paid to Formby 2010 Ltd in respect of this debt.

5.2 Preferential creditors

The Company has no known preferential creditors.

5.3 Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company’s net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for

preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- 50% of the first £10,000 of net property;
- 20% of net property thereafter;
- Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

On the basis that there is no net property available under the floating charge, the provisions of Section 176(A)3 do not apply.

5.4 Unsecured creditors

Based upon information passed to us by the Official Receiver following case hand over, the Company has 21 unsecured creditors with claims totalling £1,346,167. During the the liquidation, we have received two unsecured claims totalling £15,113,771.

5.5 Dividend prospects

The Company has no assets and any asset realisations are dependent upon the outcome of the litigation against the Former Administrators. Accordingly, the prospect of a distribution to any class of creditor is uncertain.

6. REMUNERATION & DISBURSEMENTS

6.1 Remuneration

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and director then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a senior manager, director or partner.

The basis of the joint liquidators' fees was approved by creditors on 17 August 2016 in accordance with the following resolution:

"That the Joint Liquidators' remuneration be fixed by reference to the time properly given by the Joint Liquidators and their staff in attending to matters arising in the insolvency at the basic hourly charge out rate of the Joint Liquidators or member of staff concerned, estimated to be £100,000, and that the Joint Liquidators also be authorised to pay Category 2 disbursements as defined in the Statement of Insolvency Practice 9 at the rates chargeable from time to time and that the remuneration and disbursements are paid from the assets of the Company without requiring further authority from creditors."

The basis upon which additional fees could be drawn was sought and approved by creditors on 22 August 2019 in accordance with the following resolution:

“That the Joint Liquidators’ fees relating to issuing and prosecuting claims against BDO LLP, in their capacity as former administrators of One Blackfriars Ltd, be calculated as 10% of the gross value of any realisations generated pursuant to the litigation. “Realisations” to be defined as any monetary sum paid to the Joint Liquidators as a result of any judgment, award, order, settlement arrangement or compromise made, before the deduction of any other costs associated with the litigation. This fee will be payable upon success in the litigation and is in addition to fees payable pursuant to the existing time cost resolution agreed on 17 August 2016. “Success” to be defined as the making of any award, order, settlement arrangement or compromise in favour of CVR Global LLP in their capacity as Joint Liquidators of One Blackfriars Limited.”

The time costs incurred during the Review Period total £193,797.50 representing 463.7 hours at an average hourly rate of £417.94.

The total time costs incurred since appointment amount to £447,665.50 representing 1,156.8 hours at an average hourly rate of £386.99.

No fees were drawn during the Review Period. To date, fees totalling £79,569.10 (excluding VAT) have been paid to the joint liquidators from an external funder (see section 7 below).

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- Time Costs Analysis for the period 30 March 2020 to 29 March 2021 (and cumulatively)
- Begbies Traynor (London) LLP’s charging policy

6.2 Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

Please note that ~~the~~~~each~~ analysis provides details of the work undertaken by us and our staff following our appointment only.

The costs that were incurred from the date of our appointment to amount to £. Details of the costs incurred during the period of this report are stated above.

6.3 Category 1 and 2 Disbursements

In accordance with the approval obtained from creditors on 17 August 2016 the following category 1 and 2 disbursements have been incurred since the date of our appointment in accordance with our firm’s policy, a copy of which is at Appendix 2.

Type and purpose	Amount £
Category 1 Disbursements	
Statutory advertising	75
Bonding	20
Storage	42
TOTAL	137

Category 2 Disbursements	
Stationary and postage	172
Electronic Filing Fee	12
TOTAL	184

To date, no category 1 or 2 disbursements have been recharged to the estate.

Information about this insolvency process may be found on the R3 website at: www.creditorinsolvencyguide.co.uk A copy of 'A Creditors' Guide to Fees' can be found at www.r3.org.uk/index.cfm?page=1591. A hard copy of both guides may be obtained on request.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

6.4 Why have subcontractors been used?

When instructing third parties to provide specialist advice and services, the Joint Liquidators are obliged to ensure that such advice or work is warranted, and that the advice or work contracted reflects the best value and service for the work undertaken. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report and cumulatively is attached at Appendix 3.

7.1 Third Party Funding

In order to meet the costs of the liquidation and associated legal fees, during a previous reporting period an agreement was reached with a 3rd party to provide ongoing funding in respect of any claims that have arisen out of our investigations into the sale of the Land ("the Funding Agreement").

As noted above, during the Review Period an adverse judgment was handed down following trial, and as such, it remains, it remains uncertain whether there will be any recoveries available for benefit of the liquidation estate. In the event that recoveries are available, the monies provided under the Funding Agreement will be repaid as a priority cost ahead of the other claims and expenses of the liquidation.

The terms of the Funding Agreement are confidential and cannot be disclosed in this report.

Please note, in the event that no asset realisations are generated pursuant to the litigation against the Former Administrators, the funding provided under the Funding Agreement will not be recoverable from the estate.

7.2 Humphries Kerstetter LLP ("HK")

HK were instructed to provide advice and assistance in relation to the claims that have arisen out of our investigations into the sale of the Land.

On 5 April 2016 HK entered into a partially funded Conditional Fee Arrangement (“CFA”) with the joint liquidators. The terms of the CFA stipulate that HK will work on a discounted basic rate (“the Discounted Rate”), which is 50% lower than their usual charge-out rate (“the Standard Rate”).

Pursuant to the CFA, in the event that the litigation is successful, HK will be entitled to be paid the difference between the Discounted Rate and the Standard Rate. In addition, they will also be entitled to a success fee, which is equal to 50% in value of their total accrued time costs, charged at the Standard Rate. There have been no changes to the terms of the CFA since its inception. Since April 2016, HK have incurred time costs of £1,541,170.50 plus VAT at the Discounted Rate, of which £522,197.50 was incurred during the Review Period.

These costs have been paid in full from funds provided under the terms of the Funding Agreement. HK have also incurred disbursements of £289,650.03 plus VAT. Of this sum, £153,593.03 plus VAT were incurred during the Review Period. These costs have been paid in full from funds provided under the terms of the Funding Agreement.

7.3 3 Hare Court

Simon Davenport QC and Tom Poole (“Counsel”) have been instructed by HK to provide advice surrounding the sale of the Land, draft opinions, prepare the particulars of claim and attend court hearings. Counsel are operating under the same terms as HK and have signed a CFA stipulating that they will also work on a discounted basic rate. In the event that the litigation is successful, Counsel will also be entitled to the difference between the time incurred at their discounted rate and their usual standard rate. They will also be entitled to success uplift fee based upon 50% of the value of their incurred time costs, charged at their standard rate.

During the Review Period Counsel collectively incurred fees of £389,567.18 plus VAT. Counsels’ total time costs for the duration of the liquidation amount to £796,109.32 plus VAT.

These costs have been paid in full from funds provided under the terms of the Funding Agreement.

7.4 Gateley Plc (“Gateley”)

Gateley were instructed to review and advise me upon the contents of the Funding Agreement. Their fees for carrying out this work were agreed at £5,000 inclusive of VAT and disbursements. These costs were paid in full pursuant to the Funding Agreement during an earlier reporting period.

7.5 Experts

Expert evidence has been acquired in relation to certain disciplines relevant to the claim against the Former Administrators. This evidence was disclosed prior to and during the trial.

To date, the total costs incurred with respect to expert involvement are £1,304,149. Of this sum, £342,294 was incurred during the Review Period. These costs have been paid in full from funds provided under the terms of the Funding Agreement.

7.6 After the Event Insurance (“ATE”)

ATE insurance cover was initially taken out during an earlier reporting period. Additional cover was subsequently taken out during the Review Period.

Cover was initially taken out with DAS Legal Expenses Insurance Company Ltd which was supplemented during the Review Period. The premium value totalled £1.842m plus tax.

Further cover was also taken out with AmTrust Europe Limited. The premium value totalled £1.8m plus tax.

These costs have been paid in full from funds provided under the terms of the Funding Agreement.

7.7 Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £100,000 at the outset of the case. Creditors will recall from our historic reports that over time the scope and depth of work required to progress the claims against the Former Administrators has increased considerably. In conjunction with this, the expenses have also exceeded the initial forecast substantially. The primary cost areas are as follows:

- Legal costs of preparing for and participating in a five-week trial
- Expert witness costs
- Software / hardware costs associated with conducting a remote virtual trial
- Increased ATE insurance costs commensurate with the increased size of the claims

Please note, these additional costs will only have an impact upon creditors in the event that the claims against the Former Administrators result in the generation of asset realisations.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

8.1 What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

8.1.1 General case administration and planning

Work involved in this category relates mainly to routine administrative functions. It does not necessarily provide a financial benefit to creditors but ensures that the case is managed and administered in accordance with insolvency legislation and in a professional manner. Specific work is detailed below:

- Periodic six-monthly case reviews
- Maintenance of statutory and case progression task lists/diaries
- Updating checklists
- Bank account reconciliations
- Maintenance of the estate cash book

8.1.2 Compliance with the Insolvency Act, Rules and best practice

Work involved in this category relates mainly to routine and statutory functions. It does not necessarily provide a financial benefit to creditors but ensures that the case is managed and administered in accordance with insolvency legislation and in a professional manner. Specific work is detailed below:

- Filing of documents to meet statutory requirements
- Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards
- Producing progress reports
- Ensuring that the case is adequately bonded

Though there is no direct financial benefit to creditors, all work outlined above will need to be carried out in the upcoming review period as it ensures the case is progressed efficiently in line with insolvency legislation.

8.1.3 Dealing with all creditors' claims (including employees), correspondence and distributions

This involves work in dealing with creditor queries and correspondence, including preparing reports and where funds permit agreeing creditor claims and provision of dividends to creditors. Specific work is detailed below:

- Receive and follow up creditor enquiries via telephone
- Review and prepare correspondence to creditors via email and post.
- Distribution of progress reports to creditors
- Adjudication and agreement of creditor claims in the event that funds allow for a dividend

Though there is no direct financial benefit to creditors, all work outlined above will need to be carried out in the upcoming review period as it ensures the case is progressed efficiently in line with insolvency legislation.

8.1.4 Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, tax, litigation, pensions and travel

Claims Against the Former Administrators

As noted above, judgment was handed down in favour of the Former Administrators shortly before the end of this reporting period.

The future of the claim remains uncertain and the Joint Liquidators are in the process of taking advice from HK and Counsel in relation to the appropriate course of action. Due to the sensitive nature of this matter we cannot divulge any further details at this stage.

Preparation/submission of ongoing Corporation Tax returns will also be carried out.

8.1.5 How much will this further work cost?

Based on the assumption the case will remain open for at least 12 months, we estimate that the costs of the additional work will be approximately £15,000 - £20,000 plus VAT (subject to developments in relation to the claims against the Former Administrators).

8.1.6 Expenses

Based on the assumption the case will remain open for at least 12 months, we estimate that the costs of the future legal expenses to be approximately £80,000 - £100,000 plus VAT (subject to developments in relation to the claims against the Former Administrators).

9. OTHER RELEVANT INFORMATION

9.1 Investigations

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. We can confirm that we have discharged our duties in these respects.

9.2 Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

10.1 Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

10.2 Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, in relation to the basis fixed for our remuneration, inappropriate.

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Please note that information relevant and useful to creditors can be found at the following website, www.creditorinsolvencyguide.co.uk and <https://www.r3.org.uk/what-we-do/publications/professional/fees>. Hard copies of these publications are available on request by contacting the Joint Liquidators' office.

11. CONCLUSION

The administration of the case will continue to consider the best course of action in respect of the claims against the Former Administrators.

A handwritten signature in black ink, appearing to read 'A C Hyde', with a long horizontal flourish extending to the right.

A C HYDE
Joint Liquidator

Dated: 28 May 2021

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 30 March 2020 to 29 March 2021

One Blackfriars Limited
(In Liquidation)

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 30/03/2020 To 29/03/2021 £	From 30/03/2016 To 29/03/2021 £
RECEIPTS			
Deposit on Creditor's Petition		0.00	1,350.00
		<u>0.00</u>	<u>1,350.00</u>
PAYMENTS			
O.R.'s Company Liquidation Admin Fee		0.00	2,520.00
Bank Charges		88.00	440.00
		<u>88.00</u>	<u>2,960.00</u>
BALANCE - 29 March 2021			<u><u>(1,610.00)</u></u>

Note:

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (London) LLP's charging policy;
- b. Time Costs Analysis for the period from 29 March 2020 to 30 March 2021
- c. Cumulative Time Costs Analysis for the period from 30 March 2016 to 29 March 2021

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration. Within our fee estimate creditors can see how we propose to be remunerated. In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He will delegate tasks to members of staff. Such delegation assists the office holder as it allows him to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- ❑ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £150 per meeting;
- ❑ Car mileage is charged at the rate of 45 pence per mile;
- ❑ Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates
- ❑ Circulars to creditors:
 - Plain/headed paper including photocopying 12p per side
 - Envelopes 12p each
 - Postage actual cost
- ❑ Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying for work undertaken by staff based in our London office (being the location from which the appointment will primarily be administered), as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) – Prior to 8 April 2021	Charge-out rate (£ per hour) 8 April 2021 – until further notice	Complex charge out rates (£) 8 April 2021 – until further notice
Consultant/Partner	390-495	645	710
Director	360-390	515	565
Senior Manager / Associate Director	330-360	440	485
Manager	300-330	410	455
Assistant Manager	290-310	315	315
Senior Administrator / Senior Executive	240-275	290	290
Administrator / Executive	155-190	220	245
Trainee	90-125	160	180
Analyst / Support	90-125	160	180

In addition, where it is considered to be appropriate to do so, work may also be undertaken by members of staff based in our regional offices. The rates applying for such members of staff, as at the date of this report, are as follows:

Grade of staff	Charge-out rate (£ per hour) 16 January 2021 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead. Time is recorded in 6-minute units.

SIP9 ONE BLACKFRIARS LIMITED - Compulsory Liquidation - LONEB64379.CPL : Time Costs
 Analysis From 30/03/2020 To 29/03/2021

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	259.4				176.7		0.4			436.5	183,230.00	419.77
	Administration												0.00
	Total for General Case Administration and Planning:	259.4				176.7		0.4			436.5	183,230.00	419.77
Compliance with the Insolvency Act, Rules and best practice	Appointment												0.00
	Banking and Bonding					0.3			0.1	0.5	0.9	194.50	216.11
	Case Closure												0.00
	Statutory reporting and statement of affairs					3.4		3.3			6.7	1,466.50	218.88
	Total for Compliance with the Insolvency Act, Rules and best practice:					3.7		3.3	0.1	0.5	7.6	1,661.00	218.55
Investigations	CDDA and investigations	7.5									7.5	3,712.50	495.00
	Total for Investigations:	7.5									7.5	3,712.50	495.00
Realisation of assets	Debt collection												0.00
	Property, business and asset sales					0.1					0.1	31.00	310.00
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:					0.1					0.1	31.00	310.00
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others												0.00
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:												0.00
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings	8.0				0.1					8.1	3,991.00	492.72
	Other												0.00
	Tax					2.7		0.7			3.4	924.50	271.91
	Litigation	0.5									0.5	247.50	495.00
	Total for Other matters:	8.5				2.8		0.7			12.0	5,163.00	430.25
Total hours by staff grade:		275.4				183.3		4.4	0.1	0.5	463.7		
Total time cost by staff grade:		136,323.00				56,823.00		550.00	9.00	92.50		193,797.50	
Average hourly rate £:		495.00	0.00	0.00	0.00	310.00	0.00	125.00	90.00	185.00			417.94
Total fees drawn to date £:												0.00	

SIP9 ONE BLACKFRIARS LIMITED - Compulsory Liquidation - LONEB64379.CPL : Time Costs Analysis From 30/03/2016 To 29/03/2021

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	549.1			0.6	340.7		50.6			941.0	376,050.50	399.63
	Administration												0.00
	Total for General Case Administration and Planning:	549.1			0.6	340.7		50.6			941.0	376,050.50	399.63
Compliance with the Insolvency Act, Rules and best practice	Appointment	0.9				9.6		0.2			10.7	3,058.00	285.79
	Banking and Bonding	0.2			0.1	5.1		10.1	0.1	2.4	18.0	3,271.00	181.72
	Case Closure												0.00
	Statutory reporting and statement of affairs	8.8				36.1		17.4			62.3	16,598.50	266.43
	Total for Compliance with the Insolvency Act, Rules and best practice:	9.9			0.1	50.8		27.7	0.1	2.4	91.0	22,927.50	251.95
Investigations	CDDA and investigations	26.7	0.3			6.4		2.6			36.0	15,457.00	429.36
	Total for Investigations:	26.7	0.3			6.4		2.6			36.0	15,457.00	429.36
Realisation of assets	Debt collection												0.00
	Property, business and asset sales	0.5				0.4					0.9	308.50	342.78
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:	0.5				0.4					0.9	308.50	342.78
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured	1.2				2.6		1.3			5.1	1,471.50	288.53
	Others	0.4				6.4		1.8			8.6	2,183.00	253.84
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	1.6				9.0		3.1			13.7	3,654.50	266.75
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings	42.1				18.1					60.2	25,820.50	428.91
	Other					0.1		0.4			0.5	81.00	162.00
	Tax					8.4		4.6			13.0	3,118.50	239.88
	Litigation	0.5									0.5	247.50	495.00
	Total for Other matters:	42.6				26.6		5.0			74.2	29,267.50	394.44
Total hours by staff grade:		630.4	0.3		0.7	433.9		89.0	0.1	2.4	1,156.8		
Total time cost by staff grade:		308,110.50	117.00		229.00	126,826.50		11,987.50	9.00	386.00		447,665.50	
Average hourly rate £:		488.75	390.00	0.00	327.14	292.29	0.00	134.69	90.00	160.83			386.99
Total fees drawn to date £:												0.00	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred to date £	Amount incurred in Review Period £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group					
O.R. Co. Liq. Fee	The Insolvency Service	2,520	-	-	-
Bank Charges	The Insolvency Service	440	88	440	-
Statutory advertising	Courts Advertising	75	-	-	75
Bonding	Jardine Lloyd Thompson	20	-	-	20
Storage	Total Data Management	42	18	-	42
Solicitors' Fees – Gateley plc	Gateley plc	5,000	-	5,000	-
Solicitors' Fees (base)	Humphries Kerstetter	1,849,405	626,638	1,849,405	-
Counsels' Fees (base)	3 Hare Court	955,331	410,753	955,331	-
Legal disbursements	Humphries Kerstetter	347,580	184,312	347,580	-
Legal disbursements - expert fees	Various	1,564,979	410,753	1,564,979	-
Stationery & postage	CVR Global LLP*	172	36	-	172
Electronic Filing Fee	InsolPoint	12	-	-	12
ATE Insurance / Security for Costs	DAS	2,060,000	1,836,000	2,060,000	-
ATE insurance	AmTrust	2,016,000	2,016,000	2,016,000	-

* Expenses incurred by CVR Global LLP occurred prior to the acquisition of CVR Global LLP by Begbies Traynor Group.

** All costs recorded inclusive of VAT and insurance premium tax, both of which are irrecoverable.