

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

TUESDAY



A14 *A89CWRJN* #39
09/07/2019
COMPANIES HOUSE

1 Company details

Company number 0 7 1 8 9 0 0 3

Company name in full SRS Realisations 2017 Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice

Court case number 1 9 7 2 0 1 8

3 Administrator's name

Full forename(s) David John

Surname Pike

4 Administrator's address

Building name/number 66 Queen Square

Street Bristol

Post town BS1 4BE

County/Region

Postcode

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5 Administrator's name ^①

Full forename(s) Mark Jeremy

Surname Orton

① Other administrator

Use this section to tell us about another administrator.

6 Administrator's address ^②

Building name/number One Snowhill

Street Snow Hill Queensway

Post town Birmingham

County/Region

Postcode B 4 6 G H

Country

② Other administrator

Use this section to tell us about another administrator.

7 Appointor/applicant's name

Give the name of the person who made the appointment or the administration application.

Full forename(s) Para 83

Surname Schedule B1

8 Proposed liquidator's name

Full forename(s) David John

Surname Pike

Insolvency practitioner number 1 5 1 9 0

9 Proposed liquidator's address

Building name/number 66 Queen Square

Street Bristol

Post town BS1 4BE

County/Region

Postcode

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name^①

Full forename(s)

Mark Jeremy

Surname

Orton

Insolvency practitioner
number

8 8 4 6

① Other liquidatorUse this section to tell us about
another liquidator.**11 Proposed liquidator's address^②**

Building name/number

One Snowhill

Street

Snow Hill Queensway

Post town

Birmingham

County/Region

Postcode

B 4 6 G H

Country

② Other liquidatorUse this section to tell us about
another liquidator.**12 Period of progress report**

From date

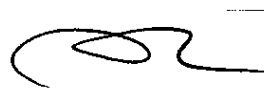
^d1 ^d7 ^m0 ^m2 ^y2 ^y0 ^y1 ^y9

To date

^d0 ^d5 ^m0 ^m6 ^y2 ^y0 ^y1 ^y9**13 Final progress report**☒ I have attached a copy of the final progress report.**14 Sign and date**Administrator's
signature

Signature

X



X

Signature date

^d0 ^d5 ^m0 ^m7 ^y2 ^y0 ^y1 ^y9

**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	Erin Manson
Company name	KPMG LLP
Address	66 Queen Square Bristol
Post town	BS1 4BE
County/Region	
Postcode	
Country	
DX	
Telephone	Tel +44 (0) 118 964 2000

**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 and dated 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



Joint
Administrators'
final progress
report for the
period 17
February 2019
to 05 June
2019

SRS Realisations 2017
Limited - in Administration

05 July 2019

Notice to creditors

This progress report provides a final update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since our previous progress report.

We have also explained the exit route from the administration and the outcome for each class of creditors.

You will find other important information in the document such as the costs we have incurred.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

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+SI817C1629.html>. We hope this is helpful to you.

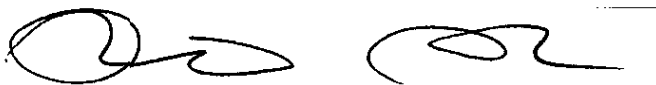
Please also note that an important legal notice about this report is attached (Appendix 7).

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1 Executive summary

- This final progress report covers the period from 17 February 2019 to 05 June 2019.
- As outlined in our Proposals, immediately following our appointment as Joint Administrators, we completed a sale of the business and assets of the Company to the Purchaser.
- There have been no further asset realisations since our first progress report dated 13 March 2019 (Section 2 – Progress to date).
- We are currently in the process of agreeing the preferential claims. This has been delayed due to a backlog at the NEST Pension Fund and at the Redundancy Payments Office. Subject to finalisation of the claims it is anticipated that preferential creditors will be paid in full (Section 3 – Outcome for creditors).
- We anticipate that unsecured creditors should receive a dividend of 0.6p in the £. The timing and amount of any dividend is dependent upon the level of preferential and unsecured claims agreed and finalisation of agents and legal fees. (Section 3 – Outcome for creditors).
- An administrator can only pay an ordinary dividend to unsecured creditors with the approval of the court. Alternatively, the Company must be placed in to CVL to make the distribution. Our Proposals approved that we could exit the administration via a CVL if appropriate. We consider this to be the most efficient and cost effective way forward. Therefore, we are providing this final progress report so that we can proceed to place the Company into CVL (Section 3 – Outcome for creditors).
- We have filed a copy of this final progress report with the Registrar of Companies, together with the requisite notices to place the Company into CVL. We will cease to act as Joint Administrators on the date these documents are registered by the Registrar of Companies (Section 5 – Conclusion of the administration).
- Please note: you should read this progress report in conjunction with our previous progress report(s) and proposals issued to the Company's creditors.
<http://www.insolvency-kpmg.co.uk/case+KPMG+SI817C1629.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



David Pike
Joint Administrator

2 Progress to date

This section provides a final update on the strategy for the administration and on the progress made. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Leasehold properties

As previously advised, of the 33 leasehold properties, five sites were closed immediately on our appointment and the associated staff were made redundant. The surrender of the lease has been offered to the landlords of these five sites, with three being accepted to date.

A licence to occupy 28 leasehold properties was granted to the Purchaser for a period of six months, to allow the leases to either be surrendered or assigned to the Purchaser. This licence was then extended for a further period of three months. The Purchaser is due to make a contribution of £10,000 towards the additional costs incurred in this regard.

During this period, we have continued to collect rents, service charges and utilities costs from the Purchaser for payment to the landlords, with the support of PHD.

We are pleased to report that all properties have now been dealt with and the licence to occupy has ended.

2.2 Asset realisations

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

There have not been any asset realisations in the period.

Rent and property costs received from the Purchaser

£85,687 has been received from the Purchaser during the period in respect of rent, service charges and utilities due on the retained properties.

These funds are paid to PHD for payment to the landlords. Any unpaid balance or shortfall will be returned to or covered by the Purchaser.

Cash remaining in the administration will be transferred to the liquidation.

2.3 Costs and expenses

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

Summaries of the most significant payments made during the period are provided below.

Agents' fees

£22,180 has been paid to PHD for dealing with the leasehold properties.

Legal fees

£7,664 has been paid to Osborne Clarke for advice in respect of potential claims.

We have also detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3). We are currently awaiting final invoices from PHD and Osborne Clarke which are not included in this schedule.

3 Outcome for creditors

3.1 Secured creditors

Following the sale of the business and assets of the Company, the Secured creditors were repaid in full from fixed and floating charge realisations.

3.2 Preferential creditors

We are currently in the process of agreeing the preferential claims which we estimate will be £35,000.

This has been delayed due to a backlog at the NEST Pension Fund and the Redundancy Payments Office. Subject to finalisation of the claims, it is anticipated that preferential creditors will be paid in full.

3.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors should receive a dividend of circa 0.6p in the £ during the liquidation. The timing and amount of any dividend are dependent upon the level of agreed preferential and unsecured claims and the finalisation of the costs of the administration and liquidation.

Whilst we reported that we would be seeking Court approval to make a distribution to unsecured creditors in the administration, following further consideration and legal advice, we have decided to instead place the Company into CVL for the below reasons:

- A CVL will not require an application to Court to seek approval for a distribution to unsecured creditors, reducing the overall cost of the administration; and
- A CVL will not require additional reporting to creditors in order to request an extension to the administration in the event of any further delays in agreeing the claims of preferential creditors. This will also reduce the overall cost of the administration.

4 Joint Administrators' remuneration and disbursements

Time costs

From 17 February 2019 to 05 June 2019, we have incurred time costs of £74,876. These represent 206 hours at an average rate of £363 per hour.

The total time costs to conclude the administration are £328,811 representing an average hourly rate of £340 per hour. This compares to our initial fee estimate of £157,710 (£132,710 after a discount applied of £25,000) as set out in the Proposals, and our estimate of £320,908 detailed in our previous progress report. However, in order to preserve the distribution to unsecured creditors we do not propose to draw additional fees.

Since our previous report, the additional time has been incurred in respect of the following key areas;

- The unforeseen extension of the licence to occupy the leasehold properties due to delays in the assignment of the properties. This included additional discussions and correspondence with the Purchaser, Osborne Clarke and PHD, as well as additional cashing for the collection and payment of the rent during this extended period;
- An increased volume of queries from utility providers in respect of the leasehold properties included within the licence to occupy; and
- Finalisation of the NEST Pension claim which has taken longer than anticipated;
- Liaising with HMRC to reverse surcharges applied in error regarding the Company's VAT submissions during the administration.

Remuneration

During the period, we have drawn remuneration of £132,710. Of this, £37,000 relates to fixed charge and £95,710 to floating charge realisations.

Disbursements

During the period we have incurred disbursements of £233 in respect of travel costs to attend meetings with creditors.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade to 05 June 2019. We have also attached our charging and disbursements policy.

5 Conclusion of the administration

We have filed a copy of this final progress report with the Registrar of Companies, together with the requisite notices to place the Company into Creditors' Voluntary Liquidation.

We will cease to act as Joint Administrators when these documents are registered by the Registrar of Companies and on the same date will be discharged of liability in respect of any action of ours as Joint Administrators.

Information regarding the liquidation of the Company, will be circulated to creditors once the Registrar of Companies has registered the notices.

Appendix 1 Statutory information

Company information

Company name	SRS Realisations 2017 Limited
Date of incorporation	15 March 2010
Company registration number	07189003
Present registered office	KPMG LLP, Arlington Business Park, Theale, Reading, RG7 4SD

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 197 of 2018
Appointor	Directors
Date of appointment	17 August 2018
Joint Administrators' details	David Pike and Mark Orton
Functions	The functions of the Joint Administrators have been exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	16 August 2019
Values of the Net Property and Prescribed Part	Net Property was £77,000. Prescribed Part was £18,400.

Appendix 2 Joint Administrators' receipts and payments account

SRS Realisations 2017 Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 17/02/2019 To 05/06/2019 (£)	From 17/08/2018 To 05/06/2019 (£)
FIXED CHARGE ASSETS			
1.00	Leasehold property	NIL	1.00
475,000.00	Business name and intellectual property	NIL	400,000.00
400,000.00	Goodwill	NIL	475,000.00
		<hr/>	<hr/>
		NIL	875,001.00
FIXED CHARGE COSTS			
	Administrators' fees	(37,000.00)	(37,000.00)
	Legal fees	(3,270.75)	(3,270.75)
	Agents'/Valuers' fees	(22,179.75)	(37,401.60)
	Withheld Tax	NIL	(1,542.98)
		<hr/>	<hr/>
		(62,450.50)	(79,215.33)
FIXED CHARGE CREDITORS			
(790,888.52)	Fixed charge creditor	NIL	(790,888.52)
		<hr/>	<hr/>
		NIL	(790,888.52)
ASSET REALISATIONS			
	Plant & equipment	NIL	74,998.00
74,998.00	Office equipment	NIL	NIL
96,500.00	Stock	NIL	96,500.00
	Book debts	NIL	741.60
	Business Rates Refunds	NIL	22,741.48
1.00	Company records	NIL	1.00
76,500.00	Cash at bank	NIL	NIL
	Cash in hand	NIL	77,098.00
		<hr/>	<hr/>
		NIL	272,080.08
OTHER REALISATIONS			
	Bank interest, gross	431.85	772.23
	Property costs for licence to occupy	85,687.39	514,124.36
	3rd Party Funds	NIL	1,046,710.00
		<hr/>	<hr/>
		86,119.24	1,561,606.59
COST OF REALISATIONS			
	Administrators' pre-administration fees	NIL	(36,380.50)
	Administrators' fees	(95,710.05)	(95,710.05)

SRS Realisations 2017 Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 17/02/2019 To 05/06/2019 (£)	From 17/08/2018 To 05/06/2019 (£)
	Administrators' expenses	(2,012.14)	(2,012.14)
	Agents'/Valuers' fees	NIL	(10,626.15)
	Legal fees	(4,393.62)	(27,443.17)
	Credit card receipts payments to newco	NIL	(1,046,709.99)
	Statutory advertising	(71.00)	(71.00)
	Rent	(78,009.53)	(513,908.30)
	Insurance of assets	NIL	(2,923.20)
	Bank charges	NIL	(30.00)
		(180,196.34)	(1,735,814.50)
PREFERENTIAL CREDITORS			
(30,273.31)	Preferential creditors	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
(7,320,545.71)	Trade & expense	NIL	NIL
(36,266.53)	Employees red & pay in lieu of notice	NIL	NIL
(767,579.99)	HMRC VAT, PAYE & NIC	NIL	NIL
(137,307.85)	Property related liabilities	NIL	NIL
(274,441.46)	Other Current Liabilities	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
1,600.00	Ordinary shareholders	NIL	NIL
		NIL	NIL
(8,232,703.37)		(156,527.60)	102,769.32
REPRESENTED BY			
	Floating ch. VAT rec'able		66,539.45
	Floating charge current		66,634.71
	Fixed charge VAT rec'able		15,534.47
	Floating ch. VAT payable		(85,687.38)
	Floating ch. VAT control		44,917.67
	Fixed charge VAT control		(5,169.60)
			102,769.32

Appendix 3 Schedule of expenses

Schedule of expenses (17/02/2019 to 05/06/2019)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Fixed charge costs			
Agents'/Valuers' fees	7,800.00	0.00	7,800.00
Cost of realisations			
Administrators' fees	0.00	74,876.00	74,876.00
Administrators' expenses	0.00	233.42	233.42
Legal fees	464.37	0.00	464.37
Statutory advertising	71.00	0.00	71.00
Rent	78,009.53	0.00	78,009.53
TOTAL	86,344.90	75,109.42	161,454.32

Please note that there is a difference between the payments made during the period (per the receipts and payments account) and the expenses incurred and paid in the period of (per the schedule of expenses).

This is due to the fact that some payments made in the period relate to expenses incurred in a prior 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 Sharon Turner on KPMG LLP, Arlington Business Park, Theale, Reading, RG7 4SD.

Appendix 4 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, pensions and health and safety advice 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/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact Sharon Turner on 0118 3731411.

Hourly rates

Set out below are the relevant charge-out rates per hour worked 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 2019 £/hr
Partner	655
Director	590
Senior Manager	535
Manager	445
Senior Administrator	310
Administrator	225
Support	140

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Travel		233.42	NIL		233.42
Total		233.42	NIL		233.42

Policy for the recovery of disbursements

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

Category 2 disbursements have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 17 February 2019 to 05 June 2019

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ preparing statutory receipts and payments accounts; ■ dealing with all closure related formalities; ■ ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ reviewing and authorising junior staff correspondence and other work; ■ reviewing matters affecting the outcome of the administration and completion of the estimated outcome statement for unsecured creditors; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	<ul style="list-style-type: none"> ■ 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; ■ Processing and reconciling funds, relating to the licence to occupy; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ resolution of an error by HMRC applying incorrect surcharges against the Company; ■ tax returns relating to the periods affected by the administration; ■ analysing VAT related transactions; ■ dealing with post appointment tax compliance and obtaining tax clearance.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ allocating funds and costs between fixed and floating charge; ■ liaising with the joint appointee in relation to signing of correspondence and statutory notifications.
Asset realisations	<ul style="list-style-type: none"> ■ reviewing outstanding debtors and management of debt collection strategy; ■ reviewing outstanding prepayments and management of recovery strategy.
Leasehold property	<ul style="list-style-type: none"> ■ Managing the extension of the license to occupy granted to the Purchaser; ■ communicating with landlords regarding rent, property occupation and other issues; ■ reconciling funds held and processing receipts and payments in respect of the licence to occupy.
Pensions	<ul style="list-style-type: none"> ■ collating information and reviewing the Company's pension schemes to establish the preferential claims; ■ calculating employee pension contributions and review of pre-appointment unpaid contributions.
Creditors and claims	<ul style="list-style-type: none"> ■ updating unsecured creditor claims; ■ responding to enquiries from creditors regarding the administration and submission of their claims; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; ■ Liaising with the Company's employees to obtain information to assist in reviewing and agreeing unsecured creditor claims; ■ meetings with key creditors regarding progress of the administration; ■ agreeing preferential claims; ■ preparation of progress reports.

Time costs

SIP 9 –Time costs analysis (17/02/2019 to 05/06/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	5.10	1,003.00	196.67
Reconciliations (& IPS accounting reviews)	1.20	341.00	284.17
General			
Fees and WIP	7.90	2,698.50	341.58
Statutory and compliance			
Bonding & Cover Schedule	0.50	112.50	225.00
Checklist & reviews	6.70	2,008.50	299.78
Closure and related formalities	1.50	667.50	445.00
Statutory advertising	1.10	313.50	285.00
Statutory receipts and payments accounts	1.10	247.50	225.00
Strategy documents	15.90	6,734.00	423.52
Tax			
Post appointment corporation tax	29.00	9,258.50	319.26
Post appointment VAT	15.10	6,898.00	456.82
Creditors			
Creditors and claims			
Agreement of claims	2.40	1,068.00	445.00
Agreement of preferential claims	9.20	2,960.00	321.74
Agreement of unsecured claims	0.60	135.00	225.00
General correspondence	14.30	4,425.00	309.44
Statutory reports	68.80	28,105.50	408.51
Employees			
Correspondence	5.70	1,767.00	310.00
Realisation of assets			
Asset Realisation			
Leasehold property	16.90	5,435.50	321.63
Office equipment, fixtures & fittings	0.90	202.50	225.00
Rent	2.20	495.00	225.00
Total in period	206.10	74,876.00	363.30

Brought forward time (appointment date to SIP 9 period start date) 761.10 253,934.95

SIP 9 period time (SIP 9 period start date to SIP 9 period end date) 206.10 74,876.00

SIP 9 –Time costs analysis (17/02/2019 to 05/06/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Carry forward time (appointment date to SIP 9 period end date)	967.20	328,810.95	

Appendix 5 Summary of Joint Administrators' proposals

General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims the Company may have;
- to seek an extension to the administration period if we consider it necessary.

Distributions

- to make distributions to the secured and preferential creditors where funds allow;
- to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- place the Company into creditors' voluntary liquidation. In these circumstances we propose that we, David Pike and Mark Orton, be appointed as Joint Liquidators of the Company *without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together.* The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing the Company into compulsory liquidation and to consider, if deemed appropriate, appointing us, David Pike and Mark Orton, as Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;
- file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. The Company will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

Joint Administrators' remuneration and pre-administration costs

We propose 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 3 and the charge-out rates included in Appendix 5;
- 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 5;
- unpaid pre-administration costs be an expense of the administration.

Discharge from liability

We propose that we shall be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Appendix 6 Glossary

Company	SRS Realisations 2017 Limited - in Administration
CVL	Creditors Voluntary Liquidation
Joint Administrators/we/our/us	David Pike and Mark Orton
KPMG	KPMG LLP
Osborne Clarke	Osborne Clarke LLP
Purchaser	Broadgate 1972 Company Limited
Secured creditor(s)	Natatomisam Ltd G Goodwin S Goodwin EBS Management A Thomson R Thomson C Priscott
PHD	PHD Property Advisory Ltd
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

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 7 Notice: About this report

This report has been prepared by David Pike and Mark Orton the Joint Administrators of SRS Realisations 2017 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.

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.

David John Pike and Mark Jeremy Orton 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.

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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