

# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



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05/03/2022

#106

COMPANIES HOUSE

### 1 Company details

Company number 0 7 4 1 0 8 8 3

Company name in full Karen Millen Group Limited

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

### 2 Administrator's name

Full forename(s) Robert James

Surname Harding

### 3 Administrator's address

Building name/number 60 St Martin's Lane

Street London

Post town WC2N 4JS

County/Region

Postcode

Country

### 4 Administrator's name ①

Full forename(s) Richard Michael

Surname Hawes

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 2 Fitzalan Road Brunel

Street Cardiff

Post town CF24 0EB

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> 0	<sup>d</sup> 6	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 0	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

☒ 

☒

Signature date	<sup>d</sup> 0	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
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# AM10

## Notice of administrator's progress report



### 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 Jessica Hough

Company name Teneo Financial Advisory Ltd

Address 156 Great Charles Street  
Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

DX

Telephone +44 121 619 0120



### 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)



The Global CEO Advisory Firm

**Karen Millen Fashions Limited (“KMFL”)  
Karen Millen Retail Limited (“KMRL”)  
Karen Millen Holdings Limited (“KMHL”)  
Karen Millen Group Limited (“KMGL”)  
Karen Millen Holdco 1 Limited (“KMH1”)  
All in administration (together “the Companies”/  
“the Group”)**






Progress report to creditors for the period 6 August 2021 to 5 February 2022 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 (“the Rules”)

4 March 2022

Robert James Harding and Richard Michael Hawes (“the Joint Administrators”) were appointed Joint Administrators of the Companies on 5 August 2019 by Aurora Fashions Finance Limited (“the Secured Creditor”). The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), (“the Act”), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally. As stated in the administration appointment documents, these are COMI proceedings (i.e. the centre of main interests is in the UK).

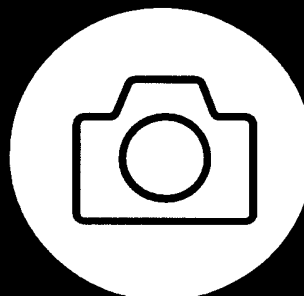
Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

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## Key messages



## Key messages

### Joint Administrators of the Companies

Robert James Harding  
Richard Michael Hawes  
Teneo Financial Advisory Limited  
156 Great Charles Street  
Queensway  
Birmingham  
B3 3HN

### Contact details

Email: [fay.dugmore@teneo.com](mailto:fay.dugmore@teneo.com)  
[www.ips-docs.com](http://www.ips-docs.com)  
Tel: +44 11 3396 0165



Commentary	
Purpose of administrations	<ul style="list-style-type: none"><li>The purpose of the administrations is to achieve a better result for the Companies' creditors as a whole than liquidations.</li></ul>
Progress of administrations	<p><b>KMFL</b></p> <ul style="list-style-type: none"><li>Trading continued until 29 September 2019 to enable a managed wind down of stock and realisation of the assets not sold via the pre-pack. A total trading surplus of c.£2.9m has been achieved. Please see page 11 for further details.</li><li>Sundry and rates refunds totalling £13,812 and £16,056 respectively have been received in the report period. Please see page 6 for further details.</li><li>Funds totalling £108,000 have been received in respect of a litigation settlement. Please see page 6 for further details.</li><li>We have declared the preferential distribution of 100p in the £ and payment will follow shortly after the date of this report. Please see page 14 for further details.</li><li>Unsecured creditors claims are being agreed to enable a Prescribed Part dividend to be made. Please see page 14 for further details.</li></ul> <p><b>KMRL</b></p> <ul style="list-style-type: none"><li>An insurance refund and rates refund totalling £1,041 and £14 respectively have been received in the report period.</li></ul> <p><b>KMHL</b></p> <ul style="list-style-type: none"><li>Minimal amounts of bank interest have been received in the period. Please see page 12.</li></ul> <p><b>KMGL</b></p> <ul style="list-style-type: none"><li>No funds have been received in the period.</li></ul>
Costs	<ul style="list-style-type: none"><li>Our time costs for the period of the report are as follows: KMFL - £111,202, KMRL - £12,297, KMHL - £7,681, KMGL - £20,962 and KMH1 - £5,098. Please see pages 20 to 24 for further details.</li><li>We have incurred expenses of £2,006 for KMFL in the report period. Please see page 7 for further details.</li><li>We have not incurred any expenses for KMRL, KMGL, KMHL and KMH1 in the report period. Please see pages 7 and 8 for further details.</li></ul>
Outstanding matters	<ul style="list-style-type: none"><li>Receive the dividends from the international Karen Millen companies.</li><li>Pay the first and final distribution to the preferential creditors and a Prescribed Part dividend to the unsecured creditors of KMFL.</li><li>Distribute funds to the fixed and floating charge holder in KMFL, KMRL, KMHL and KMH1.</li><li>Liaise with HM Revenue &amp; Customs ("HMRC") to finalise all tax and VAT matters in respect of the Companies.</li><li>Statutory closing procedures across all companies.</li></ul>

## Key messages (continued)

Commentary	
Dividend prospects	<ul style="list-style-type: none"> <li>Secured creditor – The secured creditor will not be repaid in full. Please see page 14 for further details.</li> <li>Preferential creditors – We have declared the preferential distribution of 100p in the £ in respect of KMFL, and payment will follow shortly after the date of this report. Please see page 14 for further details.</li> <li>We do not expect to receive any preferential claims in KMRL, KMHL, KMGL and KMH1.</li> <li>Secondary Preferential creditor – There is no Secondary Preferential Creditor due to the date of appointment.</li> <li>Unsecured creditors – We expect there will be a maximum Prescribed Part distribution for unsecured creditors of KMFL. We do not anticipate that any funds will be available to the unsecured creditors of KMRL, KMHL, KMGL and KMH1. Please refer to page 14 for further details.</li> </ul>
Extension to administration period	<ul style="list-style-type: none"> <li>The period of the administrations has been extended to 5 August 2022. We expect it may be likely that a further extension will be required in KMFL and KMHL. It is unlikely that any further extensions will be required in the other companies. Please see page 15 for further details.</li> </ul>

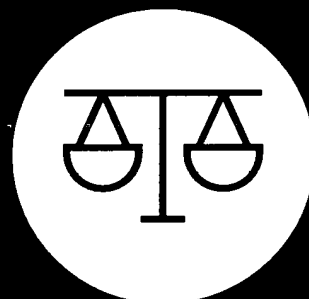






## Progress of the administration

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## Progress of the administration Summary



### Work done during the report period KMFL

#### Trading

KMFL ceased trading on 29 September 2019.

Net trading sales (including refunds) of c.£12.6m have been achieved. We have generated a trading surplus of c.£2.9m.

A trading account detailing all sales and payments to date is provided on page 11.

No trading transactions have been made in the period.

#### Rates Refunds

Rates refund of £16,056 have been realised during the report period in respect of overpayments made by KMFL prior to our appointment.

#### Sundry Refunds

Sundry refunds of £13,812 in respect of monies held in client accounts prior to our appointment have been received during the report period.

#### Litigation Settlement

During the previous period, we entered into a confidential settlement agreement with a third party regarding litigation commenced by KMFL prior to our appointment.

Pursuant to the settlement agreement, a further sum of £108,000 has been recovered. The net recovery after the associated legal costs is £104,765.

#### Leasehold property

KMFL operated from 36 leasehold premises, all of which were vacated in prior report periods. Most of the lease agreements were held in KMRL.

To date, nine leases have been surrendered and one has been forfeited.

### Work done during the report period KMRL

#### Insurance Refunds

An insurance refund of £14 has been received during the period.

#### Rates Refunds

Rates refunds of £1,041 have been received during the report period in respect of overpayments made by KMRL prior to our appointment.

### Work done during the report period KMHL and KMGL

No work has been done in the period in respect of these companies, other than statutory tasks as reported below.

#### International Business

We have been separately engaged by the Secured Creditor to assist with an orderly wind down of the Group's international operations. This engagement is being funded by the Secured Creditor.

### Work done during the report period – KMHL

#### Return to shareholder

As a result of the wind down of the Group's international operations, it is likely that the Group's Spanish subsidiary will be in a position to make a distribution to its shareholder, KMHL.

The liquidator of Karen Millen Spain S.L.U. has indicated that he hopes to be in a position to make a distribution of up to c.€50,000. The current expectation is that this will occur in 2022.

The liquidator of Karen Millen Holland has also indicated there should be a distribution of up to c.€800,000, which is expected to be paid in the second half of 2022.

### Work done during the report period – all Companies

#### Statutory tasks

During the period, we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions, including updating the insolvency creditor portals for the cases, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of the previous progress report;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

## Progress of the administration Summary

### Work done during the report period – all Companies (continued)

#### Creditors

##### KMFL

We have distributed funds totalling £935,345 to the Secured Creditor in the period from KMFL.

We have declared the preferential distribution of 100p in the £ in KMFL and payment will follow shortly after the date of this report.

#### All Companies

Please refer to page 14 for further details regarding dividends to creditors

### Third party costs incurred during the report period

#### Joint Administrators' – Category 1 Expenses

Category 1 expenses are payments to persons providing the service to which the expense relates and which are neither payment to us, the officeholders, or to an associate of ours. These expenses can be paid out of the estate by us without creditor approval.

The following third party expenses have been incurred during the report period:

##### KMFL - Legal Costs

- White & Case LLP, a firm of lawyers who are experienced in this area, assisted with the Court applications to extend the administrations. They have incurred costs of £21,261 plus VAT, including Counsel's costs. These costs have now been paid during the period of the report.
- Fieldfisher, a firm of lawyers who are experienced in this area, assisted with the litigation settlement and have incurred £2,696, plus VAT.

### Disbursements – Category 1

Category 1 disbursements are payments made by us direct to third parties and for which no approval is required and which are summarised in the table below:

#### KMFL - Category 1 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Travel	4,000	-	12,745	12,745	-
Accommodation	16,000	-	12,554	12,554	-
Telephone	1,000	-	-	-	-
Mailing	-	-	41	-	41
Postage/Couriers	900	2,006	3,984	3,984	-
Stationery	-	-	315	315	-
Subsistence	5,000	-	4,159	3,981	178
Specific Penalty Bond	230	-	230	230	-
<b>Total expenses</b>	<b>27,130</b>	<b>2,006</b>	<b>34,028</b>	<b>33,809</b>	<b>219</b>

#### KMRL - Category 1 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Travel	200	-	-	-	-
Telephone	100	-	-	-	-
Postage/Couriers	200	-	-	-	-
Subsistence	200	-	7	4	3
Specific Penalty Bond	230	-	230	230	-
<b>Total expenses</b>	<b>930</b>	<b>-</b>	<b>237</b>	<b>234</b>	<b>3</b>

#### KMHL - Category 1 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Travel	100	-	-	-	-
Telephone	50	-	-	-	-
Postage/Couriers	50	-	-	-	-
Subsistence	50	-	-	-	-
Specific Penalty Bond	230	-	230	230	-
<b>Total expenses</b>	<b>480</b>	<b>-</b>	<b>230</b>	<b>230</b>	<b>-</b>



## Progress of the administration Summary

### Third party costs incurred during the report period Disbursements – Category 1 continued

#### KMGL - Category 1 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Travel	100	-	-	-	-
Telephone	50	-	-	-	-
Postage/Couriers	50	-	20	20	-
Subsistence	50	-	-	-	-
Specific Penalty Bond	230	-	20	20	-
<b>Total expenses</b>	<b>480</b>	<b>-</b>	<b>40</b>	<b>40</b>	<b>-</b>

#### KMH1 - Category 1 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Travel	100	-	-	-	-
Accommodation	50	-	-	-	-
Telephone	50	-	-	-	-
Postage/Couriers	50	-	416	73	343
Specific Penalty Bond	230	-	20	20	-
<b>Total expenses</b>	<b>480</b>	<b>-</b>	<b>436</b>	<b>93</b>	<b>343</b>

### Category 2 Expenses

These are payments:

- to us (as officeholder), for example reimbursement to staff engaged on the case for their mileage costs) or in respect of shared or allocated costs; and also
- to our associates, e.g. to Deloitte LLP where their costs are being charged to the estate following the sale of the Deloitte UK Restructuring team to Teneo Financial Advisory Limited ("Teneo" and "the Transaction") on 29 May 2021.

These expenses require creditor approval in the same manner as our remuneration and as discussed in further detail on pages 25 to 26.

### Payment of Category 1 Expenses

All costs have been paid, as shown in the receipts and payments account on pages 10 to 12.

All professional costs are reviewed and analysed in detail before payment is approved.



## Progress of the administrations

### Receipts and payments

#### Receipts and Payment

Receipts and payments accounts for KMRL, KMHL, KMH1, KMGL and KMFL, together with a separate trading account for KMFL are provided on the following pages.

The accounts detail the transactions during the report period from 6 August 2021 to 5 February 2022.

The notes below apply to the receipts and payments accounts on the following pages.

#### Notes to receipts and payments accounts

**A** - All funds are held in interest bearing accounts. The associated corporation tax on interest received will be accounted for to HM Revenue & Customs.

**B** - The Secured Creditor allocated £1.9m of its distribution to meet various costs associated with the wind down of KM International.

**C** - A trading account is provided on page 11. KMFL ceased to trade on 29 September 2019.

**D** - Funds were paid into the KMFL bank account in error. As these funds do not form part of the KMFL estate, they have been refunded.

**E** - Sums are shown net of VAT, which is recoverable and has been and will continue to be accounted for to HM Revenue & Customs in due course. An amount of VAT is shown as irrecoverable as the invoices were dated prior to our appointment.

**G** - Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

**H** - Funds totalling c.£160k plus VAT were received from the Purchaser in accordance with the licence to occupy agreement. A final reconciliation between funds received from the Purchaser and costs paid will be undertaken. Any surplus funds will be refunded.

#### Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

#### Statement of affairs note

Statements of affairs were provided for all Companies. Where no figures or descriptions are shown, it is because that entity had no assets.



## Progress of the administration Receipts and payments

Karen Millen Fashions Limited  
Joint Administrators' receipts and payments account  
6 August 2021 to 5 February 2022

£	SoA values	Notes	Period	To date
<b>Fixed Charge Receipts</b>				
KM - IP	-		-	14,960,000
Coast - IP	18,150,000		-	3,190,000
Bank Interest Gross	-	A	-	10,788
			-	18,160,788
<b>Fixed Charge Payments</b>				
Administrators' Fees - Pre appt Fixed	-		-	32,690
Administrators' Fees - Fixed	-		-	182,094
Pre-appointment Fees Group - Fixed	-		-	1,515
Pre appointment Fees - Fixed - Holdco1	-		-	1,515
Pre appointment Fees - Fixed - Holdings	-		-	1,515
Pre appointment Fees Fixed - Retail	-		-	1,515
Fixed Charge Distribution	935,345		15,829,655	
International Funds from Fixed Charge	-	B	-	1,900,000
	935,345		-	17,950,499
<b>Fixed Charge Balance in Hand</b>				<b>(835,345) 210,289</b>
<b>Floating Charge Receipts</b>				
Trading Surplus	-	C	-	2,847,173
FX Cash Movement	-		-	123,247
Payroll Services Refund	-		-	90,510
Release of credit funds	-		-	258,379
Historic Tribunal Settlements	-		-	29,289
KM - Data	-		-	40,000
Coast - Data	-		-	10,000
Furniture & Equipment	-		-	82,000
Utilities	-		-	4,213
Litigation Settlement	-		108,000	229,500
Book Debts	-		-	13,764
Rates Refunds	-		16,056	150,368
Cash at Bank	1,587,268		-	542,688
Trade Debtors	1,334,891		-	3,167,968
Sublet of head office	-		-	4,609
Bank Interest Gross	-	A	105	15,287
Funds Received in Error	-	D	-	42,283
Sundry refunds	-		13,812	42,595
FX Hedging products	-		-	180,730
Health insurance refund	-		-	16,999
Computer Equipment	165,884		-	-
			137,974	7,991,601

£	SoA values	Notes	Period	To date
<b>Floating Charge Payments</b>				
Payment of funds rec in error	-	D	-	42,283
C18 Tax	-		-	73,796
Tax Services	-		-	29,524
Pre-Appointment Legal Fees	-		-	151,627
Agents Expenses	-		-	1,752
Administrators' Fees	-		-	1,514,079
Administrators' Expenses	-		-	36,321
Administrators' Fees - Group	-		-	31,898
Administrators' Expenses - Group	-		-	40
Administrators' Fees - Holdco1	-		-	20,918
Agents/Valuers Fees	-		-	57,546
Administrators' Expenses - Holdco1	-		-	93
Legal Fees	23,957		-	319,613
Legal expenses	-		-	4,350
Administrators' Fees - Holdings	-		-	34,537
Administrators' Expenses - Holdings	-		-	20
Irrecoverable VAT	-		-	17,401
Administrators' Fees - Retail	-	E	-	152,723
Administrators' Expenses - Retail	-		-	234
Printing	-		-	343
Storage Costs	4,348		-	8,622
Postage & Redirection	2,006		-	2,512
Statutory Advertising	-		-	175
Insurance of Assets	-		-	14,230
Bank Charges	442		-	3,134
Floating Charge Distribution	-		-	4,608,436
	30,751		-	7,328,209
<b>Floating Charge Balance in Hand</b>				<b>107,223 665,392</b>
<b>International Surplus</b>				<b>B 284,321</b>
<b>Balance in Hand - Fixed, Floating &amp; International</b>				<b>1,160,003</b>
<b>Made up of:</b>				
VAT Receivable	-	E	-	131,470
IB Fixed Charge Deposit A/c	-	A	-	238,148
IB Floating Chge Deposit A/c	-	A	-	548,306
IB International Funding Floating Chge C	-		-	118,781
IB EURO Account	-		-	263,643
Trade Creditors	-	G	-	(3,236)
VAT Control Account	-		-	(152,560)
Retained Balance - Barclays Pre App Acc	-		-	14,451
			-	1,160,003



**Progress of the  
administration**  
Receipts and payments

**Karen Millen Fashions Limited**  
Joint Administrators' trading account  
6 August 2021 to 5 February 2022

£	Period	To date
<b>Receipts</b>		
Sales - In Store	-	6,713,307
Sales - Online	-	3,069,692
Sales - Concessions	-	1,685,750
Sales - Canada	-	44,278
Sales - Other	-	1,035,369
Stock	-	52,721
Warehousing and Distribution	-	133,010
<b>Total receipts</b>	-	<b>12,734,127</b>
<b>Payments</b>		
Purchases	-	1,920
Payroll (Store)	-	45,639
Payroll (Head Office)	-	2,692,273
Rents	-	246,679
Service Charge	-	85
Rates	-	539,621
Utilities	-	209
IT expenses	-	1,159,820
Warehousing and Distribution	-	1,021,020
Insurance	-	60,845
Bank Charges and Credit Card Liabilities	-	38,467
Employee Incentives	-	17,916
Employee Expenses	-	5,197
Merchant Service Provider - Commission	-	218,847
Fulfillment	-	87,006
Repairs & Maintenance	-	10,480
Other expenses	-	114,761
Security	-	11,122
Advertising / Marketing	-	25,286
Online Marketing	-	14,000
Store closure costs	-	12,315
Hilco Commission	-	2,237,067
Hilco Signage Costs	-	78,805
Cleaning services	-	9,671
Ransom Creditors	-	607,363
ROT Creditors	-	478,118
Refunds	-	52,421
<b>Total payments</b>	-	<b>9,786,954</b>
<b>Trading surplus/(deficit)</b>	-	<b>2,947,173</b>

**Karen Millen Retail Limited**  
Joint Administrators' receipts and payments account  
6 August 2021 to 5 February 2022

£	SoA values	Notes	Period	To date
<b>Receipts</b>				
Insurance Refund	-		14	14
Rates Refund	-		1,041	55,805
Bank Interest Gross	-	A	5	122
Shop Fixtures	44		-	-
<b>Total receipts</b>	<b>44</b>		<b>1,060</b>	<b>55,941</b>
<b>Payments</b>				
<b>Total payments</b>			-	-
<b>Balance</b>				<b>55,941</b>
<b>Made up of:</b>				
Floating Charge Deposit Account				55,941
<b>Balance in hand</b>				<b>55,941</b>



**Progress of the  
administration**  
Receipts and payments

**Karen Millen Holdings Limited**  
Joint Administrators' receipts and payments account  
6 August 2021 to 5 February 2022

£	SoA values	Notes	Period	To date
<b>Receipts</b>				
Insurance Refund	-		-	5,294
Cash at Bank	-		-	4,319
Licence to occupy	-	H	-	160,332
Bank Interest Gross	-	A	10	243
Intercompany Debtors	Unknown		-	-
<b>Total receipts</b>	-		10	<b>170,188</b>
<b>Payments</b>				
Rents		H	-	66,635
Service Charge		H	-	18,466
Heat and Light		H	-	14,745
Holdco 1 Legal Payment		H	-	3,500
Bank Charges		H	-	3
<b>Total payments</b>			-	<b>103,349</b>
<b>Balance</b>				<b>66,839</b>
<b>Made up of:</b>				
Floating Charge Deposit Account		A		65,861
VAT Receivable		E		978
<b>Balance in hand</b>				<b>66,839</b>

**Karen Millen Holdco 1 Limited**  
Joint Administrators' receipts and payments account  
6 August 2021 to 5 February 2022

£	SoA values	Notes	Period	To date
<b>Receipts</b>				
Sundry Refunds	-		-	1,978
Bank Interest Gross	-	A	-	0
Intercompany Debtors	Unknown		-	-
<b>Total receipts</b>	-		-	<b>1,978</b>
<b>Payments</b>				
<b>Total payments</b>			-	<b>-</b>
<b>Balance</b>				<b>1,978</b>
<b>Made up of:</b>				
Floating Charge Accountant		A		1,979
<b>Balance in hand</b>				<b>1,979</b>

**Karen Millen Group Limited**  
Joint Administrators' receipts and payments account  
6 August 2021 to 5 February 2022

£	SoA values	Notes	Period	To date
<b>Receipts</b>				
<b>Total receipts</b>	-		-	<b>-</b>
<b>Payments</b>				
<b>Total payments</b>			-	<b>-</b>
<b>Balance</b>				<b>-</b>

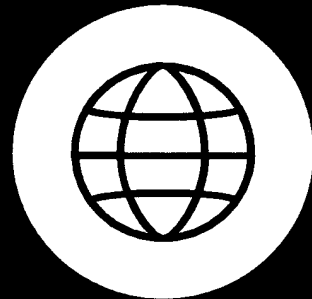






## Information for creditors

Outcome	14
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## Information for creditors Outcome

### Outcome for creditors

#### Secured creditors

As detailed in the Proposals, Aurora Fashions Finance Limited, in its capacity as Secured Creditor, was owed c.£65.5m across the Companies comprising:

- Loan principle of c.£41m
- RCF drawdown of c.£15m
- Accrued interest of c.£9.5m

Funds totalling £935,345 have been distributed during the report period, bringing total distributions to date to £20,638,091 from KMFL. Further distributions will be made in due course.

Based on currently available information, we do not expect there will be sufficient asset realisations to repay the Secured Creditor in full.

#### Preferential creditors

Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions.

#### Preferential creditors - KMFL

We have declared the preferential distribution of 100p in the £ in KMFL and payment will follow shortly after the date of this report.

#### Preferential creditors – KMHL, KMGL, KMRL and KMH1

No preferential claims have been received, nor are any expected as there were no employees.

#### Secondary Preferential Debts due to HM Revenue and Customs ("HMRC")

Secondary preferential debts are debts due to HMRC in respect of deducted taxes (including VAT, PAYE, student loan repayments, employee NICs and CIS deductions) on insolvency appointments falling on or after 1 December 2020. As this appointment pre dates 1 December 2020, the Secondary Preferential Debt provisions do not apply.

### Unsecured creditors

#### Prescribed Part

We anticipate that there will be the full Prescribed Part fund available for distribution to unsecured creditors of £600,000 will be available in KMFL for distribution to unsecured creditors.

Please note that in accordance with Rule 3.50 the costs associated with the prescribed part (which would chiefly comprise our costs incurred in adjudicating and processing claims) must be paid out of the prescribed part fund.

We do not expect any net property to be available in KMRL, KMHL, KMH1 and KMGL.

#### Unsecured creditors

The directors' statements of affairs state that unsecured creditors were owed the following amounts as at the date of our appointments:

- KMFL – c.580 creditors totalling £44.5m; and
- KMRL – c.22 creditors totalling £325k.

Unsecured claims received in KMFL and KMRL respectively total £86,692,521 and £177,026 to date.

On present information, insufficient funds will be realised to enable a dividend to be paid to unsecured creditors of KMFL, other than the Prescribed Part distribution previously referred to.

We do not expect there to be sufficient asset realisations to enable any distributions to unsecured creditors of KMRL, KMGL, KMHL or KMH1.



## Information for creditors Outcome

### Claims process

#### Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed, according to the Companies' statement of affairs, is £1,000 or less. Instead, we will notify you if funds become available for dividend purposes and provide you with details of the amount at which your claim has been admitted. If you disagree with that amount, you will be provided with an opportunity to notify us of the correct amount.

Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of debt to us.

#### Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us either directly via the case website at [www.ips-docs.com](http://www.ips-docs.com) or by downloading and completing a proof of debt form from the case website and which should be sent to the address on the page 3. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

#### Process – KMRL, KMH1, KMGL and KMHL

As there is no prospect of a distribution for unsecured creditors in these companies, we do not intend to undertake any work to agree any creditor claims received. This work will be performed only once the dividend prospects are certain.

### Extensions to the administration

The administrations were extended by the Court on 29 July 2021 and will now end on or before 5 August 2022. We expect it may be necessary to request a further extension in KMFL and KMHL to receive the dividend from the liquidator of Karen Millen Holland. We do not anticipate that it will be necessary to further extend the period of the administrations in the other companies.

#### Exit

As detailed in our proposals, we consider dissolution to be the most appropriate exit route from the administrations.



## Information for creditors

### Statutory information

Statutory Information					
	Karen Millen Fashions Limited	Karen Millen Retail Limited	Karen Millen Holdings Limited	Karen Millen Group Limited	Karen Millen Holdco 1 Limited
Company Number	6822177	6822157	6816444	7410883	9787751
Registered office	156 Great Charles Street Queensway Birmingham B3 3HN	156 Great Charles Street Queensway Birmingham B3 3HN	156 Great Charles Street Queensway Birmingham B3 3HN	156 Great Charles Street Queensway Birmingham B3 3HN	156 Great Charles Street Queensway Birmingham B3 3HN
Trading names	Karen Millen Fashions Limited	Karen Millen Retail Limited	Karen Millen Holdings Limited	Karen Millen Group Limited	Karen Millen Holdco 1 Limited
Previous names	K Retail Opco Limited	K Retail Propco Limited	K Retail Limited	HS 522 LIMITED	N/A
Court	High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List (Chd)	High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List (Chd)	High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List (Chd)	High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List (Chd)	High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List (Chd)
Court reference	CR-2019-005244	CR-2019-005249	CR-2019-005247	CR-2019-005246	CR-2019-005243
Company directors	Beth Janet Butterwick Neil William Mccaustand Emily Sarah Tate	Beth Janet Butterwick Emily Sarah Tate	Beth Janet Butterwick Neil William Mccaustand Emily Sarah Tate	Beth Janet Butterwick Neil William Mccaustand John Philip Madden Johann Petur Reyndal Emily Sarah Tate	Beth Janet Butterwick Neil William Mccaustand John Philip Madden Johann Petur Reyndal Robin Terrell Emily Sarah Tate
Company Secretary	Heaton Secretaries Limited	Heaton Secretaries Limited	Heaton Secretaries Limited	Heaton Secretaries Limited	No Secretary
Shareholders	Karen Millen Holdings Limited	Karen Millen Holdings Limited	Karen Millen Group Limited	Karen Millen Holdco 1 Limited	Aurora Fashions Finance Limited

Please note that no directors have shareholdings in the Companies.

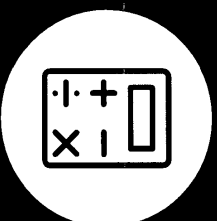




## Remuneration and expenses

Joint Administrators' remuneration

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## Remuneration and expenses

### Joint Administrators' remuneration

#### Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at [www.ips-docs.com](http://www.ips-docs.com).

Should you require a paper copy, please send your request in writing to us at the address on page 3 and this will be provided to you at no cost.

#### Basis of remuneration

The basis of our remuneration was fixed on 5 November 2019 by the Secured and preferential creditors in KMFL and the Secured Creditor in KMRL, KMGL, KMH1 and KMHL by reference to the time properly given by the Joint Administrators and their staff, plus VAT thereon.

Please also note that our approved fee basis is inclusive of the costs in respect of ongoing work being delivered by Deloitte LLP and as detailed further on pages 25 to 26.

#### Fees drawn to date

No fees have been drawn in the report period in any of the Companies.

#### Time Costs

Please refer to pages 20 to 24 where we have updated the Fees Estimates to provide details of our actual time costs for the period of the report, as noted below:

- **KMFL** Our time costs for the report period are £181,159, made up of 325 hours, at a blended charge out rate of £558 per hour across all grades of staff. Our total time costs to 5 February 2022 are £4,415,954, made up of 7,605 hours, at a blended charge out rate of £581 per hour across all grades of staff;
- **KMRL** Our time costs for the report period are £12,297, made up of 15.9 hours, at a blended charge out rate of £773 per hour across all grades of staff. Our total time costs to 5 February 2022 are £222,112, made up of 351 hours, at a blended charge out rate of £634 per hour across all grades of staff;
- **KMHL** Our time costs for the report period are £16,264, made up of 29.3 hours, at a blended charge out rate of £555 per hour across all grades of staff. Our total time costs to 5 February 2022 are £82,265, made up of 145 hours, at a blended charge out rate of £567 per hour across all grades of staff;

- **KMGL** Our time costs for the report period are £20,962, made up of 25 hours, at a blended charge out rate of £839 per hour across all grades of staff. Our total time costs to 5 February 2022 are £90,245, made up of 168 hours, at a blended charge out rate of £537 per hour across all grades of staff; and
- **KMH1** Our time costs for the report period are £5,098, made up of 7 hours, at a blended charge out rate of £690 per hour across all grades of staff. Our total time costs to 5 February 2022 are £73,079, made up of 143 hours, at a blended charge out rate of £513 per hour across all grades of staff.



## Remuneration and expenses

### Joint Administrators' remuneration

#### Joint Administrators' remuneration

##### Time costs within budget

Our time costs incurred to date in KMRL, KMHL, KMGL and KMH1 are broadly in line with expectations and we do not anticipate that we will seek to draw a fee greater than the amounts as provided in our Fees Estimates.

##### KMFL - Time costs - analysis of actual against estimate

Please refer to pages 20, where we have updated the Fees Estimate to provide details of our actual time costs for the period of the report and for the entire period of our appointment and which we have also summarised here:

Our total time costs to date are £4,415,954 made up of 7,605 hours at a blended charge out rate of £581 per hour across all grades of staff.

As can be seen on the following page, our actual time costs are higher than we initially anticipated, which can be attributed to the following:

- Lengthy and complex negotiations with suppliers to enable trading to continue, which required more senior staff input than anticipated;
- Additional cashiering tasks have been carried out with relation to the trading period and a substantial amount of customer refunds;
- Additional work in respect of c. 1,000 customer refund requests and queries;
- Costs in relation to monitoring trading have exceeded our initial estimates, due to higher than expected trading activity and customer queries received;
- Additional investigation work carried out in relation to potential asset realisations; and
- Further work carried out in respect of VAT and Tax matters.

Although our actual time costs to date are higher than we anticipated, we do not intend to draw fees in excess of the amounts provided for in our Fee Estimate.



## KMFL - Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period			Actual Time and Costs since Appointment		
		Anticipated hours	Avg Rate £/h	Anticipated fees	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	Hours incurred to date	Avg Rate £/h	Total time costs incurred to date (£)
Administrative activities	Cashiering	600.0	610	366,000	17.4	599	10,394	1,087.2	438	474,137
	Case supervision	109.2	615	67,108	18.8	560	10,548	445.6	589	262,440
	Case reviews	8.4	498	4,179	0.9	815	734	5.4	1,003	5,414
	Case closure matters	8.5	538	4,570	-	-	-	10.9	610	6,649
	Compliance & PS diary	9.8	568	5,448	12.1	1,082	13,128	32.6	712	23,202
Statutory & compliance	Insurance	11.5	619	7,113	-	-	-	2.0	480	960
	General reporting	53.5	562	30,073	9.7	724	7,026	183.6	710	130,446
	Statutory meetings	-	-	-	-	-	-	12.9	995	12,836
	Regulatory & other legislation	2.4	568	1,362	-	-	-	-	-	-
	Appointment matters	6.0	681	4,085	-	-	-	15.0	564	8,455
Initial actions	Securing assets	36.0	719	25,890	-	-	-	46.9	419	19,596
	Notifications	55.5	540	29,975	-	-	-	36.0	755	27,184
Investigations	CDDA reporting	18.0	532	9,575	-	-	-	11.8	638	7,496
	Investigations	6.5	582	4,850	-	-	-	363.9	551	200,469
Total of above categories		927.1	604	560,325	58.9	710	41,827	2,253.7	-	1,179,288
Taxation	Tax	37.0	509	18,830	9.6	863	8,280	319.5	644	205,708
	VAT	49.5	427	21,154	2.4	702	1,685	312.2	592	184,877
Asset realisations	Third party assets	50.0	565	28,270	-	-	-	45.5	610	27,755
	Book debts	60.0	572	34,320	-	-	-	66.5	586	38,940
	Chattel assets	13.0	598	7,775	-	-	-	-	-	-
	Other assets	53.0	628	33,280	8.7	658	5,738	70.0	585	40,952
	Property	204.0	595	121,345	-	-	-	130.2	623	81,138
	Retention of title	103.0	545	56,130	-	-	-	113.7	728	82,557
	Sale of business	64.0	656	41,965	-	-	-	51.8	571	29,476
Trading	Day 1 control of trading	115.0	609	70,045	-	-	-	60.5	647	39,166
	Ongoing trading	436.0	682	298,900	-	-	-	2,695.5	604	1,627,428
	Monitoring trading	62.0	620	38,435	-	-	-	95.1	712	67,725
	Closure of trade	49.0	555	27,190	-	-	-	242.9	736	178,678
Employees	Consultation	50.0	527	26,350	-	-	-	52.5	775	40,688
	Correspondence	450.4	480	215,392	15.4	408	6,268	480.6	508	234,321
	Employment tribunals	-	-	-	0.2	650	108	0.2	650	108
	Pensions	4.0	480	1,920	3.3	650	2,167	97.7	550	53,753
	Creditors	638.7	425	271,668	6.2	602	3,733	404.0	504	203,447
Correspondence	Shareholders	1.0	480	480	-	-	-	-	-	-
	Customers	-	-	-	0.5	1,195	598	51.0	808	41,188
Distributions	Secured creditors	14.0	798	11,173	9.7	704	6,826	22.0	747	16,435
	Preferential creditors	160.1	460	73,600	21.6	658	14,361	59.9	708	42,328
Total fees estimate		3,602.8	552	1,989,874	136.8	670	91,588	7,604.9	581	4,415,554
Distribution*		141.6	386	54,604	33.0	594	19,614	67.1	504	33,810





## KMRL - Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Anticipated Time and Costs per Fees Estimate					Actual Time and Costs for Report Period			Actual Time and Costs since Appointment		
Activity		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	Hours incurred to date	Avg Rate £/h	Total time costs incurred to date (£)
Administrative activities	Cashiering	6.0	610	3,660	1.4	380	519	36.8	480	17,637
	Case supervision	28.8	585	16,854	0.3	900	300	53.1	487	25,878
	Case reviews	7.4	516	3,819	0.9	815	734	1.4	895	1,254
	Case closure matters	6.0	612	3,670	-	-	-	-	-	-
	Compliance & IPS diary	5.8	568	3,269	0.3	380	108	4.4	588	2,617
Statutory & compliance	Insurance	1.2	618	711	-	-	-	0.8	610	458
	General reporting	30.7	554	17,003	6.5	872	5,670	46.2	642	29,693
	Regulatory & other legislation	2.4	568	1,362	-	-	-	-	-	-
	Appointment matters	3.5	813	2,845	-	-	-	4.1	360	1,476
Initial actions	Securing assets	23.0	692	15,905	-	-	-	10.5	638	6,694
	Notifications	29.5	527	15,553	-	-	-	16.1	766	12,330
Investigations	CDDA reporting	7.8	560	4,338	-	-	-	11.8	386	4,541
	Investigations	5.0	625	3,123	-	-	-	2.4	995	2,388
Total of above categories		167.0	587	92,110	9.4	781	7,330	187.6	-	104,966
Taxation	Tax	3.7	509	1,883	4.2	832	3,485	10.0	604	6,042
	VAT	25.9	463	11,994	-	-	-	13.7	639	8,776
Asset realisations	Other assets	-	-	-	2.3	631	1,472	6.5	613	4,008
	Property	80.0	721	57,650	-	-	-	109.5	792	86,719
Trading	Day 1 control of trading	6.5	558	3,630	-	-	-	-	-	-
	Ongoing trading	8.0	526	4,210	-	-	-	-	-	-
	Closure of trade	5.0	460	2,300	-	-	-	-	-	-
Employees	Pensions	0.5	480	240	-	-	-	-	-	-
Correspondence	Creditors	40.0	480	19,200	-	-	-	20.0	523	10,450
	Shareholders	0.1	480	48	-	-	-	-	-	-
Total fees estimate		326.7	692	193,266	16.9	773	12,297	350.5	634	222,112



## KMHL - Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period			Actual Time and Costs since Appointment		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	Hours incurred to date	Avg Rate £/h	Total time costs incurred to date (£)
Administrative activities	Cashiering	4.7	610	2,855	1.5	469	711	22.4	380	8,507
	Case supervision	13.7	579	7,916	0.3	900	300	24.2	457	11,065
	Case reviews	2.8	465	1,283	1.4	951	1,331	1.4	951	1,331
	Case closure matters	5.5	574	3,158	-	-	-	-	-	-
	Compliance & IPS diary	9.6	568	5,448	0.2	753	176	5.5	627	3,471
Statutory & compliance	Insurance	1.2	618	711	-	-	-	0.5	995	498
	General reporting	14.1	558	7,873	5.2	808	4,175	39.2	656	25,698
	Regulatory & other legislation	2.4	568	1,362	-	-	-	-	-	-
Initial actions	Appointment matters	4.0	841	3,365	-	-	-	7.0	360	2,520
	Securing assets	1.8	719	1,295	-	-	-	5.4	360	1,944
	Notifications	7.6	462	3,510	-	-	-	4.8	638	3,062
Investigations	CDDA reporting	9.0	532	4,788	-	-	-	1.8	538	941
	Investigations	4.3	582	2,475	-	-	-	1.2	1,033	1,239
Total of above categories		80.5	572	46,038	8.6	774	6,693	113.4	-	60,274
Taxation	Tax	3.7	509	1,883	1.1	841	925	15.2	582	8,853
	VAT	6.3	443	2,788	-	-	-	14.6	790	11,493
Asset realisations	Other assets	-	-	-	0.2	380	63	1.5	880	1,320
	Ongoing trading	-	-	-	-	-	-	0.5	650	325
Employees	Pensions	0.5	480	240	-	-	-	-	-	-
Correspondence	Creditors	2.5	480	1,200	-	-	-	-	-	-
	Shareholders	0.1	480	48	-	-	-	-	-	-
Distributions	Secured creditors	1.5	863	1,295	-	-	-	-	-	-
Total fees estimate		95.1	562	53,492	9.9	775	7,681	145.2	567	82,265



## KMGL - Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Anticipated Time and Costs per Fees Estimate					Actual Time and Costs for Report Period			Actual Time and Costs since Appointment		
Activity		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in	Avg Rate £/h	Time costs incurred in	Hours incurred to	Avg Rate £/h	Total time costs incurred
Administrative activities	Cashiering	4.7	610	2,855	2.5	522	1,313	12.0	447	5,378
	Case supervision	13.7	579	7,916	4.3	469	1,992	37.9	446	16,890
	Case reviews	2.8	465	1,283	0.9	815	734	1.9	933	1,774
	Case closure matters	5.5	574	3,158	-	-	-	-	-	-
Statutory & compliance	Compliance & IPS diary	9.6	568	5,448	8.3	1,167	9,668	19.2	787	15,106
	Insurance	1.2	618	711	-	-	-	1.1	360	396
	General reporting	14.1	558	7,873	4.6	807	3,685	39.5	583	23,036
	Regulatory & other legislation	2.4	568	1,362	-	-	-	-	-	-
Initial actions	Appointment matters	4.0	841	3,365	-	-	-	5.2	507	2,634
	Securing assets	1.8	719	1,295	-	-	-	-	-	-
	Notifications	7.6	462	3,510	-	-	-	4.6	719	3,307
Investigations	CDDA reporting	9.0	532	4,788	-	-	-	2.8	704	1,936
	Investigations	4.3	582	2,475	-	-	-	-	-	-
Total of above categories		80.6	672	46,038	20.6	848	17,391	124.1	-	70,466
Taxation	Tax	3.7	509	1,883	3.8	838	3,163	33.9	447	15,164
	VAT	6.3	443	2,788	-	-	-	6.3	472	2,955
Asset realisations	Other assets	-	-	-	0.7	582	388	1.4	594	842
Employees	Pensions	0.5	480	240	-	-	-	-	-	-
Correspondence	Creditors	2.5	480	1,200	-	-	-	2.3	360	828
	Shareholders	0.1	480	48	-	-	-	-	-	-
Distributions	Secured creditors	1.5	863	1,295	-	-	-	-	-	-
Total fees estimate		95.1	662	63,492	26.0	839	20,962	168.0	637	90,246



## KMH1 - Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Anticipated Time and Costs per Fees Estimate					Actual Time and Costs for Report Period			Actual Time and Costs since Appointment		
Activity		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	Hours incurred to date	Avg Rate £/h	Total time costs incurred to date (£)
Administrative activities	Cashiering	4.7	610	2,855	1.3	448	568	13.8	420	5,704
	Case supervision	13.7	579	7,916	0.3	900	300	28.3	421	11,916
	Case reviews	2.8	465	1,283	0.9	615	734	1.9	933	1,774
	Case closure matters	5.5	574	3,158	-	-	-	-	-	-
Statutory & compliance	Compliance & IPS diary	9.6	568	5,448	0.3	380	108	12.5	452	5,638
	Insurance	1.2	618	711	-	-	-	0.6	995	597
	General reporting	14.1	558	7,873	2.8	732	2,075	32.0	619	19,791
	Regulatory & other legislation	2.4	568	1,362	-	-	-	-	-	-
Initial actions	Appointment matters	4.0	841	3,365	-	-	-	1.0	360	360
	Securing assets	1.8	719	1,295	-	-	-	-	-	-
	Notifications	7.6	462	3,510	-	-	-	28.8	422	11,299
Investigations	CDDA reporting	9.0	532	4,788	-	-	-	3.3	456	1,481
	Investigations	4.3	582	2,475	-	-	-	2.4	995	2,388
Total of above categories		80.5	572	46,038	5.6	674	3,784	122.2	-	60,948
Taxation	Tax	3.7	509	1,883	1.1	841	925	5.0	790	3,948
	VAT	6.3	443	2,788	-	-	-	6.0	782	4,663
Asset realisations	Other assets	-	-	-	0.7	582	388	0.7	582	388
	Sale of business	-	-	-	-	-	-	1.0	360	360
Trading	Day 1 control of trading	-	-	-	-	-	-	7.0	360	2,520
Employees	Pensions	0.5	480	240	-	-	-	-	-	-
Correspondence	Creditors	2.5	480	1,200	-	-	-	0.7	360	252
	Shareholders	0.1	480	48	-	-	-	-	-	-
Distributions	Secured creditors	1.5	863	1,295	-	-	-	-	-	-
Total fees estimate		95.1	562	53,492	7.4	690	5,098	142.8	513	73,079



## Remuneration and expenses

### Detailed information

#### Category 2 Expenses

Category 2 Expenses - are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

#### Joint Administrators' Category 2 Expenses (Including disbursements)

As described on page 8, these are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. Our estimate of Category 2 expenses is given below, all figures are shown exclusive of VAT.

##### KMFL - Category 2 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Deloitte Spain VAT Assistance*	-	-	1,263	-	1,263
Mileage	1,000	-	4,299	4,299	-
<b>Total expenses</b>	<b>1,000</b>	<b>-</b>	<b>5,562</b>	<b>4,299</b>	<b>1,263</b>

##### KMRL - Category 2 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Mileage	100	-	-	-	-
<b>Total expenses</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### KMHL - Category 2 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Mileage	50	-	-	-	-
<b>Total expenses</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### KMGL - Category 2 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Mileage	50	-	73	-	73
<b>Total expenses</b>	<b>50</b>	<b>-</b>	<b>73</b>	<b>-</b>	<b>73</b>

##### KMH1 - Category 2 Expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred to date	Paid	Unpaid
Mileage	50	-	-	-	-
<b>Total expenses</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Deloitte Spain VAT Assistance has been recategorised as a Category 2 expense following our previous report.

Specific approval is required before these costs and expenses can be drawn from the administration estate and which was given by secured and preferential on 5 November 2019, other than in relation to the Deloitte LLP costs which are discussed further below and on the next page.

As discussed on page 8, prior to the Transaction, the work delivered by other Deloitte service lines was charged to the estate to be recovered as part of the Joint Administrators' remuneration (from which an internal recharge would have then been made).

We have thus included the anticipated costs for the services being delivered by Deloitte LLP in our fees estimate as approved from creditors.

Following the Transaction, whilst all such costs will continue to be paid out of our approved remuneration (i.e. will not be an additional cost) we will provide you with a narrative summary of the work being delivered. We will also provide a summary rates table of the applicable charge out rates in force at the time of the report.

Mileage is calculated at the prevailing standard mileage rate of up to 45p at the time when the mileage is incurred. Further details regarding the ongoing Deloitte LLP services and summary charge out rate table are provided on the next page.



## Remuneration and expenses

### Detailed information

#### Deloitte LLP – Services being provided

We have detailed below the services which have been or continue to be provided by Deloitte LLP, the costs of which are included in our Fees Estimates and will thus be paid out of our approved remuneration:

- **Deloitte Global Financial Advisory India (“DJFV”)** – are engaged to assist with general case management and administration. Their work, which is ongoing, is charged on a time costs basis. Their total costs will be paid out of our approved remuneration.

#### Deloitte LLP Charge out Rate Bands (£/hour)

	Grade	Rate (£/hour)
Partners		1430 - 1475
Directors		1205 - 1240
Associate Directors		1095 - 1130
Managers/Assistant Managers		94 - 400
Consultants		565 - 845
Associates		135 - 340
Administrators/Analysts		90 - 370
Agent		34

#### Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

#### Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.





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