

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A91LMBHD

A10

25/03/2020

#13

COMPANIES HOUSE

1 Company details

Company number 0 8 6 6 2 1 2 0

Company name in full Arch Hall Limited

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

2 Administrator's name

Full forename(s) Alan

Surname Fallows

3 Administrator's address

Building name/number 1 City Road East

Street Manchester

Post town

County/Region

Postcode M 1 5 4 P N

Country

4 Administrator's name ①

Full forename(s) Peter James

Surname Anderson

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

5 Administrator's address ②

Building name/number 1 City Road East

Street Manchester

Post town

County/Region

Postcode M 1 5 4 P N

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	^d 0	^d 7	^m 0	^m 9	^y 2	^y 0	^y 1	^y 9
To date	^d 0	^d 6	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

[Handwritten Signature]

X

Signature date

^d 1	^d 2	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0
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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	Lindsay Moore
Company name	Kay Johnson Gee Corporate Recovery Limited
Address	1 City Road East Manchester
Post town	
County/Region	
Postcode	M 1 5 4 P N
Country	
DX	
Telephone	0161 832 6221



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



Continuation page

Name and address of insolvency practitioner

✓ What this form is for

Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ¹ Use extra copies to tell us of additional insolvency practitioners.

✗ What this form is NOT for

You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ Filling in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

1

Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

¹ You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2

Insolvency practitioner's name

Full forename(s)

Alessandro

Surname

Sidoli

3

Insolvency practitioner's address

Building name/number

1 City Road East

Street

Manchester

Post town

County/Region

Postcode

M 1 5 4 P N

Country



Arch Hall Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 07/09/2019 To 06/03/2020 £	From 07/03/2019 To 06/03/2020 £
	ASSET REALISATIONS		
10,000.00	Book Debts	NIL	85,775.91
29,121.67	Cash at Bank	NIL	33,012.43
Uncertain	Customer Data	NIL	1.00
	Goodwill	NIL	1.00
2,500.00	Office Furniture & Equipment	NIL	9,995.00
	Property Rights/Patents	NIL	1.00
	Rates Refund	1,117.32	1,117.32
	Sellers Records	NIL	1.00
25,000.00	Work in Progress	NIL	2,177.63
		1,117.32	132,082.29
	COST OF REALISATIONS		
	Bank Charges	NIL	10.00
	Bordereau	NIL	450.00
	Company Search Fee *	NIL	15.48
	I.T Support	7,104.98	7,104.98
	London Gazette Advertising	NIL	151.30
	Mileage	NIL	NIL
	Post Appointment Administrators' Fees	32,000.00	80,000.00
	Post Appointment Administrators' Fees	NIL	NIL
	Post Appointment Legal Fees	760.00	6,195.00
	Pre Appointment Agent Fees	NIL	7,500.00
	Pre-Appointment Administrators' Fees	NIL	9,987.00
	Pre-Appointment Legal Fees	NIL	2,635.00
	Stationery & Postage *	41.30	41.30
	Storage Costs *	62.56	151.80
		(39,968.84)	(114,241.86)
	PREFERENTIAL CREDITORS		
(17,270.25)	Employee Preferential Claims	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(67,803.56)	Employee Non-Preferential Claims	NIL	NIL
(10,858.94)	HM Revenue & Customs (Corporation	NIL	NIL
(29,145.23)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL
(64,446.46)	HM Revenue & Customs (VAT)	NIL	NIL
(462,542.96)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(585,545.73)		(38,851.52)	17,840.43
	REPRESENTED BY		
	Current A/c		23,137.34
	Suspense Account		(5,296.91)
			17,840.43

Alan Fallows
Joint Administrator



Joint Administrators' Progress Report

**Arch Hall Limited
- In Administration**

6 March 2020

ARCH HALL LIMITED - IN ADMINISTRATION

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- 6** Ending the Administration
- 7** Creditors' Rights
- 8** Next Report

APPENDICES

- A** Receipts and Payments Account from 7 September 2019 to 6 March 2020 along with a Cumulative Receipts and Payments Account for Period from 7 March 2019 to 6 March 2020
- B** Time Analysis for the period 7 September 2019 to 6 March 2020
- C** Cumulative Time Analysis for the Period from 7 September 2019 to 6 March 2020
- D** Additional Information in Relation to the Joint Administrators Fees, Expenses & Disbursements
- E** Estimated Outcome Statement as at 6 March 2020
- F** Joint Administrators' original fee estimate



THE ADMINISTRATOR'S PROGRESS REPORT

1 Introduction

- 1.1 I, together with my partners Peter James Anderson and Alessandro Sidoli was appointed Joint Administrator of Arch Hall Limited (the **Company**) on 7 March 2019. The appointment was made by the Company's sole Director, Mr Christopher Holmes on 7 March 2019.
- 1.2 This Administration is being handled by Kay Johnson Gee Corporate Recovery Limited at 1 City Road East, Manchester, M15 4PN. The Administrators' contact details are by phone on 0161 832 6221 or via email at lindsaymoore@kjgcr.com. The Administration is registered in the High Court of Justice, Business and Property Courts in Manchester, reference number 000190 of 2019.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at www.kjgcr.com/privacy-policy. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The trading address of the Company is 2 Park Avenue, Sale, Cheshire, M33 6HE.
- 1.5 The registered office of the Company is C/o Kay Johnson Gee Corporate recovery Ltd, 1 City Road East, Manchester, M15 4PN and its registered number 08662120.
- 1.6 As Joint Administrator, I am required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 7 September 2019 to 6 March 2020 (**the Period**) and should be read in conjunction with my earlier proposals report and any previous progress reports which have been issued

2 Progress of the Administration

- 2.1 You may recall that the statutory objective being pursued in the Administration achieving a better result than would be likely if the company were wound up. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.2 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Administrators under other related legislation.
- 2.3 At Appendix A is my Receipts and Payments Account covering the period of this report together with a cumulative Receipts and Payments Account from the date of my appointment as Joint Administrator to 6 March 2020.
- 2.4 Attached at Appendix B is a time analysis outlining the time spent by the Administrators and their staff during the Period together with a cumulative time analysis covering the period since my appointment at Appendix C.
- 2.5 Further information about the basis of remuneration agreed in this case and the Administrators' fees estimate can be found in section 4 of this report, together with any relevant information about revisions to my initial estimate, where applicable.

Administration (including statutory compliance & reporting)

- 2.6 As noted above, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that I anticipated would need to be done in this area were outlined in my initial fees estimate/information.



ARCH HALL LIMITED - IN ADMINISTRATION

2.7 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.

2.8 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

2.9 As previously detailed within the Joint Administrators' proposals, a sale of the Company's business and assets was completed on 7 March 2019.

2.10 As advised within my last progress report of 6 September 2019, the Joint Administrators were ultimately approached by the purchaser who advised that they could no longer meet the requirements of the FCA and had no choice but to evoke an orderly wind down.

2.11 Ongoing correspondence was entered into with the purchaser and legal advice sought in relation to the terms of the SPA and how the debtor ledger, work in progress and customer data could be safe guarded for the benefit of the Administration estate

2.12 I can confirm that the assets included within the SPA were re-assigned back to the Administration estate on 10 September 2019.

2.13 Arrangements were made to secure all data pertaining to the debtor ledger, work in progress and customer data including the Company's server and claims management systems ("CMS").

2.14 Furthermore, specialist debt collection agents were instructed to review the data and issue correspondence to all clients with a view to continuing work on their claims and maximising the return to the Administration estate. In the Period of this report, £48.10 has been recovered in respect of the Company's work in progress.

2.15 Initially further collections were secured however, subsequently access to the Company's CMS was revoked by the provider, which has significantly hindered ongoing collections as all data pertaining to the ongoing claims, is held on the CMS.

2.16 Correspondence was entered into with the CMS provider, who advised that access to the CMS would only be re-instated if an initial payment was made along with increased monthly subscription payments, which are higher than the original contract that had been agreed with the Company.

2.17 I can advise that Walker Morris solicitors were instructed to continue negotiations with the CMS provider and to highlight the provision of section 233a of the Insolvency Act 1986, which states that a provider of essential services is restricted from firstly exercising their right to terminate any contractual rights and secondly to also increase charges due to the Administration of the Company.

2.18 I can advise that a further letter was issued in the last few days requesting the re-instatement of access to the CMS as this is severely hindering the ongoing collection of the Company's debtor ledger and is also eroding the value held therein.

2.19 I can advise that in the event that access is not granted imminently, I will be considering commencing formal Court action.

2.20 It should be noted that there is currently the sum of £5,296.91 allocated to the suspense account. These funds have been received from an Insolvency Practitioner who previously utilised the Company's services to pursue historical PPI claims for individuals who subsequently entered into an Individual Voluntary Arrangement.

ARCH HALL LIMITED - IN ADMINISTRATION

- 2.21 Whilst it is believed that the pay out of these claims forms part of the Company's debtor ledger and/or work in progress, until access is re-instated to the Company's CMS system, it is not possible to attribute these funds to specific cases and therefore the funds have been temporarily posted to the suspense account.
- 2.22 In the Period of this report I can confirm that the sum of £1,117.32 has been secured for the benefit of the Administration estate, in respect of a rates refund regarding the Company's historical occupation of the former trading premises.
- 2.23 It is considered that the work the Administrators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

Creditors (claims and distributions)

- 2.24 Further information on the anticipated outcome for creditors in this case can be found at section 5 of this report. The Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.25 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.26 The above work will not necessarily bring any financial benefit to creditors generally, however the Administrators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrators in dealing with those claims.
- 2.27 I consider the following matters worth noting in my report to creditors at this stage:
- There are approximately 50 unsecured creditor claims in this case with a value per the estimated financial position of the Company as at 7 March 2019 of £530,346.52. To date claims of £553,361.28 have been received.
 - It should be noted that despite numerous requests put to the sole Director for the submission of the Statement of Affairs, to date he has failed to comply with these requests.
 - As noted within the Administrators' proposals, it was noted that the vast majority of the Company's creditors consist of referrers or introducers of work or insolvency specialists. In order to establish the exact nature and level of their claims within the Administration estate, it has been necessary to undertake a review of all agreements held between with Company and the creditors.
 - In essence, the creditors provided the Company with leads or referrals of clients with PPI claims and upon the successful pay out to the client, the Company receives their fee and payment also crystallises to the referrer of the client.
 - I can advise that the review of the agreements is ongoing and additional information has been requested for the relevant creditors to establish the exact nature of their working relationship with the Company and to establish the level of their claims within the Administration estate.



ARCH HALL LIMITED - IN ADMINISTRATION

- As there are a significant number of ongoing PPI claims, it has not yet been possible to finalise the exact level of all creditor claims and this matter is ongoing.

Investigations

- 2.28 You may recall from my first progress report to creditors that some of the work the Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that can be pursued for the benefit of creditors.
- 2.29 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.
- 2.30 Since my last progress report my investigations revealed the following issues:
- 2.31 An overdrawn Director's Loan Account ("DLA") – further to my appointment as Joint Administrator a full review was undertaken of the Company's filed accounts against the bank statements secured directly from Barclays Bank plc.
- 2.32 It was confirmed that at the date of Administration, there was an overdrawn DLA of £350,503 due from the sole Director, Mr Christopher Holmes.
- 2.33 Mr Holmes was declared bankrupt on 18 March 2019 and I can confirm that a claim for the overdrawn DLA was filed with the Trustee of his bankruptcy estate along with a request for confirmation of any future dividend prospects.
- 2.34 I can advise that his Trustee has responded and advised that based upon the current level of anticipated asset realisations, there will not be a dividend payable to any class of creditor. However, the Trustee is still undertaking investigations into his financial affairs and until this is concluded, any final return to creditors cannot be categorically confirmed.
- 2.35 As previously advised numerous potential preference payments pursuant to section 239 of the Insolvency Act 1986 have been identified.
- 2.36 Upon identifying the relevant transactions, correspondence was issued to the relevant parties to request further information in order that a decision on the appropriate next course of action could be taken.
- 2.37 Upon receipt of their response, a meeting was scheduled with the Joint Administrators acting solicitor to review the information provided and follow up correspondence was issued to these parties, which the solicitor advised was essential to proceeding with any formal recovery action.
- 2.38 Additional responses have been secured and are currently under review by the solicitors' acting Counsel to establish the merits of the potential claims and the most appropriate next course of recovery action to maximise realisations for the benefit of the Administration estate.
- 2.39 Due to the sensitive nature of the potential claims it is not possible to disclose the specifics of these claims or provide a detailed assessment of the same as this could potentially jeopardise the future recoveries for the benefit of the Administration estate.

What remains to be done in the Administration

- 2.40 As detailed above, the Company's debtor ledger, work in progress and customer data has been re-assigned to the Administration estate further to the orderly wind down of the purchaser.

ARCH HALL LIMITED - IN ADMINISTRATION

- 2.41 Specialist debt collection agents have been instructed to review the data and issue correspondence to all clients with a view to continuing work on their claims and maximising the return to the Administration estate.
- 2.42 Once access to the Company's CMS is re-instated collection will re-commence.
- 2.43 Upon receipt of Counsel's advice with regard to the preference payments and other claims identified, the appropriate recovery action will be commenced.

3 Pre-administration Costs

- 3.1 On 8 July 2019, at the first meeting of the creditors' committee, the following amounts in respect of pre-administration costs were approved:

Name of recipient	Brief description of services provided	Total amount approved
Kay Johnson Gee Corporate Recovery Limited	Negotiation of the sale to Rapid Reclaim Group Ltd and collating information from the Company.	£9,987 plus VAT
Middleton Barton	Valuation of tangible and intangible assets, marketing the business and its assets and providing recommendation for acceptance of offer received	£7,500 plus VAT and disbursements of £45 plus VAT
Bermans Solicitors	Dealing with associated sale contract	£2,585 plus VAT and £50 Court fee

- 3.2 The pre-appointment costs in respect of Bermans solicitors have been paid. I can further confirm that Middleton Barton's fee of £7,500 plus VAT has been settled and they have subsequently confirmed that the disbursement of £45 plus VAT is not due.

4 Joint Administrators' Remuneration

- 4.1 The basis of the Administrators' fees has been fixed in the Administration by reference to the time properly spent by him and his staff in managing the Administration. My fees estimate/information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.
- 4.2 A copy of that estimate is enclosed at Appendix F.
- 4.3 My time costs for the Period are £29,847.50. This represents 95.30 hours at an average rate of £313.20 per hour. Attached at Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Administration.
- 4.4 Also attached at Appendix C is a cumulative Time Analysis for the period from 7 March 2019 to 6 March 2020 which provides details of my time costs since my appointment. The cumulative time costs incurred to date are £169,032.68 and this represents 654.87 hours at an average rate of £258.12 per hour. To date the sum of £80,000 plus VAT and disbursements of £7,924.86 plus VAT have been drawn.
- 4.5 At the date of this report, I would confirm that my fees estimate for the Administration remains unchanged. However, due to the extensive ongoing investigations, it may be necessary to seek a revision in the approved fee estimate. I can confirm that I will correspond with the creditors' committee at a later date as and when appropriate.
- 4.6 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://www.r3.org.uk/what-we-do/publications/professional/fees>



ARCH HALL LIMITED - IN ADMINISTRATION

- 4.7 Attached at Appendix D is additional information in relation to the Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Estimated Outcome for Creditors

- 5.1 An Estimated Outcome Statement as at 6 March 2020 is attached at Appendix E.

Secured Creditors

- 5.2 There are no secured creditors in this matter.

Preferential Creditors

- 5.3 There are no preferential creditors in this matter

Unsecured Creditors

- 5.4 I have received claims received claims totalling £553,391.28 from 20 creditors. I have yet to receive claims from 30 creditors whose debts total £126,240.61 as per the estimated financial position of the Company.
- 5.5 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**), which only applies to charges created after 15 September 2003.
- 5.6 Due to the circumstances and difficulties surrounding the ongoing collection of the debtor ledger as detailed within the asset realisation section of this report, a future projected figure of £51,000.40 has been utilised within the estimated outcome statement at Appendix D. This figure represents 10% of the remaining balance of the debtor ledger.
- 5.7 At the date of this report the dividend prospect to creditors is uncertain.

Creditors Committee

- As previously advised a creditors' committee was constituted on 26 June 2019
- At the first meeting of the creditors' committee held on 8 July 2019 I can confirm that the creditors' committee requested that the Joint Administrators address the following, key matters:
 - That the initial investigations into the sole Director Christopher Holmes, would continue in order to ascertain the level of claim to be submitted to his Trustee in bankruptcy. Any additional or more complex work would be restricted until such time as the dividend prospect was confirmed.
 - The reconciliation of the bank accounts and claims would continue in order to realise funds for the estate.
 - The Joint Administrators would continue to investigate any possible preference payments specifically in the period prior to the commencement of the Administration.
- I can advise that the above points have been actioned and an update on the same, provided within the body of this report.
- At the first creditors' committee meeting the following resolutions were passed:



ARCH HALL LIMITED - IN ADMINISTRATION

- Under Rule 18.16 of the Insolvency (England and Wales) Rules 2016 the remuneration of the Joint Administrators be fixed as time costs and may be drawn as and when funds permit.
- Under Rule 3.52 of the Insolvency (England and Wales) Rules 2016 the un-paid pre-administration costs as detailed within the Administrators' proposal be approved.
- The Joint Administrators be authorised to draw category 2 disbursements in accordance with their firm's published tariff.
- The Joint Administrators will be discharged from liability under paragraph 98(2)(b) of the Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

6 Ending the Administration

- 6.1 All Administrations automatically come to an end after the period of one year, unless the Company's creditors agree to extend this period, or the Court orders the Administrator's term of office be extended for a specified period of time.
- 6.2 At the time of drafting this report, I believe that an extension to the period of Administration may be necessary, however will confirm the position to creditors in my subsequent progress report in due course. An extension may be necessary due to the open-ended nature of the collection of the Company's work in progress, which forms part of the additional consideration due under the terms of the sale of the business and its assets to the purchaser.
- 6.3 Based on information currently available, the information on the exit route(s) we believe may be appropriate in this Administration is/are set out below.

Creditors Voluntary Liquidation

- 6.4 Based on present information, the Administrators think a dividend will be paid to the unsecured creditors other than by virtue of the Prescribed Part. As a result, the Administrators will either make an application to Court to enable them to make a distribution to unsecured creditors in the Administration or they will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL) to facilitate this distribution. It is proposed that the Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the CVL.

Dissolution of the Company

- 6.5 Based on present information, the Administrators think that a distribution will be available to the unsecured creditors other than from the Prescribed Part. This will be distributed in due course within the Administration and a notice will thereafter be filed at Court and with the Registrar of Companies with the Administrators' final report, for the dissolution of the Company.
- 6.6 In the event that the Company has insufficient funds to permit a distribution to its creditors, they will file the relevant notice at Court and with the Registrar of Companies with the Administrators' final report, for the dissolution of the Company.
- 6.7 It is proposed that the Joint Liquidators will be authorised to act jointly and severally in the subsequent liquidation.
- 6.8 Creditors have the right to nominate an alternative liquidator of their choice. To do this, creditors must make their nomination in writing to the Administrators prior to these proposals being approved. Where this occurs, the Administrators will advise creditors and provide the opportunity to vote. In the absence of a nomination, the Administrators will automatically become the Joint Liquidators of the subsequent CVL.



ARCH HALL LIMITED - IN ADMINISTRATION

- 6.9 Once the distribution has been made, a notice will be filed at Court and with the Registrar of Companies with the Administrators' final report, for the dissolution of the Company.
- 6.10 The Administrators' appointment will end following the registration of the notice by the Registrar of Companies.
- 6.11 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.


7 Creditors' Rights

- 7.1 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) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

8 Next Report

- 8.1 The Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or he wishes to extend it.

For and on behalf of
Arch Hall Limited



Alan Fallows
Joint Administrator

ARCH HALL LIMITED - IN ADMINISTRATION

Appendix A

**Receipts and Payments Account from 7 September 2019 to 6 March 2020 together with a
Cumulative Receipts and Payments Account for Period from 7 March 2019 to 6 March 2020**



**Arch Hall Limited
(In Administration)**

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 07/03/2019 To 07/09/2019 (£)	From 08/09/2019 To 06/03/2020 (£)	Total (£)
Goodwill		1.00	0.00	1.00
Office Furniture & Equipment	2,500.00	9,995.00	0.00	9,995.00
Customer Data	Uncertain	1.00	0.00	1.00
Work in Progress	25,000.00	2,177.63	0.00	2,177.63
Book Debts	10,000.00	85,775.91	0.00	85,775.91
Sellers Records		1.00	0.00	1.00
Rates Refund		0.00	1,117.32	1,117.32
Property Rights/Patents		1.00	0.00	1.00
Cash at Bank	29,121.67	33,012.43	0.00	33,012.43
Suspense Account		3,327.00	1,969.91	5,296.91
		134,291.97	3,087.23	137,379.20
PAYMENTS				
Bordereau		450.00	0.00	450.00
Pre-Appointment Administrators' Fees		9,987.00	0.00	9,987.00
Post Appointment Administrators' Fees		48,000.00	32,000.00	80,000.00
Pre Appointment Agent Fees		7,500.00	0.00	7,500.00
Pre-Appointment Legal Fees		2,635.00	0.00	2,635.00
Post Appointment Legal Fees		5,435.00	760.00	6,195.00
I T Support		0.00	7,104.98	7,104.98
Stationery & Postage *		0.00	41.30	41.30
Company Search Fee *		15.48	0.00	15.48
Storage Costs *		89.24	62.56	151.80
London Gazette Advertising		151.30	0.00	151.30
Bank Charges		10.00	0.00	10.00
		74,273.02	39,968.84	114,241.86
Net Receipts/(Payments)		60,018.95	(36,881.61)	23,137.34
MADE UP AS FOLLOWS				
Current A/c		45,174.34	(22,037.00)	23,137.34
		45,174.34	(22,037.00)	23,137.34

Alan Fallows
Joint Administrator



ARCH HALL LIMITED - IN ADMINISTRATION

Appendix B

Time Analysis for the Period from 7 September 2019 to 6 March 2020



Time Entry - SIP9 Time & Cost Summary

ARCH01 - Arch Hall Limited
All Post Appointment Project Codes
From: 07/09/2019 To: 06/03/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistant Manager	Senior Administrator	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.60	0.00	16.90	17.00	0.00	0.00	34.70	9,502.00	273.83
Case Specific	0.00	0.00	4.00	0.00	0.00	0.00	4.00	1,440.00	360.00
Cashiering	0.00	0.00	0.75	4.75	0.00	0.00	5.50	657.50	119.55
Creditors	0.00	0.00	1.00	0.75	0.00	0.00	1.75	442.50	252.86
Investigation	0.00	0.00	32.00	2.00	0.00	0.00	34.00	11,960.00	351.78
Realisation of Assets	2.40	0.00	11.80	0.00	0.00	0.00	14.20	5,328.00	375.21
Statutory Compliance	1.15	0.00	0.00	0.00	0.00	0.00	1.15	517.50	450.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	4.35	0.00	66.45	24.50	0.00	0.00	95.30	29,847.60	313.20
Total Fees Claimed								32,000.00	
Total Disbursements Claimed								103.86	



ARCH HALL LIMITED - IN ADMINISTRATION

Appendix C

Cumulative Time Analysis for the Period from 7 March 2019 to 6 March 2020



Time Entry - SIP9 Time & Cost Summary

ARCH01 - Arch Hall Limited
All Post Appointment Project Codes
From: 07/03/2019 To 06/03/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistant Manager	Senior Administrator	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	11.20	0.00	41.10	16.25	0.25	0.00	72.50	23,343.00	321.97
Case Specific	0.00	0.00	5.00	3.52	1.00	0.00	10.52	3,321.96	304.28
Cashiering	0.40	0.00	1.75	13.10	0.00	0.00	15.15	1,925.00	127.06
Creditors	13.75	0.00	44.00	3.25	4.00	0.00	65.00	23,127.72	355.81
Investigation	7.20	0.00	140.10	22.50	0.00	0.00	169.80	44,926.00	264.58
Realisation of Assets	11.80	0.00	228.55	60.25	14.25	0.00	314.85	69,398.50	220.41
Statutory Compliance	6.65	0.00	0.00	0.00	0.00	0.00	6.65	2,992.50	450.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	51.00	0.00	461.50	122.87	19.50	0.00	654.87	169,032.69	258.12
Total Fees Claimed								80,000.00	
Total Disbursements Claimed								819.88	



ARCH HALL LIMITED - IN ADMINISTRATION

Appendix D

Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 On this case we are proposing to use the services of the following sub-contractors

Service (s)	Provider	Basis of fee arrangement	Cost to date
Book debt collection	Cerberus Asset Management	An initial fixed fee of £5,000 to undertake an assessment of the re-assigned ledger and correspond with the ongoing claimants.	Nil

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Middleton Barton (valuation and disposal advice)	Hourly rate and disbursements
Bermans (legal advice)	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Joint Administrators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Administrators' Proposals Report a copy of which is set out below:

Expense	Estimated cost £
Statutory advertising per advert	73.55 plus VAT
Specific penalty bond	450.00 plus VAT
External storage of company's books and records	50.00 plus VAT
Credit Safe/AML	10.00 plus VAT
Bank Charges	10.00
Category 2 disbursements charged by the firm:	
Business mileage	45p per mile



ARCH HALL LIMITED - IN ADMINISTRATION

Current position of Joint Administrators' expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Legal Fees	5,435.00	760.00	0.00	?
Statutory advertising	151.30	0.00	0.00	151.30
Specific penalty bond	450.00	0.00	0.00	450.00
External storage of books & records	89.24	62.56	0.00	250.24
IT Support	0.00	7,104.98	0.00	10,554.98
Company Searches	15.48	0.00	0.00	15.48
Postage	0.00	41.30	40.02	201.38
Bank Charges	10.00	0.00	0.00	10.00

- 3.3 Further to the appointment of the Joint Administrators immediate steps were taken to secure all of the Company's books and records, which were held across the two trading premises in Manchester and Cheltenham. Upon attendance it was highlighted that the records far exceeded the level that had originally been advised by the Director and therefore the number of boxes recovered and stored was much greater than had originally been encountered for. These records are integral to the ongoing investigations and the associated costs of storing the records are considered essential.
- 3.4 At the date of the Administrators' proposals, it was not anticipated that any post appointment legal advice would be required. Further to appointment legal advice was required in respect of some of the matters highlighted for investigation and also the re-assignment of the debtor ledger, work in progress and customer data. Again, the legal fees incurred were essential to the ongoing investigations.
- 3.5 Additional costs have also been incurred in securing ongoing IT support in respect of the Company's CMS as detailed above, in addition to the ongoing maintenance and access to the Company's server in order to facilitate the Joint Administrators' ongoing investigations with a view to commencing and pursuing claims for the benefit of the Administration estate and the creditors.
- 3.6 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 3.7 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

- 4.1 Kay Johnson Gee Corporate Recovery Limited's current charge-out rates effective from 1 October 2018 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

ARCH HALL LIMITED - IN ADMINISTRATION

	(Per hour) £
Appointment Takers	450
Managers	300 to 360
Administrator/Senior Administrator	220 to 250
Cashier/Support Staff	110 to 180



ARCH HALL LIMITED - IN ADMINISTRATION

Appendix E

Estimated Outcome Statement as at 6 March 2020



Arch Hall Limited
(In Administration)
Joint Administrators' Estimated Outcome Statement
To 06/03/2020

Statement of Affairs £		Realised / Paid	Projected	Total £
ASSET REALISATIONS				
	Goodwill	1.00	NIL	1.00
2,500.00	Office Furniture & Equipment	9,995.00	NIL	9,995.00
Uncertain	Customer Data	1.00	NIL	1.00
25,000.00	Work in Progress	2,177.63	10,000.00	12,177.63
10,000.00	Book Debts	85,775.91	20,000.00	105,775.91
	Sellers Records	1.00	NIL	1.00
	Rates Refund	1,117.32	NIL	1,117.32
	Property Rights/Patents	1.00	NIL	1.00
29,121.67	Cash at Bank	33,012.43	NIL	33,012.43
		132,082.29	30,000.00	162,082.29
COST OF REALISATIONS				
	Bordereau	450.00	NIL	450.00
	Pre-Appointment Administrators' Fees	9,987.00	NIL	9,987.00
	Post Appointment Administrators' Fees	80,000.00	37,531.54	117,531.54
	Pre Appointment Agent Fees	7,500.00	NIL	7,500.00
	Pre-Appointment Legal Fees	2,635.00	NIL	2,635.00
	Post Appointment Legal Fees	6,195.00	10,000.00	16,195.00
	I.T Support	7,104.98	NIL	7,104.98
	Stationery & Postage *	41.30	41.30	82.60
	Company Search Fee *	15.48	NIL	15.48
	Storage Costs *	151.80	187.44	339.24
	Mileage	NIL	8.82	8.82
	London Gazette Advertising	151.30	71.33	222.63
	Bank Charges	10.00	NIL	10.00
		(114,241.86)	(47,840.43)	(162,082.29)
PREFERENTIAL CREDITORS				
(17,270.25)	Employee Preferential Claims	NIL	NIL	NIL
		NIL	NIL	NIL
UNSECURED CREDITORS				
(462,542.96)	Trade & Expense Creditors	NIL	NIL	NIL
(67,803.56)	Employee Non-Preferential Claims	NIL	NIL	NIL
(29,145.23)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL	NIL
(10,858.94)	HM Revenue & Customs (Corporation Tax)	NIL	NIL	NIL
(64,446.46)	HM Revenue & Customs (VAT)	NIL	NIL	NIL
		NIL	NIL	NIL
DISTRIBUTIONS				
(100.00)	Ordinary Shareholders	NIL	NIL	NIL
		NIL	NIL	NIL
(585,545.73)		17,840.43	(17,840.43)	0.00
REPRESENTED BY				
	Current A/c	23,137.34	46,317.69	69,455.03
	Suspense Account	(5,296.91)	NIL	(5,296.91)
		17,840.43	46,317.69	64,158.12



ARCH HALL LIMITED - IN ADMINISTRATION

Appendix F

Joint Administrators' Original Fee Estimate



**Estimate of Fees and Expenses for
Arch Hall Limited (In Administration)
To 13/03/2019**

	Total Hours	Avg Hourly Rate £	Time Cost £	Disbursements £	Expenses £
Classification of Work Function					
Admin & Planning					
Appointment Notification/Formalities	7.60	301.58	2,292.00		
Case Filing	5.20	220.67	1,147.50		
Case Planning	8.50	336.88	2,863.50		
File Maintenance and Case Review	8.40	316.79	2,661.00		
Meeting and/or Internal Discussion	9.10	334.45	3,043.50		
Statutory Reporting	52.40	305.41	16,003.50		
Case Specific					
Preparation of S.o.A/Dec of Solvency	4.40	370.91	1,632.00		
Cashiering					
Cashiering/Invoicing	2.00	285.00	570.00		
Creditors					
Employee	6.00	374.00	2,244.00		
General Communication	11.50	288.52	3,318.00		
H M Revenue & Customs	15.80	281.84	4,453.00		
Postage/Mail	1.00	175.00	175.00		
Unsecured Creditors	44.40	332.00	14,741.00		
Investigation					
CDDA Reporting	7.40	326.96	2,419.50		
Investigation					
Collection of Books and Records	5.10	174.71	891.00		
Completion & Submission of CDDA	3.70	338.51	1,252.50		
Investigation					
Investigating antecedent transactions	10.70	333.44	36,912.00		
SIP 2 Review	33.50	363.39	12,173.50		
Realisation of Assets					
Agents/Solicitors	13.70	333.28	4,566.00		
Realisation of Assets					
Bank Reconciliation	20.60	250.02	5,150.50		
Realisation of Assets					
Banking/Cashiering	17.30	244.91	4,237.00		
Identifying, Securing & Insuring Assets	52.60	290.73	18,200.00		
Realisation of Property / Other Assets	36.10	538.25	19,431.00		
	487.00	329.32	160,377.00		
Disbursements					
Category 1 Disbursements				667.10	
Category 2 Disbursements				158.82	
				825.92	
Expenses (*)					0.00
Totals	487.00	329.32	160,377.00	825.92	0.00

(*) Details of the expenses the IP considers will be, or are likely to be, incurred during the period of this estimate.

Details of estimated disbursements that will be paid during the period of this estimate.

Category 1 Disbursements



**Estimate of Fees and Expenses for
Arch Hall Limited (In Administration)**

Category 1 Disbursements

Category 1 Disbursements	667.10
	667.10

Category 2 Disbursements

Category 2 Disbursements	158.82
	158.82

Notes:

1. Category 1 Disbursements are payable without prior approval as they are payments to independent e.g. advertising, room hire, storage, travel expenses
2. Category 2 Disbursements are costs directly referable to the appointment e.g. Postage, Printing & Stationery, Mileage but as they are not to an independent third party they require approval in the same manner as the fee
3. The figures provided for Expenses are as accurate as possible based on the information available at this time. No prior approval is required for the payments of the expenses as they are regarded as a cost of the administration of the estate
4. Further approval will be sought from the creditors' committee or creditors if the circumstances of the case indicate that the above fee estimate is likely to be exceeded
5. The above estimates are all exclusive of VAT

