



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

### 1 Company details

Company number 0 8 7 3 5 3 4 4

Company name in full Grove Farm Park Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Trevor P

Surname O'Sullivan

### 3 Administrator's address

Building name/number 30 Finsbury Square

Street

Post town

London

County/Region

Postcode

E C 2 A 1 A G

Country

### 4 Administrator's name ①

Full forename(s) Philip

Surname Stephenson

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 30 Finsbury Square

Street

Post town

London

County/Region

Postcode

E C 2 A 1 A G

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> 2	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1

### 7 Progress report

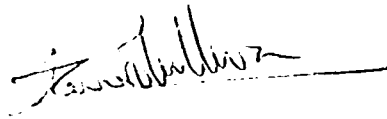
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

<sup>d</sup> 2	<sup>d</sup> 0	<sup>m</sup> 1	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Chris M Judd**

Company name **Grant Thornton UK LLP**

Address **11th Floor**

**Landmark St Peter's Square**

Post town **1 Oxford St**

County/Region **Manchester**

Postcode **M 1 4 P B**

Country

DX

Telephone **0161 953 6900**

**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)**



# **Grove Farm Park Limited - In Administration**

UK Recovery  
Grant Thornton UK LLP  
11th Floor  
Landmark St Peter's Square  
1 Oxford St  
Manchester  
M1 4PB

Joint Administrators' progress report for the  
period 28 May 2021 to 27 November 2021

Prepared by: Trevor P O'Sullivan, Joint Administrator

Contact details: Should you wish to discuss any matters in  
this report, please email [cmu@uk.gt.com](mailto:cmu@uk.gt.com)  
or contact us using the above address

# Guide to this report

## Report sections

### Definitions

**1 Executive summary**

This should be read in conjunction with the remainder of the report, together with its appendices

**2 Progress**

Includes strategy and progress (trading, realisation of assets)

**3 Creditors**

Includes creditor balances and information on dividends

**4 Investigations into the affairs of the Company**

Includes strategy and progress

**5 Joint Administrators' remuneration and expenses**

Includes details of payments to the Joint Administrators (including details of time costs and expenses incurred) and their associates

**6 Future strategy**

Includes summary details of further work to be done, exit route, details on any proposed creditor decisions, general information for readers (eg data protection) and timing of the next report

## Report appendices

**A Notice about this report**

Includes information about the preparation and purpose of the report, reliance on it and no liability

**B Statutory information**

Includes information required about the Company (eg name, address) and about the administration (eg proceedings, administrators, contact details)

**C Abstract of the Joint Administrators' receipts and payments**

**D Statement of Insolvency Practice 9 disclosure: Payments to the Joint Administrators and their associates**

Includes remuneration basis, work done, expenses of the Joint Administrators, sub-contracted out work, relationships requiring disclosure

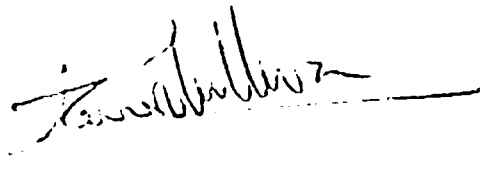
# Definitions

The following definitions are used either within the body of this report, the appendices to it, or both.

<b>Barclays</b>	Barclays Bank PLC
<b>College</b>	Hadlow College
<b>Company</b>	Grove Farm Park Limited – in Administration
<b>Eversheds</b>	Eversheds Sutherland
<b>Firm / Grant Thornton</b>	Grant Thornton UK LLP
<b>First Administration</b>	First Administration appointment 28 May 2020 to 27 May 2021
<b>Joint Administrators / we / us / our</b>	Trevor P O'Sullivan and Philip Stephenson
<b>Marpaul</b>	Marpaul Limited
<b>North Kent College</b>	The Corporation of North Kent College
<b>Period</b>	The reporting period from 28 May 2021 to 27 November 2021
<b>Proposals</b>	The Joint Administrators' proposals dated 5 October 2021
<b>Rules</b>	The Insolvency (England & Wales) Rules 2016
<b>SIP</b>	Statement of Insolvency Practice
<b>Sanderson Weatherall</b>	Sanderson Weatherall LLP
<b>VAT</b>	Value added tax

# 1 Executive summary

- This progress report for the Company's administration covers the Period
- Our proposals were deemed approved on 18 October 2021 in accordance with rule 3.38(4) of the Rules
- The key work done in the Period was the rental of the property, managing the property following the exit of the tenants and marketing the property for sale
- The return to the unsecured creditors is estimated at 2p in the £. It is anticipated that a first and final dividend will be paid within the next six months
- The administration is currently due to end on 27 May 2022
- It is unlikely that there will be sufficient funds to make a distribution to unsecured creditors (other than by virtue of the prescribed part), and therefore it is intended to exit the administration and move to dissolution



Trevor P O'Sullivan  
Joint Administrator

20 December 2021

## 2 Progress

### 2.1 Strategy and progress in the Period

The Joint Administrators' objectives, as set out in the Proposals, were to realise assets for the benefit of preferential and secured creditors.

For details on our marketing strategy and approach to interested parties please see 6.1 and 6.3 of the Joint Administrators' Proposals dated 5 October 2021.

In the Joint Administrators' Proposals, we highlighted that we had selected the preferred bidders following a recommendation from Sanderson Weatherall. Prior to exchanging, the initial preferred bidder for part of the title pulled out of the transaction. Following a recommendation from Sanderson Weatherall, we have since re-selected the preferred bidder for this part of the title and, subject to certain actions, are hopeful of exchanging in short order and completing four weeks after exchange.

### 2.2 Trading

As outlined in our Proposals, the Company traded until 1 August 2021, through the rental of the property. The underlease tenants, North Kent College, vacated the property on 23 July 2021 and the Administrators of the College confirmed its surrender of the lease on 27 July 2021. The reason for trading was to realise income whilst the property was being marketed.

### 2.3 Approach to interested parties

We have not approached any additional interested parties since our Proposals.

### 2.4 Realisation of assets

We attach as Appendix C, an account of our receipts and payments for the Period.

#### **Rent**

During the Period, we received £70,399 in rental income.

### 2.5 Additional assets

We are not currently aware of the Company owning any other assets.

# 3 Creditors

## 3.1 Secured creditors

### **Barclays**

Barclays was granted a fixed and floating charge debenture over the Company's assets on 29 November 2013. At the date of administration the balance due secured by this debenture was £2.9 million.

To date there has been no distribution paid to Barclays under its security. There is likely to be a shortfall to Barclays.

### **Marpaul**

Marpaul was granted a charge / mortgage over Grove Farm Park on 19 May 2014. At the date of administration the balance due secured by this security was £1.3 million.

To date there has been no distribution paid to Marpaul under its security. There is likely to be a shortfall to Marpaul.

## 3.2 Preferential creditors

### **Ordinary preferential creditors**

These include employee claims for wages and salary up to £800 per person and accrued holiday pay, and employee contributions to occupational pension schemes deducted in the four months before the insolvency.

There were no employees as at the date of administration, therefore we do not anticipate any preferential creditor claims.

### **Secondary preferential creditors**

These include HMRC claims for arrears of VAT and for sums deducted in respect of PAYE, employees' national insurance contributions and student loan repayments, and construction industry scheme deductions, as applicable.

There were no employees as at the date of administration and we understand that the Company was not VAT registered, therefore we do not anticipate any secondary preferential creditor claims.

## 3.3 Unsecured creditors

### **Prescribed part**

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £600,000.

The statement of affairs prepared by the directors details 2 unsecured creditors totaling £702,511.

We are not aware of any other material claims at this time which have not been included within the statement of affairs.

### **Dividend prospects**

As previously reported, due to insufficient anticipated asset realisations, there is no prospect of a distribution to unsecured creditors except for funds set aside under prescribed part provisions.

We calculate the prescribed part at £15,130, which would represent a 2p in the £ dividend to the unsecured creditors.

A claim form is available online for completion and submission through the Grant Thornton Insolvency Act portal. Unique passwords have been issued to each creditor.

# 4 Investigations into the affairs of the Company

## 4.1 Statutory investigations

We undertook an investigation into the Company's affairs to establish whether there were any potential asset recoveries, or conduct matters that required further investigation, taking into account the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.

Based on the outcome of our investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors. However, we would be pleased to receive from any creditor any useful information concerning the Company, its dealing or conduct which may assist us.

# 5 Joint Administrators' remuneration and expenses

## 5.1 Overview

During the First Administration, we obtained approval from Barclays to fix our fees for the administration at £100,000. However, we did not obtain the approval of Marpaul to fix our fees. As such, our remuneration basis has not yet been fixed.

As it is currently considered that there will only be a distribution to unsecured creditors via a prescribed part payment, a paragraph 52(1)(b) statement has been made. We are also not aware of any preferential creditors in this case therefore we will be approaching the secured creditors in due course to obtain fee approval.

We have incurred expenses in the Period amounting to £32,101, bringing the cumulative totals at Period end to £40,794 of which £22,862 has been paid from the estate.

In addition to the above expenses, we estimate an additional £39,251 in expenses to deal with the remaining matters as detailed in this report and to close the administration.

As we received no remuneration from the First Administration, we propose that our fees for both the First Administration and for the second administration be paid from the second administration.

We propose our remuneration be fixed on a fixed fee basis at £100,000. Our fixed fee proposal of £100,000, which was agreed by the first ranking secured creditor, but not the second ranking secured creditor due to an administrative error, is materially less than the aggregate time costs incurred in both administrations to date.

We currently anticipate payment of our remuneration from the estate of £100,000; this is based on current information and is therefore subject to change.

Further details about remuneration and expenses are provided in Appendix D to this report.

# 6 Future strategy

## 6.1 Future conduct of the administration

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

- managing and realising the assets of the Company;
- payment of administration expenses, including our remuneration;
- agreeing the claims of the unsecured creditors and payment of a prescribed part dividend;
- making a final distribution to the secured creditor;
- finalisation of the Company's tax affairs, including completion of corporation tax and VAT returns and settlement of any liabilities; and
- complying with statutory and compliance obligations.

## 6.2 Extension of the administration

The duration of an administration is restricted to 12 months from the date of commencement unless it is extended with the permission of the creditors or the court. The administration is currently due to end on 27 May 2022.

## 6.3 Exit from administration

As detailed in our Proposals we do not consider it likely that we will have sufficient funds to make a distribution to unsecured creditors (other than by virtue of the prescribed part) and therefore intend to exit the administration and move to dissolution.

## 6.4 Data protection

Any personal information held by the Company will continue to be processed for the purposes of the administration of the Company and in accordance with the requirements of data protection. Our privacy notice on our website ([www.grantthornton.co.uk/en/privacy](http://www.grantthornton.co.uk/en/privacy)) contains further details as to how we may use, process and store personal data.

## 6.5 Contact from third parties

Please be aware that fraudsters have been known to masquerade as the legitimate Joint Administrators. Fraudsters may contact creditors asking for an upfront fee or tax to release an investment or to enable payment of a dividend / the release of money payable to the creditor. An Administrator would never ask for such a payment nor instruct a third party to make such a request.

## 6.6 Covid-19

This report has been produced during the Covid-19 restrictions. We have taken every reasonable step to ensure that the information is accurate, however if any material inaccuracies are identified, we will provide an explanation and corrected information in the next progress report.

## 6.7 Future reporting

Our next report to creditors will be issued no later than 27 June 2022, or earlier if the administration has been completed by that date.

# A Notice about this report

This report has been prepared solely to comply with the Joint Administrators' statutory duty to report to creditors under the Rules on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

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

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under the Rules do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Trevor P O'Sullivan and Philip Stephenson are authorised in the UK to act as Insolvency Practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointment of the Joint Administrators are personal to them and to the fullest extent permitted by law, Grant Thornton does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

Please note you should read this progress report in conjunction with the Joint Administrators' previous progress reports and Proposals issued to the Company's creditors, which can be found on the Grant Thornton portal (<https://www.grantthornton.co.uk/portal/>). Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

## B Statutory information

### Company information

Company name	Grove Farm Park Limited
Date of incorporation	16 October 2013
Company registration number	08735344
Former trading address	Hadlow College Tonbridge Road Hadlow Tonbridge TN11 0AL
Former registered office	As above
Present registered office	11th Floor Landmark St Peter's Square 1 Oxford St Manchester M1 4PB

### Administration information

Administration appointment	The administration appointment granted in the Business and Property Courts in Birmingham, 000194 of 2021
Appointor	the directors
Date of appointment	28 May 2021
Joint Administrators' names	Trevor P O'Sullivan Philip Stephenson
Joint Administrators' addresses	30 Finsbury Square, London, EC2A 1AG
Purpose of the administration	Realising property in order to make a distribution to one or more secured or preferential creditors
Estimated values of the net property and prescribed part	The Company's net property is estimated to be £15,130. The prescribed part is capped at the statutory maximum of £600,000
Prescribed part distribution	The Joint Administrators do not intend to apply to court to obtain an order that the prescribed part shall not apply. Therefore, the Joint Administrators do intend to make a distribution to the unsecured creditors
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them
Current administration expiry date	27 May 2022

**Grove Farm Park Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**

Statement of Affairs £	From 28/05/2021 To 27/11/2021 £	From 28/05/2021 To 27/11/2021 £
TRADING EXPENDITURE		
Heat & Light	526.13	526.13
	(526.13)	(526.13)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>(526.13)</b>	<b>(526.13)</b>

**Grove Farm Park Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 28/05/2021 To 27/11/2021 £	From 28/05/2021 To 27/11/2021 £
	SECURED ASSETS		
4,765,678.56	Freehold Land & Property	NIL	NIL
	Rent received	70,399.00	70,399.00
208,901.10	Cash at Bank	188,191.83	188,191.83
		258,590.83	258,590.83
	COSTS OF REALISATION		
	Other Property Expenses	12,233.54	12,233.54
	Insurance	7,515.85	7,515.85
		(19,749.39)	(19,749.39)
	ASSET REALISATIONS		
60,650.36	Cash at Bank	59,531.47	59,531.47
	Trading Surplus/(Deficit)	(526.13)	(526.13)
		59,005.34	59,005.34
	COST OF REALISATIONS		
	Statutory Advertising	80.00	80.00
	VAT irrecoverable	2,506.04	2,506.04
		(2,586.04)	(2,586.04)
<b>5,035,230.02</b>		<b>295,260.74</b>	<b>295,260.74</b>
	REPRESENTED BY		
	Fixed Current Account		235,825.27
	Floating Current Account		59,435.47
			<b>295,260.74</b>

Note:

## Payments to the Joint Administrators and their associates

### SIP 9 disclosure

This appendix has been prepared in accordance with the requirements of the Insolvency Act 1986, the Rules and SIP9. In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the Joint Administrators and their team during the Period
- expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

## Pre-appointment costs

Pre-administration costs are fees charged and expenses incurred by the Joint Administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Neither the Joint Administrators, by way of Grant Thornton being engaged, or any other qualified insolvency practitioner incurred any pre-administration costs in relation to the company.

## Post-appointment costs

### Fee basis of the Joint Administrators

As detailed in our Proposals it is proposed that the remuneration for the second administration be fixed as a set amount of £100,000, which represents a fair value to achieve the result, as had previously been agreed by the first ranking chargeholder although the original administration expired and a Court Order was obtained in order to complete the task. As noted, no costs have been charged to the first or second administrations as a result of the need to obtain the Court Order.

We will seek approval for our fees once we have completed the sale of the property.

## Work done by the Joint Administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, against any fees estimate provided. We have not provided a fees estimate because our fees are on a fixed fee basis. We are also required to provide narrative explanation of the work done. The following tables set out this information for the Joint Administrators' fees incurred. Details of expenses incurred in connection with work done are provided in the 'Expenses' section below.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors
<b>Trading</b>			
<b>Trading general</b>	<ul style="list-style-type: none"> <li>Collecting rental income from the trading of the property</li> </ul>	<ul style="list-style-type: none"> <li>To maximise realisations to creditors in respect of rental income</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available</li> </ul>
<b>Assets</b>			
<b>Insurance</b>	<ul style="list-style-type: none"> <li>Liaising with insurance brokers to ensure appropriate insurance cover remains in place</li> </ul>	<ul style="list-style-type: none"> <li>To mitigate risk of financial losses to creditors should any issues arise at the property</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>
<b>Property</b>	<ul style="list-style-type: none"> <li>Liaising with Sanderson Weatherall, Hobbs Parker and Eversheds regarding the sale of the property</li> <li>Correspondence with security providers, utility companies and local council once property was vacant</li> </ul>	<ul style="list-style-type: none"> <li>To maximise realisations to creditors in respect of the property sale</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available</li> </ul>
<b>Creditors</b>			
<b>Secured</b>	<ul style="list-style-type: none"> <li>Formal reporting to and other correspondence with Barclays</li> <li>Correspondence with Marpaul</li> </ul>	<ul style="list-style-type: none"> <li>To keep secured creditors informed regarding progress</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul>

---

**Administration**

<b>Case management</b>	<ul style="list-style-type: none"> <li>General management of the case, including filing and management of diary lines</li> </ul>	<ul style="list-style-type: none"> <li>Ensure compliance with Grant Thornton's internal processes and external regulations</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul>
<b>Reports to creditors, notices &amp; decisions</b>	<ul style="list-style-type: none"> <li>Drafting of Proposals and Progress Report</li> </ul>	<ul style="list-style-type: none"> <li>Ensure compliance with Grant Thornton's internal processes and external regulations</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul>
<b>Treasury, billing &amp; funding</b>	<ul style="list-style-type: none"> <li>Management of administration accounts</li> </ul>	<ul style="list-style-type: none"> <li>Ensure compliance with Grant Thornton's internal processes and external regulations</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul>
<b>Tax</b>	<ul style="list-style-type: none"> <li>Tax checklists and matters completed in line with Grant Thornton's internal processes and external regulations</li> </ul>	<ul style="list-style-type: none"> <li>Ensure compliance with Grant Thornton's internal processes and external regulations</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate</li> </ul>

---

## Statement of expenses incurred in the Period

This table provides details of expenses incurred in the Period in connection with the work done by the Joint Administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
<b>Category 1 expenses</b>			
<b>Insurance</b>			
Howden Insurance Brokers Limited	7,516	7,516	7,516
<b>Other property expense</b>			
GMS Property Services Limited	10,892	10,892	10,892
J C White Geomatics Limited	1,342	1,342	1,342
<b>Heat &amp; light</b>			
Calor Gas Limited	319	319	319
Haven Power Limited	176	176	176
Drax Energy Solutions Limited	31	31	31
<b>Statutory Advertising</b>			
Gazette Direct	80	80	80
<b>Legal Fees</b>			
Eversheds	9,140	17,833	-
<b>VAT irrecoverable</b>	2,506	2,506	2,506
<b>Category 2 expenses</b>			
-	-	-	-
<b>Total expenses</b>	<b>32,002</b>	<b>40,695</b>	<b>22,862</b>

Expenses are any payments from the estate which are neither the Joint Administrators' remuneration nor a distribution to a creditor or member, but they may include disbursements which are payments first met by and then reimbursed to the Joint Administrators from the estate. Expenses fall into two categories:

### Category 1 expenses

These are also known as 'out of pocket expenses' and are payments to third parties not associated with the Joint Administrators where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval from creditors.

### Category 2 expenses

These are expenses directly referable to the insolvent estate but payments that are either to an associate, or that include shared or allocated costs that may be incurred by the Joint Administrators or their firm and that can be allocated to the appointment on a proper and reasonable basis. Category 2 expenses require approval in the same manner as the Joint Administrators' remuneration.

There are no shared or allocated costs at this stage.

## Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. We disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has an association.

To the extent that services have been enlisted from Grant Thornton's specialist teams, for example tax, pensions, digital forensics, or any others, the narrative for and cost of their work is included in the work done narrative and SIP9 time costs analysis details in the Work done by the Joint Administrators and their team during the Period section above.

We confirm that in the Period, we have not enlisted any other services from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has an association.

## Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the Joint Administrators' fee basis, or who provide services to us as Joint Administrators, which may give rise to a potential conflict.

## Sub-contracted work

We confirm that, in the Period, we have not sub-contracted any work that could otherwise have been carried out by us or our team.

## Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie Administrators or Liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.grantthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.

