In accordance with Rule 3.35 of the Insolvency (England and Wales) Rules 2016 Paragraph 49(4) of Schedule B1 to the Insolvency Act 1986 and regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021.

AM03
Notice of administrator's proposals

Companies House

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

1 Company details

Company number	0 9 1 3 9 4 1 2
Company name in full	Tower Wharf Ltd

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

2 Administrator's name

Full forename(s)	David
Surname	Acland

3 Administrator's address

Building name/number	Derby House
Street	12 Winckley Square
Post town	Preston
County/Region	
Postcode	P R 1 3 J J
Country	

4 Administrator's name ❶

Full forename(s)	Steven
Surname	Williams

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	Derby House
Street	12 Winckley Square
Post town	Preston
County/Region	
Postcode	P R 1 3 J J
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM03
Notice of Administrator's Proposals

6 Statement of proposals

- [x] I attach a copy of the statement of proposals

7 Qualifying report and administrator's statement ❶

- [ ] I attach a copy of the qualifying report
- [ ] I attach a statement of disposal

❶ As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8 Sign and date

Administrator's Signature	Signature X [signature] X
Signature date	d2 d6 m0 m3 y2 y0 y2 y4

AM03
Notice of Administrator's Proposals

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	Nick Saunders
Company name	FRP Advisory Trading Limited
Address	Derby House
	12 Winckley Square
Post town	Preston
County/Region	
Postcode	P R 1 3 J J
Country	
DX	cp.preston@frpadvisory.com
Telephone	01772 440700

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

FRP

Tower Wharf Ltd (In Administration)
The Administrators' Proposals

26 March 2024

Contents and abbreviations

The following abbreviations may be used in this report:

FRP	FRP Advisory Trading Limited
The Company	Tower Wharf Ltd (In Administration)
The Administrators	David Acland and Steven Williams of FRP Advisory Trading Limited
The Insolvency Rules	The Insolvency (England and Wales) Rules 2016
CVL	Creditors Voluntary Liquidation
CVA	Company Voluntary Arrangement
SIP	Statement of insolvency practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
IGF	IGF Business Credit Limited
Barclays	Barclays Bank Plc
TCCL	TCCL Realisations Limited (Formerly the Contact Company Limited)
Pinsents	Pinsent Masons LLP
Sensée	Sensée Operations Limited
The Property	Kingsgate, 1 Tower Wharf, Birkenhead CH41 1LF
NOI	Notice of Intention to Appoint Administrators

1. Introduction and circumstances giving rise to the appointment of the Administrators

On 5 February 2024, the Company entered Administration and David Acland and Steven Williams were appointed as Administrators.

This document, together with its appendices, forms the Administrators' statement of proposals to creditors in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules. The proposals are deemed delivered two business days after they are dated.

Certain statutory information about the Company and the administration is provided at **Appendix A**.

Background information regarding the Company

The Company was incorporated on 21 July 2014 and is the property holding company within the Contact Company Group ("the Group").

The Contact Specialist Limited ("TCSL") is the holding company. The ultimate beneficial owner ("UBO") is Asif Hamid MBE. The Company is a wholly owned subsidiary of TCSL.

TCSL owns The Property freehold and granted a 999 lease to the Company who in turn granted a 10 year lease to TCCL.

A fellow subsidiary company TCCL, offered a UK-based outsource customer service facility employing in excess of 700 people and traded from offices owned by the Company in Birkenhead, Merseyside and was the only trading entity within the group.

As stated above, TCCL was the sole trading entity and occupier of The Property. Discussions were held with the Company's bankers, Barclays, who are owed in excess of £3.5m secured against The Property.

Events leading to the appointment of the Administrators

TCCL began experiencing difficulties in 2023 and despite attempts to rescue the business on a live basis, it ultimately entered into Administration and a pre packaged sale of its business and assets completed to Sensée on 5 February 2024.

The Group operated a group VAT registration with HMRC and as a consequence of non-payment by TCCL, demands were served on all group companies.

Given Sensée's intention to acquire the business and assets of TCCL as part of a pre packaged sale, it was agreed that Administration was the appropriate insolvency process and Sensée would be granted a licence to occupy The Property for a set period, together with an Option to Purchase.

It was therefore appropriate for FRP to be engaged to carry out the necessary steps to place the Company into Administration.

Appointment of the Administrators

At this stage FRP's primary duty of care was to the Company which would include consideration of the directors' fiduciary duties to act in the overall best interest of the company and its creditors. Until the appointment of Administrators the directors continued to be responsible for the Company and its affairs neither FRP Advisory Trading Limited nor its insolvency practitioners advised the directors personally, or any parties interested in purchasing the business and assets of the Company.

Prior to our appointment as Joint Administrators we are required to consider any ethical and conflict issues in relation to the appointment and provided we are satisfied that there are no matters arising that would preclude us consenting to act we must provide a statutory statement and consent to act in which any prior relationship between the proposed Administrators and the Company is summarised, this statement is subsequently filed in Court. Following our appointment as Joint Administrators our duty of care is to all the Company creditors as officers of the Court and agents of the Company, taking over from the Board the responsibilities of managing the affairs, business and property of the Company.

1. Introduction and circumstances giving rise to the appointment of the Administrators

A NOI was initially filed on 9 January 2024 granting a period of protection from creditor action.

Additional time was required to achieve a prepackaged sale of TCCL, which included a licence to occupy The Property for an agreed licence fee which would be made available to Barclays and cover the accruing interest and other property expenses. A further two NOIs were therefore filed with the consent of the major stakeholders on 22 January 2024 and 02 February 2024.

IGF and Barclays both consented to the appointment on 5 February 2024.

David Acland and Steven Williams were duly appointed Administrators on 05 February 2024.

2. Conduct of the administration

The objective of the administration

The Administrators think that objective (a) of the administration, as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, being to rescue the Company as a going concern, will not be achieved due to the debt due to HMRC and other unknown liabilities which prevented a sale of the Company's shares.

Based on current anticipated realisations there will be insufficient funds available to pay a distribution to the unsecured creditors. Consequently, objective (b), a better result for the Company's creditors as a whole than would be likely if the Company had been wound-up (without first being in administration), will not be achieved.

Therefore, it is envisaged that objective (c) will be achieved, to realise property in order to make a distribution to one or more secured or preferential creditors. The Administrators consider that this will not unnecessarily harm the interests of the creditors of the Company as a whole.

The Administrators' actions

Details of work already undertaken or anticipated will be undertaken is set out in the schedule of work attached at **Appendix C.**

Highlights to date include:

- Arranged insurance cover for The Property via our insurance broker;
- Instructed a valuation of The Property;
- Engaged Shoosmiths to provide a report on the validity of our appointment as Administrators;
- Engaged Pinsents to undertake a security review;
- Liaised with Sensée and Pinsents in relation to the proposed Option to Purchase agreement for The Property;
- Provided regular updates to Barclays on strategy and progress with the Option to Purchase;
- Notified HMRC of the Administration and likely return available; and
- Completion of Administrators' statutory duties.

Administrators' future work

Following approval of the Administrators proposals the Administrators will continue to manage the affairs and business of the Company and conduct the Administration to achieve the purpose of the Administration. Key matters to be undertaken include:

- Agree sale terms with Sensée to enable an Option to Purchase agreement to be entered into;
- Achieve a sale of the Property per the terms of above Option;
- Investigate and, if appropriate, pursue any claims that the Company may have against any person, firms or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company;
- Distribute realisations to the secured and preferential creditors;
- Seek an extension of the administration if needed;
- Ensure all statutory and compliance matters are attended to; and
- Pay all administration expenses and bring the administration to an end when deemed appropriate by the Administrators.

2. Conduct of the administration

Receipts and Payments Account

A copy of the Administrators' receipts and payment account to date is attached as **Appendix B**.

The director's Statement of Affairs

The director of the Company has been asked to submit a Statement of Affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986 and this is awaited. Details of the financial position of the Company at the latest practical date, prepared from information available to the Administrators and including a list of creditors' names and addresses is provided at **Appendix E**. As and when the directors' Statement of Affairs is received it will be filed with the Registrar of Companies.

The director has advised that the Statement of Affairs is being prepared and an extension has been agreed to facilitate completion.

Matters requiring investigation

The Administrators are required as part of their duties to establish what assets the Company owns and to consider the way in which the Company's business has been conducted. They are also required under the provisions of the Company Directors Disqualification Act 1986 to report to the Secretary of State for Business and Trade on the conduct of the directors. If you have any information or concerns regarding the way in which the Company's business has been conducted, or have information regarding potential recoveries for the estate please contact me as soon as possible.

The end of the Administration

The Administration will end automatically after twelve months from the date of appointment of the Administrators. This period can be extended with consent of the creditors for up to twelve months or longer by application to the Court as required.

If the Administrators think the Company has no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the Administration into Liquidation is not appropriate they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the Administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved.

If the Administrators are of the view that a dividend will become available to the unsecured creditors (other than by virtue of the prescribed part) it is appropriate for the Company to move from Administration into CVL pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986. If applicable the Administrators will take steps to place the Company into CVL.

Should a dividend not become available to the unsecured creditors but it is still appropriate for the Company to enter Liquidation, the Administrators will petition the Court pursuant to Paragraph 79 of Schedule B1 to the Insolvency Act 1986 for an order to bring the Administration to an end with a consequential order for the compulsory winding up of the Company.

Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a Liquidator, the proposed Liquidators in a CVL are to be the Administrators or any successor office holder(s). Any act to be done by the Liquidators may be done by all or any one of them. Pursuant to Paragraph 83(7)(a) of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

The Liquidators in a compulsory winding up will be appointed by the Court and may be the Administrators, or any successor office holder(s).

If the Administrators are of the view that it is appropriate for the creditors to consider the approval of a CVA the proposed supervisors are to be the Administrators or any successor office holder(s). Creditors may nominate different supervisors when considering whether to approve the CVA proposals.

2. Conduct of the administration

In this administration it is proposed that the administrators will take the necessary steps to dissolve the Company as it is not anticipated there will be any funds available for distribution to unsecured creditors.

Decision of creditors

Based on information currently available, the Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors, except potentially from the prescribed part if funds allow. This statement is made in accordance with Paragraph 52(1)(b) of Schedule B1 to the Insolvency Act 1986.

The Administrators are therefore not required to seek a decision from creditors as to whether they approve the Administrators' proposals pursuant to Paragraph 51 of Schedule B1 to the Insolvency Act 1986. The Administrators must however seek a decision from the creditors if requested to do so by creditors whose debts amount to at least 10% of the total debts of the Company. The request must contain the particulars prescribed by rule 15.18 of the Insolvency Rules and be made within eight business days of the date of delivery of this report, in accordance with the Insolvency Rules.

The expenses of seeking the decision shall be paid by the creditor or creditors requesting the decision, who will be required to lodge a deposit with the Administrators as security for this payment. The creditors may decide that the expenses of seeking the decision should be paid as an expense of the Administration payable from the assets of the Company.

In accordance with the Insolvency Rules where the Administrators have not sought a decision of the creditors, the proposals set out below will be deemed to have been approved by the creditors unless at least 10% by value of the creditors requisition a decision of creditors within eight business days of the date of delivery of this report.

3. The Administrators' remuneration, expenses and pre-appointment costs

Administrators' remuneration

A schedule of the work to be undertaken during the administration is set out at **Appendix C** together with an estimated outcome statement which includes an estimate of the expenses likely to be incurred by the Administrators. Assumptions made in preparing the summary of work, estimated expenses and the fees estimate where a time cost resolution is proposed are set out in the schedule of work.

The Administrators' remuneration will be drawn from the Company's assets and it is proposed that it will be charged by a percentage of the value of the property dealt with and a set amount. Further details of how this will be calculated is set out below.

The basis of the Administrators' remuneration has not yet been approved by creditors, and the Administrators have accordingly not drawn any remuneration in this case.

Should the Company subsequently be placed into Liquidation and the Administrators appointed as Liquidators, the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the Liquidators' remuneration, in accordance with the Insolvency Rules.

Whichever fee basis is approved by creditors and utilised to calculate the level of remuneration that can be drawn by the Joint Administrator this will include all direct costs of providing professional services by the Joint Administrator and his/her staff in dealing with Tower Wharf Ltd (In Administration), but will exclude any expenses that may be paid to an associate or which have an element of shared costs (known as category 2 expenses), which require separate approval from creditors before they can be paid.

Where payments are to be made to associates of the office holder or their firm, creditors' approval to such payments must be received prior to payment being remitted. I can confirm no payments are being made to associates of the office holder or their firm.

Remuneration charged on a percentage of the value of the property

It is proposed that Administrators' fees in dealing with the sale of The Property and distribution of the proceeds will be charged as 2% of the gross realisations (net of VAT) of all assets realised. We anticipate that requesting the approval of part of our remuneration as a percentage of the value of the property will give greater certainty to creditors over the sum to be charged and aligns the interest of the Administrators with the creditors. The percentage requested represents a fair and reasonable reflection of the work it is anticipated will be undertaken by the Administrators to realise and distribute the property.

AND

Remuneration charged as a set amount

It is proposed that the Administrators will charge a fixed fee of £25,000 plus VAT in respect of the categories of work set out in the schedule of work attached at **Appendix D**. Requesting the approval of part of our remuneration as a set amount reduces the administrative burden to provide detailed time recording information to creditors and represents a represents a fair and reasonable reflection of the work it is anticipated will be undertaken by the Administrators.

Administrators' disbursements and expenses

The Administrators' disbursements are payments which are first met by the Administrators, and then reimbursed to the Administrators from the estate. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the Administration of the Company, are paid by FRP at the HMRC approved mileage rate. It is proposed mileage is recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

3. The Administrators' remuneration, expenses and pre-appointment costs

FRP

Pre-administration costs charged or incurred by the Administrators

The Company resolved to pay FRP on a time cost basis for assisting with the placing of the Company into Administration.

Attached at **Appendix D** is a statement of total pre-administration costs (including legal fees) charged or incurred by the Administrators none of which had been paid when the Company entered Administration.

We are seeking to obtain approval for the payment of this amount in accordance with the Insolvency Rules.

Creditors' ability to challenge the Administrators' remuneration and expenses

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses under the Insolvency Rules following receipt of a progress report. Further details of these rights can be found in the Creditors' Guide to Fees which you can access by using the following link https://www.frpadvisory.com/legal-and-regulatory-notices/information-creditors-insolvency-proceedings/ and select the one for administrations. Alternatively a hard copy of the relevant guide will be sent to you on request.

4. Estimated outcome for the creditors

FRP

Estimated Outcome Statement

We attach at **Appendix C** an estimated outcome statement which has been prepared from the information provided by the directors, advice received in connection with the value of the Company's assets, estimated sums due to creditors and an estimate of our remuneration and other expenses that may be incurred during the course of this administration. The assumptions made in preparing the estimated outcome statement details are set out in the schedule of work.

Based on the information available to date and the assumptions made we set out below the anticipated outcome for creditors:

Outcome for Secured Creditor

Barclays

Barclays Bank Plc has the benefit of a legal charge over the Company's Property dated 23 March 2017 together with a debenture over the Company's assets dated 5 November 2014. Upon appointment, Barclays' indebtedness amounted to £3,548,338.

Pinsents have completed a validity review and have confirmed that Barclays' security is valid.

Based on estimated realisations we anticipate that Barclays will be paid in full upon completion of the sale of The Property.

IGF

IGF have the benefit of a debenture dated 8 August 2022 creating fixed and floating charges over the Company's assets. The charge was granted by way of a cross guarantee in support of the invoice discounting facility provided by IGF to TCCL.

The debtor ledger formed part of the overall sale of TCCL and IGF were repaid in full upon completion. No claim is therefore anticipated in this Administration.

Outcome for Preferential Creditors

There are no known preferential creditors.

Outcome for Secondary Preferential Creditors

From 1 December 2020 HMRC ranks as a secondary preferential creditor in respect of the following:

- VAT;
- PAYE (including student loan repayments);
- Construction Industry Scheme deductions; and
- Employees' NI contributions

It is currently estimated that the secondary preferential creditors will total £1,487,584 in respect of monies owed to HMRC by the VAT group.

It is anticipated that secondary preferential creditors will receive a dividend estimated at 6p in the £ assuming The Property sale proceeds as currently envisaged.

Outcome for Unsecured Creditors

It is currently estimated that there will not be sufficient funds available to make a distribution to unsecured creditors.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

In this matter, the prescribed part and net property are both £nil.

Appendix A

Statutory information about the Company and the administration

COMPANY INFORMATION:

Other trading names:	N/A
Date of incorporation:	21/07/2014
Company number:	09139412
Registered office:	C/O FRP Advisory Trading Limited, Derby House, 12 Winckley Square, Preston, PR1 3JJ
Previous registered office:	Kingsgate, 1 Tower Wharf, Birkenhead, CH41 1LH
Business address:	Kingsgate, 1 Tower Wharf, Birkenhead, CH41 1LH
Director:	Asif Hamed
Secretary:	Barry O'Loughlin
Shareholder:	The Contact Specialists Limited

ADMINISTRATION DETAILS:

Names of Administrators:	David Acland and Steven Williams
Address of Administrators:	FRP Advisory Trading Limited Derby House, 12 Winckley Square, Preston, PR1 3JJ
Date of appointment of Administrators:	5 February 2024
Court in which administration proceedings were brought:	The High Court of Justice, Business and Property Courts
Court reference number:	CR-2024-MAN-167
Date of notice of intention to appoint Administrators presented to Court:	09 January 2024 22 January 2024 02 February 2024
Administration appointment made by:	Director

Consent to the notice to appoint an Administrator provided by the qualifying charge holder as follows:

Holder of Qualifying Floating Charge	Date of consent
1. IGF Business Credit	5 February 2024
2. Barclays Bank	5 February 2024

Appendix A

Statutory information about the Company and the administration

Our appointment of Administrators included a declaration that they are acting jointly and severally as Administrators of the Company in accordance with Paragraph 100 of Schedule B1 to the Insolvency Act 1986.

The director has confirmed the Company's centre of main interest has been in the UK and accordingly the proceedings will be COMI proceedings as defined in the Insolvency Rules.

Extracts from the financial statements available are summarised below:

Period Ended	Turnover £'000	Gross Profit £'000	Net Profit/ (Loss) £'000	Dividend paid £'000	P & L a/c c/fwd £'000
March 22	980	(3,313)	(3,461)	-	(1,915)
March 21	980	1,037	733	-	1,876

Period Ended	Fixed Assets £'000	Current Assets £'000	Current Creditors £'000	Long Term Creditors £'000	Net Assets £'000
March 22	6,100	5	(7,059)	-	(1,915)
March 21	10,450	5	(1,362)	(6,199)	1,877

Appendix B

Administrators' Receipts & Payments Account

Tower Wharf Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 26/03/2024

S of A £		£	£
			NIL
	REPRESENTED BY		
			NIL

David Acland
Joint Administrator

Appendix C

The Administrators' remuneration, expenses and costs information

FRP

Tower Wharf Ltd – In Administration

Schedule of Work

The table below sets out a detailed summary of the work undertaken by the office holder to date and details of the work it is anticipated will be undertaken by the office holder throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below. The fee basis for the different categories or work are set out in this table together with an estimate of the estimated fee for each category of work where this can be estimated.

A proportion of the work undertaken by an Administrator is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK
• The records received are complete and up to date • There are matters to investigate; • The work that may be undertaken by any subsequently appointed Liquidator has been excluded • A committee of creditors is not appointed • There are no exceptional queries from stakeholders • Full co-operation of the directors and other relevant parties is received as required by legislation • There are no health and safety or environmental issues to be dealt with; and • The case will be closed within 2 years.

Tower Wharf Ltd – In Administration

Schedule of Work

Note	Category			Fee Basis	Estimated fee £
1	**ADMINISTRATION AND PLANNING** **Work undertaken to date**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**	**Fixed Fee**	**25,000**
	General Matters		**General matters**		
	Regularly reviewing the conduct of the case and the case strategy and updating as required by the Administrators regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing. Notification to Financial Conduct Authority ("FCA") confirming appointment.		Case reviews will be completed at regular intervals throughout the case.		
	Regulatory Requirements				
	Completion of money laundering risk assessment procedures and Know your Client checks in accordance with the Money Laundering Regulations. Completion of take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act. Considered if there were any environmental or health and safety issues to deal with and actioned them appropriately.		Continued adherence to internal procedures and external requirements. Ongoing adherence to Money Laundering Regulations and any other regulations specific to the Company.		

Tower Wharf Ltd – In Administration

Schedule of Work

	Reviewed the General Data Protection Regulation ("GDPR") in the context of the Company and considered necessary actions where required.				
	Ethical Requirements				
	Prior to the Joint Administrator's appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment over the Review Period.		Periodic reviews will be carried out throughout the duration of the case.		
	Case Management Requirements				
	Determine case strategy and to document this. Obtaining legal advice on the validity of appointment to ensure all required documentation has been properly filed and submitted. Setting up and administering insolvent estate bank accounts throughout the duration of the case Compiling a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulating this to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee bases proposed.		Continue to monitor and document any proposed changes of strategy and implementation thereof. Maintaining and developing the case specific paper and electronic files on behalf of the Administrators aside from other records pertaining to the Company directly. Completion of monthly bank reconciliations. Arranging for the Statement of Affairs to be filed at Companies House once received from the director. As detailed in the body of the proposals, an extension has been granted to allow time to complete.		

Tower Wharf Ltd – In Administration

Schedule of Work

	Correspondence with the former advisors to the Company requesting third party information to assist in general enquiries.		Continue to liaise with the Company's former advisors as necessary.		
2	**ASSET REALISATION** **Work undertaken to date**		**ASSET REALISATION** **Future work to be undertaken**	**Percentage of realisations**	**£76,000**
	One of the main purposes of an insolvency process is to realise the insolvency assets and to ensure a fair distribution of the proceeds to the creditors in the correct order of priority as set out by legislation. <u>Property</u> Following the disposal of the properties at Queensgate and Argyle Street in 2023, the Company's remaining property is at Kingsgate, Birkenhead. Barclays hold a first ranking fixed charge over The Property. Open cover insurance was arranged for The Property immediately upon appointment and we have since liaised with our broker to ensure appropriate cover level is in place. TCCL operated from The Property and following the prepackaged sale of its business and assets to Sensée, a licence to occupy The Property was agreed.		<u>Property</u> Enter into an Option to Purchase Agreement with Sensée on the terms agreed. Obtain a copy of the ERDF funding agreement and elect The Property for tax. Obtain consent from the Secretary of State to satisfy the registered restriction prior to completion of any sale. Consider alternative marketing and sale options should the Option to Purchase not progress. Complete a sale of The Property and cancel insurance cover in place.		

Tower Wharf Ltd – In Administration

Schedule of Work

	A maximum licence period of 9 months was agreed and a weekly fee of £6,600 is payable under the terms of the licence. At the time of sale/the licence being entered into, Sensée expressed an interest in acquiring The Property and it was agreed that an Option to Purchase The Property would be drafted on the following terms: Price = £3.8m Non-refundable deposit = £100,000 Option period = 6 months from grant Pinsents are liaising with Sensée's Lawyers, Laytons LLP ("Laytons") to agree the terms of the Option to Purchase Agreement. Richard Parkinson of Landwood Group, RICS, provided informal advice prior to entering into the licence agreement and has now produced a full valuation for The Property. Based on his advice, we intend to enter into the above Option agreement shortly. We are aware of a restriction registered on the title at Land Registry in favour of European Regional Development Fund ("ERDF") Funding which was provided to the developer when The Property was originally constructed.				

Tower Wharf Ltd – In Administration

Schedule of Work

	We have been unable to locate a copy of the ERDF agreement from the Company and it is not available from Land Registry. Pinsents have also attempted to recover a copy of the agreement via Barclays and the Company's previous advisors however they too have been unsuccessful. It is understood that the consent of the Secretary of State will be required to satisfy this restriction prior to completion of any sale. The option to tax position for The Property is also unknown. The director has been unable to confirm the position and no correspondence has been located in this respect. Correspondence was issued to HMRC to request information on the tax status of The Property and we are now in receipt of confirmation from HMRC that they have been unable to locate an election to tax The Property Based on advice received we intend to elect The Property for tax prior to sale for clarity.				
3	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken to date**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**	**Fixed Fee**	**£25,000**
	We are required to provide creditors with the proposals for the conduct of the Administration for approval by creditors in accordance with legislation.		To obtain creditor approval for the basis on which the office holder's fees will be calculated.		

Tower Wharf Ltd – In Administration

Schedule of Work

	To calculate and protect the value of assets that are not subject to a charge by obtaining a bond to the correct level. Advertising notice of our appointment as required by statute. We are required to establish the existence of any pension schemes and staging dates for auto-enrolment and take appropriate action to notify all relevant parties and appoint independent trustees if required. In this case, no pension schemes were identified and no further action required.		To provide a statutory reports to various stakeholders at regular intervals and manage any queries arising therefrom. Copies of these reports are required to be filed at Court/Registrar of Companies. To place legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims Dealing with post appointment VAT and other tax returns as required. To deal with the statutory requirements in order to bring the case to a close and for the office holders(s) to obtain their release from office; this includes preparing final reports for stakeholders, statutory advertising and filing the relevant documentation with the Court/Registrar of Companies.		
4	**TRADING** **Work undertaken to date**		**TRADING** **Future work to be undertaken**		
	N/A		N/A		
5	**INVESTIGATIONS** **Work undertaken to date**		**INVESTIGATIONS** **Future work to be undertaken**	**Fixed Fee**	**25,000**
	We have a duty to review the books and records and other information available to identify the assets that may be available to realise for the benefit of the insolvency estate.		We are required to submit their report to DBT within 3 months of their appointment. Information provided to DBT is confidential but can be used to assist DBT in identifying conduct that should		

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	Furthermore, there may be antecedent or voidable transactions that are identified which if pursued could swell the funds available for the insolvency estate. All directors of the Company both current and those holding office within 3 years of the insolvency were requested to complete a questionnaire to assist in preparing the statutory return to the Department of Business and Trade ("DBT") in accordance with the Company Directors Disqualification Act.	be investigated further and could result in individuals being disqualified from acting as a director. We will consider information provided by all stakeholders that might identify further assets or lines or enquiry for the office holder to explore if benefit to the estate is possible. We will also consider whether any matters have come to light which require notification to the Secretary of State or National Crime Agency.		
6	**CREDITORS** **Work undertaken to date**	**CREDITORS** **Future work to be undertaken**	**Percentage of realisations**	**£76,000**
	Secured Creditors Notification of our appointment to all secured creditors. Preparation of two interim reports to Barclays detailing the proposed strategy in relation to The Property. **Preferential creditors** There are no employees in this matter. **Secondary preferential creditors** HMRC have been notified of the appointment but are yet to submit a claim in the proceedings.	**Secured Creditors** Continue to liaise with Barclays with regards to progress with the sale of The Property. Upon completion of the sale, a final claim will be requested from Barclays which will be reviewed and agreed prior to any distribution made. **Secondary preferential creditors** Sufficient funds are expected to be available to make a distribution to secondary preferential creditors and we will therefore request details of HMRC's claim and pay a distribution.		

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	<u>Unsecured Creditors</u> Providing creditors with notice of the appointment. We are not aware of any unconnected unsecured creditors, with the exception of any claims we may receive from finance companies under the cross guarantees in place.		If required, we will seek tax advice to minimise claims and maximise returns to creditors where appropriate.		
7	**LEGAL AND LITIGATION** **Work undertaken to date**		**LEGAL AND LITIGATION** **Future work to be undertaken**	**Percentage of realisations**	**£76,000**
	Shoosmiths were engaged to provide a report on the validity of our appointment as Administrators and to ensure all required documentation has been properly filed and submitted which has been deemed to be validly executed. Pinsents have completed a validity review on the charges held by Barclays and IGF, both of which have been confirmed as valid. As detailed above, Pinsents are instructed to agree the Option to Purchase Agreement for The Property and are liaising with Laytons to agree terms.		Pinsents are engaged to continue to liaise with Laytons to agree the Option to Purchase and ultimately the sale of The Property. The Administrators will seek legal advice as and when needed throughout the assignment.		

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	Pinsents are also instruction to advise on the appropriate mechanism in relation to the tax consequences of The Property sale.				
	TOTAL ESTIMATED FEES				**£101,000**

FRP Advisory Trading Limited ("FRP")

EXPENSES POLICY

Expenses are any payment from the insolvent estate which are neither an office holder's remuneration not a distribution to a creditor or a member. Expenses also include disbursements.

Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Details of sums paid as either expenses or disbursements will be identified in the progress reports prepared during the course of an assignment and circulated to all creditors.

Category 1 expenses:

These are payments to independent third parties who are not an associate of the office holder and where there is specific expenditure directly referable to the appointment.

Category 1 expenses may include but are not limited to items such as case advertising, storage, bonding, company searches and insurance.

Category 1 expenses can be paid without prior approval.

Category 2 expenses:

These are payment to associates or which have an element of shared costs.

With the exception of mileage FRP do not charge category 2 disbursements. Mileage payments relate to the use of private vehicles for business travel, and are directly attributable to the estate. They are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration whether paid directly from the estate or as a disbursement.

SUBCONTRACTED WORK

In accordance with SIP9 your attention is drawn to work that may be subcontracted during the course of administering the insolvency process. Subcontracted work is defined as work that could otherwise be carried out by the office holder or their staff. The office holder would typically subcontract work where it was considered more efficient, beneficial to the estate and/or cost effective to do so.

The officeholder may use the services of Postworks for the purpose of mailing out correspondence, this is particularly cost effective where large mail outs are required to stakeholders. Postworks possesses the requisite resources and equipment to convert electronic correspondence to hard copy correspondence, where it is required to be sent in paper form. Postworks add our firm's branding, collates the correspondence, and subsequently posts it to the intended recipients in a timely and reliable fashion. The costs associated with this service are based upon the quantity of letters and reports required to be posted, and number of pages involved. This is significantly more efficient and cost-effective than utilizing our own resources. Postworks costs start from 4p per page plus Royal Mail standard rates. Total costs incurred will be included within the disclosure of category 1 expenses as set out above and included in our progress reports

In addition, other specialists may be used for example to assist with asset realisation, for example debt collection agents, where this maybe more cost effective and result in a better asset realisation compared to utilising the office holder's staff. Solicitors may be utilised to deal with routine filings at Court or the Registrar of Companies or other statutory bodies. In deciding whether to subcontract this work the office holder will assess whether the estate is receiving value for money when compared to that same work being undertaken by the office holder or their staff. Typically the estate will benefit where the office holder has decided to subcontract work to third parties in terms of costs of efficiency, the availability of resources as well as a potential increase in accuracy due to the use of standardised specialist procedures.

Appendix D

Schedule of pre-administration costs

Provider	Service	Fee charged £	Expenses incurred £	Total £	Amount paid £	Amount unpaid £	Payments made by	Basis of fees charged	Date of letter of engagement under which fees charged	Parties to the agreement under which fees charged
FRP Advisory Trading Limited	Proposed Administrator	8,256	46	8,302	Nil	8,302	N/A	Time cost	9 January 2024	Company
Pinsents	Legal services	12,947	Nil	12,947	Nil	12,947	N/A	Time cost	30 January 2024	Company & Proposed Administrators
TOTAL		**21,203**	**46**	**21,249**	**Nil**	**21,249**				

The pre-administration costs set out above are the fees charged and the expenses incurred by the Administrator before the Company entered administration but with a view to it doing so. We set out below a summary of the work undertaken during this period together with an explanation as to why these costs were incurred in order that the objective of the Administration to realise property in order to make a distribution to one or more secured or preferential creditors.

FRP provided assistance to the Company on a number of matters including, but not limited to:

- Review of the Company's financial position;
- Providing recommendations to the directors on an appropriate strategy to deal with any insolvency of the Company;
- Liaising with the secured creditors, IGF and Barclays regarding the strategy and potential outcome;
- Liaising with Pinsents regarding the validity of the charges and suggested option to purchase the property by Sensée.

FRP's time costs in dealing with these matters amounted to £8,256 which equates to 23 hours as an average of £358.93 per hour and £46 of disbursements. We are looking to recover all of the pre appointment time costs and disbursements.

Pinsents provided assistance to the Company and the proposed Administrators on a number of matters including, but not limited to, the proposed option to purchase by Sensée as part of the wider TCCL transaction and their occupation of the Property via licence in the intermediary together with advice generally on the appointment documentation. They are seeking payment of their costs which amount to £12,947 plus VAT.

The payment of these unpaid costs as an expense of the administration is subject to approval in accordance with the Insolvency Rules and is not part of the proposals subject to approval in accordance with Paragraph 53 of Schedule B1 to the Insolvency Act 1986.

Appendix E

Estimated outcome statement

ESTIMATED OUTCOME STATEMENT - TOWER WHARF LIMITED - IN ADMINISTRATION

Assets Specifically Pledged	Book Value	Receipts & Payments to date	Estimated Future Receipts & Payments	Estimated Final Outome
	£	£	£	£
Property	4,850,000	-	3,800,000	3,800,000
Less: Holding costs	N/A	N/A	-	-
Less: Administrators fees	N/A	N/A	(76,000)	(76,000)
Less: Legal fees	N/A	N/A	(25,000)	(25,000)
Less: Agents' Fees	N/A	N/A	(10,000)	(10,000)
Less: Barclays Bank	(3,548,338)	N/A	(3,548,338)	(3,548,338)
Less: IGF	Nil	-	-	-
Surplus Carried Down	1,301,662	-	140,662	140,662
Assets Not Specifically Pledged				
Surplus b/d	1,301,662	-	140,662	140,662
Intercompany	653,334	-	NIL	NIL
	1,954,996	-	140,662	140,662
Less Costs of Realisation				
Administrators Pre-Appointment Costs		-	(21,249)	(21,249)
Administrators Remuneration (Fixed Fee)		-	(25,000)	(25,000)
Administrators Disbursements		-	(1,000)	(1,000)
Available for Preferential Creditors		-	**93,413**	**93,413**
Less: Preferential Creditors			-	-
Available for Secondary Preferential Creditors		-	93,413	93,413
Less: Secondary Preferential Creditors		-	(1,487,584)	(1,487,584)
Shortfall to Secondary Preferentilal Creditors			(1,394,171)	(1,394,171)
Net Property		-	Nil	Nil
Available for Floating Charge Holders			(1,394,171)	(1,394,171)
IGF		-	Nil	Nil
Barclays Bank			Nil	Nil
Available to Unsecured Creditors			(1,394,171)	(1,394,171)
Shortfall to Finance Companies		-	Uncertain	Uncertain
Intercompany		-	(325,800)	(325,800)
Estimated Total Deficiency to Creditors			**(1,719,971)**	**(1,719,971)**