

LIQ03

Notice of progress report in voluntary winding up




Companies House

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

1	Company details	
Company number	06718623	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	NMUL Realisations Limited	
2	Liquidator's name	
Full forename(s)	Lee	
Surname	Causer	
3	Liquidator's address	
Building name/number	Two Snowhill	
Street	Snow Hill Queensway	
Post town	Birmingham	
County/Region		
Postcode	B46GA	
Country		
4	Liquidator's name ①	
Full forename(s)	Danny	① Other liquidator Use this section to tell us about another liquidator.
Surname	Dartnaill	
5	Liquidator's address ②	
Building name/number	Thames Tower, Level 12	② Other liquidator Use this section to tell us about another liquidator.
Street	Station Road	
Post town	Reading	
County/Region		
Postcode	RG11LX	
Country		

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	d	2	d	2	m	0	m	1	y	2	y	0	y	2	y	1
To date	d	2	d	1	m	0	m	1	y	2	y	0	y	2	y	2
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div> X  X </div>															
Signature date	d	1	d	8	m	0	m	3	y	2	y	0	y	2	y	2

LIQ03

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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 **Lee Causer**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **+44 (0) 1512 374 500**



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

NMUL Realisations Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 22/01/2021 To 21/01/2022 £	From 22/01/2021 To 21/01/2022 £
ASSET REALISATIONS		
Book Debts	3,326.30	3,326.30
Donington Hall re Subrogated Claim	2,250,000.00	2,250,000.00
Motor Vehicles	170.00	170.00
Sundry Refunds	1,086.58	1,086.58
Surplus from Administration	3,678,054.14	3,678,054.14
	<u>5,932,637.02</u>	<u>5,932,637.02</u>
COST OF REALISATIONS		
Administrator's Disbursements	1,007.54	1,007.54
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	<u>5,270,719.14</u>	<u>5,270,719.14</u>
REPRESENTED BY		
Bank 2 Current		4,638,675.08
Vat Control Account		630,811.01
Vat Input		1,233.05
		<u>5,270,719.14</u>



NMUL Realisations Limited In Creditors' Voluntary Liquidation

Joint Liquidators' progress report from
22 January 2021 to 21 January 2022

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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'Dalriada'	Dalriada Trustees Limited
'DHEL'	Donington Hall Estates Limited - In Administration
'HMRC'	HM Revenue & Customs
'Joint Liquidators' or 'we'	Lee Causer and Danny Dartnail
'net property'	Floating charge realisations after costs and payment of preferential and secondary preferential creditors in full
'NMHL'	NMHL Realisations Limited - In Liquidation
'Period'	22 January 2021 to 21 January 2022
'preferential creditors'	Claims for unpaid wages earned in the four months prior to the preceding administration up to £800, holiday pay and unpaid pension contributions in certain circumstances
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'QFCH'	Qualifying Floating Charge Holder
'secured creditors'	Creditors whose debt is secured, in accordance with section 248 of the Act
'the Act'	Insolvency Act 1986
'the Bank'	Metro Bank PLC
'the Company'	NMUL Realisations Limited
'the Purchaser'	The Norton Motorcycle Co limited
'the Report'	Prepared in accordance with Rules 18.3 and 18.7 of the Rules
'the Rules'	Insolvency (England and Wales) Rules 2016
'unsecured creditors'	Creditors who are neither secured nor preferential

KEY INFORMATION

Background

The Company went into Liquidation on 22 January 2021 and was previously in Administration. The current Joint Liquidators are Lee Causer and Danny Dartnail.

Ryan Grant was formerly in office as Joint Liquidator but was removed from office by court order on his resignation from BDO LLP.

Purpose of this report

This is the annual Report for the period from 22 January 2021 to 21 January 2022.

The main purpose of this Report is to provide you with an update on the progress of the Liquidation during the Period.

This Report can be reviewed in conjunction with all other reports regarding this Liquidation and the preceding Administration, which are available on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the anticipated outcome for creditors, based on our current understanding of the case. Please note these figures may be subject to change.

Class of creditor	Current estimate	Previous estimate
Secured creditors	Paid in full	Paid in full
Preferential creditors	N/a	N/a
Unsecured creditors ¹	Uncertain	Uncertain

1. The Prescribed Part does not apply as the secured creditors have been repaid in full under the terms of their fixed charge security.

What you need to do

The Joint Liquidators are seeking decisions from the Company's creditors in relation to the establishment of a liquidation committee and the approval of the basis of the Joint Liquidators' remuneration and category 2 expenses.

Notice of a decision by correspondence procedure is attached at Appendix I. In order to vote, please complete the following:

- Voting form - Appendix I; and
- Proof of debt form (if not previously submitted) - Appendix J.

Please return the above forms by post to Teddy Blankson, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or via email to BRCMTMidlandsandBristol@bdo.co.uk on or before 7 April 2022, the Decision Date.

If you have any queries regarding the fees estimate or need any assistance in completing the voting form, please contact Teddy Blankson on +44 (0)151 237 4421.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Teddy Blankson
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: +44 (0)151 237 4421
Email: BRCMTMidlandsandBristol@bdo.co.uk
Reference: 00341370

PROGRESS IN THE PERIOD

Asset realisations

The receipts and payments account attached at Appendix C details the asset realisations during the Period.

Book Debts

Book debts of £3,326.30 have been realised during the Period. No further realisations are anticipated.

Donington Hall re Subrogated Claim

On 8 December 2020, the sum of £3,135,286 was paid to the Bank in respect of sums due to them from DHEL. This sum was distributed by the Company under the terms of a cross-guarantee that had been provided by the Company to the Bank in respect of sums due from DHEL. As a result, the Company has a subrogated fixed charge claim in the Administration of DHEL.

A total of £2,250,000 has been received during the Period in relation to this claim.

A proof of debt form has been lodged in the Administration of DHEL by Dalriada, in its capacity as the trustee of three pension schemes which had invested funds in preference shares issued by NMHL during 2012 and 2013. Dalriada claim that those funds were transferred within the wider group, including to DHEL.

Dalriada asserts that, where it is possible to trace those funds into the specific purchase of assets, they have a proprietary claim over any assets acquired using funds originally belonging to the schemes. With regard to DHEL, Dalriada claim that a proportion of the pension schemes funds were used to acquire Donington Hall, being the principal asset of that company. It has been necessary to extend the Administration of DHEL and defer any final distributions whilst advice is received from the solicitors acting for the administrators.

Although a future distribution may be made to the Company in respect of the remainder of its subrogated claim (c£885k), this is wholly dependent upon the resolution of the position in respect of Dalriada's claim. If Dalriada's claim against DHEL is deemed to be valid, there may be a requirement for the Company to return an element of the previously received distribution.

Motorcycles and Motor Vehicles

The Liquidators have completed their review into these assets and concluded that there is no remaining value to be realised for the estate.

Sundry Refund

A refund of £1,086.58 has been received during the Period from National Westminster Bank Plc.

Surplus from Administration

Funds of £3,678,054.14 were transferred from the Administration bank account to the Liquidation bank account, following the move from Administration to Liquidation

Investigations

The Joint Liquidators have a duty to investigate the affairs of the Company and conduct of the directors. With respect to the investigation into the conduct of the directors, the Joint Liquidators must submit a confidential statutory report to the disqualification unit of the Department for Business, Energy & Industrial Strategy. We can confirm that this report has been submitted in the preceding Administration.

As in the preceding Administration, the Forensic Services team of BDO LLP are supporting the Joint Liquidators in their investigations including, but not limited to, the events leading up to the Administration, the conduct of the directors and assessing the completeness of the books and records.

Creditors should note the following in respect of the directors of the Company:

- Mr Stuart Garner was declared bankrupt on 26 May 2022 and is therefore unable to act as a company director without court sanction; and
- Mr Simon Skinner has been disqualified from acting as a company director for a period of five years commencing on 22 June 2021.

Our investigations remain ongoing in order to ascertain whether any claims may be submitted against either of the Company's directors, or third parties, that may enhance the level of realisations available for distribution to the creditors of the Company.

If creditors wish to bring to our attention any matters that merit investigation, they should contact the Joint Liquidators c/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH.

Distributions to creditors

Secured creditors

Please see below details of the charges registered against the Company:

Type of Security	In favour of	Date of Creation	Date Registered
Debenture	Metro Bank PLC	5 June 2019	10 June 2019
Debenture	MSIPP	9 October 2008	15 October 2008

Metro Bank PLC

The Bank was repaid in full during the preceding Administration.

MSIPP debenture

MSIPP's indebtedness was also settled in full during the preceding Administration.

Preferential creditors

There are no known preferential creditors in the Liquidation.

Unsecured creditors

At the date of our appointment, the Company's books and records indicated potential unsecured creditor claims, excluding intercompany balances, of approximately £11 million, including £4.8m due to NMHL. To date, we have received claims totalling £12,332,025 from third party creditors, which, together with the sum due to NMHL, gives total claims to date of approximately £17.1m.

We would specifically comment upon the following:

Warranty & Deposit Motorcycle Creditors

Any customers who had previously paid a deposit for a motorcycle and are unable to agree terms with the Purchaser to continue with their order will have an unsecured claim in the Liquidation for the value of their deposit. To the extent that they haven't already, these creditors should now submit a claim to the Liquidators in order to participate in any distribution.

If any warranty creditors have suffered losses which have not been remedied by the Purchaser, this may constitute an unsecured claim in the Liquidation and affected creditors should submit a claim if they have not previously done so.

V4-SS Creditors

Prior to our appointment, a number of V4-SS motorcycles had been sold by the Company. Following completion of the sale of the business and certain assets, the Purchaser has undertaken an inspection of some of these motorcycles and has identified an alleged 35 defects. As a consequence, the Joint Liquidators (in addition to the Purchaser) have written to all known owners of these motorcycles and the DVSA, to inform them of the alleged defects and that the motorcycles may be unsafe and should be considered unroadworthy. The Joint Liquidators have also spoken with the DVSA regarding these issues and understand that they are investigating the matter further.

It is the view of the Purchaser following their inspections of the motorcycles that the associated costs of any repair work would be greater than the original cost of a motorcycle. They therefore consider it to be uneconomical to repair the affected motorcycles.

It is the intention of the Liquidators to accept the Purchaser's assessment of the alleged defects with the V4-SS bikes and the likely repair costs unless objections are received from creditors to this approach.

The Joint Liquidators consider that the likely extent of the Company's liability to the V4-SS customers would be as follows:

- (i) To repair or replace all the defective bikes with confirming replacements; or
- (ii) If point (i) above is not possible, the value of the purchase price to affected customers.

Customers are not entitled to repair or replacement if either of those remedies is (a) impossible; or (b) disproportionate compared to the other of those remedies. In circumstances where the repair costs are significantly higher than the purchase price, such as in this case, the Joint Liquidators consider that the costs of repairing the bikes would be "disproportionate". At least some replacement parts would need to be manufactured and, even then, there is no guarantee the repairs would all work.

Accordingly, the affected customers will be entitled to claim, as unsecured creditors in the Liquidation, for the purchase price value of their motorcycles.

Intercompany

The Company's books and records indicate that there are significant intercompany and related party creditors which are due for payment. This includes a balance due to NMHL, which the Company's records indicate to be in the sum of approximately £4.8 million. The position regarding intercompany and related party transactions will be finalised ahead of any dividend being declared by the Joint Liquidators.

Pension Scheme Creditors

The Company's parent, NMHL, issued preference shares in favour of three pension schemes: Donington MC Fund, Dominator Fund and Commando Fund. The Trustee of each of these schemes is Dalriada.

Dalriada has submitted a claim in the Liquidation of the Company in respect of the schemes. The Joint Liquidators are working with their solicitors to resolve the position in respect of this claim and ascertain whether and, if so, to what extent, Dalriada can prove in the Liquidation of the Company.

Dividend Prospects

The Joint Liquidators are currently in the process of formally reviewing and adjudicating upon all creditors' claims to move to declaring a first dividend to the unsecured, non-preferential creditors of the Company. There are, however, a significant number of claims which have been received that require further review. A number of these claims are both material in value and complex in nature, requiring legal input and advice to confirm their validity.

As a result of the above, it is still not yet possible to confirm the quantum or timing of this dividend. However, the Joint Liquidators hope to be able to formally advertise for claims (as they are required so to do ahead of a dividend) shortly, before moving to distribution thereafter.

Other matters

Taxation

The Joint Liquidators anticipate that a significant sum will be payable to HMRC in respect of Capital Gains Tax arising from the sale of the business and certain assets in the Administration. We are currently finalising the position in this regard.

In addition to the above, we have dealt with all statutory matters required by legislation and undertaken administrative work incidental to our duties as Joint Liquidators in this Liquidation.

Joint Administrators' remuneration

The Joint Administrators' remuneration was approved on a time costs basis in accordance with a fees' estimate totalling £2,629,911.

Remuneration of £2,288,515 was drawn in the preceding Administration. During the Period, a further £133,662.91 has been drawn as show on the enclosed receipts and payments account at Appendix C. No additional fees from the preceding Administration will be drawn in this matter, with fees drawn being £207,733 lower than the fee estimate provided.

Joint Administrators' expenses

Joint Administrators' expenses paid during the Period are detailed in the receipts and payments account at Appendix C. These are in relation to the stationery and mailing costs of information to creditors incurred by a third party.

Joint Liquidators' remuneration

It is proposed that the remuneration of the Joint Liquidators, including those of forensics services, is approved on a time costs basis in accordance with the fees estimate totalling £1,067,811.50

Joint Liquidators' expenses

It is proposed that the Joint Liquidators be authorised to draw mileage based on the scale approved by HM Revenue & Customs, currently 45p per mile, as an expense of the Liquidation and forensics hosting charges be approved for payment as an expense of the Liquidation based on the following rates:

TASK	£
Data processing	50 per GB
Data hosting (monthly)	25 per GB
Relativity licence (monthly)	60 per user
Brainspace licence (monthly)	100 per user

Creditors are required to approve that the above expenses ('category 2 expenses') be drawn from the Liquidation estate.

If a liquidation committee is established, it will be for a role of the liquidation committee to approve the above.

Expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

Professional fees and expenses

Professional fees and expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of the professional fees and expenses incurred is set out in Appendix F.

FUTURE ACTIONS

The following matters will be undertaken before the Joint Liquidators can conclude the Liquidation:

- Finalisation of investigations and possible recoveries to the estate because of these investigations.
 - Agreement and payment of any tax liability.
 - Agreement of creditors' claims and payment of a dividend to the unsecured, non-preferential creditors.
-

APPENDIX A

STATUTORY INFORMATION

Information

Company name	NMUL Realisations Limited
Company registration number	06718623
Registered office	C/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Date of appointment	22 January 2021
Joint Liquidators	<p>Lee Causer Danny Dartnaill</p> <p><i>Under the provisions of section 231 of the Act the Joint Liquidators carry out their functions jointly and severally meaning any action can be done by one Liquidator or by both of them</i></p> <p>Ryan Grant was formerly in office as Joint Liquidator but was removed from office by court order dated 29 November 2021 on his resignation from BDO LLP.</p>
Joint Liquidators' address	BDO LLP, Two Snowhill, Snow Hill Queensway, Birmingham, B4 6GA
Data Control and GDPR	Lee Causer and Danny Dartnaill are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales in the UK. The Joint Liquidators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Liquidation of NMUL Realisations Limited. Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notice/insolvencies

APPENDIX B

CREDITORS' RIGHTS

Within 21 days of receipt of this Report (1) a secured creditor, (2) an unsecured creditor with the concurrence of at least 5% in value (including the creditor in question) of the unsecured creditors; or (3) any unsecured creditor with the permission of court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which are itemised in the Report.

Within 14 days of receipt of the request, the Joint Liquidators must provide all of the information asked for, unless they think that:

- the time or cost in preparing the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the Liquidation or might reasonably be expected to lead to violence against any person, or
- the Joint Liquidators are subject to confidentiality obligations in respect of the information.

The Joint Liquidators must give reasons for not providing all of the requested information.

Any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors may, within eight weeks of receipt of the Report, make an application to court that the basis fixed for the Joint Liquidators' remuneration, the remuneration charged, or the expenses incurred by the Joint Liquidators, as set out in the Report, are excessive.

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Liquidators' Fees' and information on the rights, duties and functions of a liquidation committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Liquidation. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

NMUL Realisations Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 22/01/2021 To 21/01/2022 £	From 22/01/2021 To 21/01/2022 £
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	<u>(661,917.88)</u>	<u>(661,917.88)</u>
	<u>5,270,719.14</u>	<u>5,270,719.14</u>
REPRESENTED BY		
Bank 2 Current		4,638,675.08
Vat Control Account		630,811.01
Vat Input		1,233.05
		<u>5,270,719.14</u>

APPENDIX D

JOINT LIQUIDATORS' REMUNERATION

Time costs of £637,152.70 have been incurred to date.

As BDO LLP changed its time recording system with effect from 17 April 2021, a breakdown of the time costs incurred is provided in:

- Appendix D1 for the period 17 April 2021 to 21 January 2022
- Appendix D2 for the period 22 January 2021 to 16 April 2021

Details of the work undertaken is detailed below.

Steps on appointment

- Setting up of internal files and the Liquidation bank accounts
- Initial statutory notifications and advertisements

Planning and strategy

- Review of strategy and outstanding matters
- Assignment of tasks
- Solicitors re outstanding issues and strategy

General administration

- Ongoing maintenance and reconciliation of the Liquidation bank account and other cashiering functions
 - Preparation and completion of internal reviews
 - Liaising with the Company's former professional advisors and bankers
 - Obtaining approval for the basis of the Joint Liquidators' remuneration
 - Undertaking tax review, computations, and necessary returns
 - Preparing and submitting VAT returns
 - Calculating chargeable gains tax
 - Investigation work including consideration of antecedent transactions, preferences, transactions at undervalue, instructing and liaising with solicitors, in-depth review of Company's books and records, forensic accounting
 - Securing and imaging of all current company data
 - In depth review of the company's and connected companies' books and records,
 - Review of emails and other electronic records
 - Gathering of business intelligence, financial analysis
 - Evaluation of evidence and reporting and submission of findings as appropriate
 - Liaising with Solicitors to present findings and plan strategy to maximise potential returns for the estate
 - Liaising with Interpath as trustees in bankruptcy for Stuart Garner in respect of information requests and formulating the Company's claim in the bankruptcy
-

- Dealing with Press enquiries and PR matters

Asset realisation/dealing

- Dealing with motor vehicles and motorcycles, ascertaining value
- Final book debt realisations
- Pursuing final refunds
- Dealing with subrogated claim in DHEL
- Queries regarding licenses, IP, assets sold

Creditor claims

- Processing of creditors' claim forms and entering onto IPS
- Dealing with ad hoc creditor queries, update requests and correspondence
- Dealing with numerous claims, queries and general communications from Motorcycle creditors and others
- Intercompany creditor claims
- Dalriada claim - review and legal advice
- Review of complex claims with solicitors

Reporting

- Statutory reporting and documentation

Distribution and closure

- Full review of all claims received, liaising with creditors where additional information required, claims adjudication process
- Agreement of unsecured creditors' claims

The current charge out rates per hour of staff within the firm who may be involved in working on the Liquidation are as follows:

Grade	£
Partner	627 -914
Director	351-702
Senior Manager	292-585
Manager	160-427
Senior Executive	128-298
Executive	78-157
BDO LLP's tax department (max)	1097

APPENDIX D1

TIME COSTS INCURRED FOR THE PERIOD 17 APRIL 2021 TO 21 JANUARY 2022

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs £	Av. Rate £
Planning and strategy	1.25	6.10		0.40			7.75	3,939.15	508.28
General administration	59.95	192.25	278.85	206.40	84.55	24.85	846.85	334,048.55	394.46
Asset realisation/dealing	0.55	2.70		4.60			7.85	3,037.85	386.99
Creditors' claims	23.20	93.60	2.60	6.05	67.95		193.40	72,504.70	374.90
Distribution and closure		2.20				0.50	2.70	1,184.20	438.59
TOTAL	84.95	296.85	281.45	217.45	152.50	25.35	1058.55	414,714.45	391.78

APPENDIX D2

TIME COSTS INCURRED FOR THE PERIOD 22 JANUARY 2021 TO 16 APRIL 2021

Summary of Time Charged and Rates Applicable for the Period From 22/01/2021 to 16/04/2021

APPENDIX E

JOINT LIQUIDATORS' EXPENSES

The Joint Liquidators' expenses incurred and paid are detailed below.

	Estimated £	Incurred in Period 22/01/2021 to 21/01/2022 £	Total Incurred 22/01/2021 to 21/01/2022 £	Total Paid 22/01/2021 to 21/01/2022 £
Category 1				
Forensic data storage charges		65,331.25	65,331.25	
Travel Expense	-	185.00	185.00	
Statutory Bonding	-	200.01	200.01	-
Mail Postage Cost	-	6.85	6.85	
Irrecoverable VAT	-	329.67	329.67	329.67
Stationery & Postage	-	1,939.55	1,939.55	1,939.55
Statutory Advertising	-	184.00	184.00	184.00
Bank Charges	-	27.00	27.00	27.00
Category 2				
Mileage	-	-	-	-

The expenses shown are largely self-explanatory however we would specifically comment on the following expenses which were incurred and/or paid in the Period:

Forensic data storage

Given the nature of the investigation and information procured, technology fees have been incurred to store and process certain information. The costs of these disbursements are as follows:

TASK	£
Data processing	50 per GB
Data hosting (monthly)	25 per GB
Relativity licence (monthly)	60 per user
Brainspace licence (monthly)	100 per user

Stationery & Postage

A total of £1,940 has been paid in the Period to Black and Callow Limited for the printing and postage of notice of the Liquidation to all known creditors.

Statutory Advertising

Advertising costs of £184 have been paid during the Period for the advertisement of the Liquidation in the London Gazette.

APPENDIX F

PROFESSIONAL FEES AND EXPENSES

The professional fees and expenses incurred are detailed below.

	Estimated £	Incurred in Period 22/01/2021 to 21/01/2022 £	Total Incurred 22/01/2021 to 21/01/2022 £	Total Paid 22/01/2021 to 21/01/2022 £
1. Agents/Valuers Fees (1)	-	nil	nil	23,702.79
2. Legal Fees and Disbursements	-	266,668.50	266,668.50	499,439.42
3. PR Fees	-	1,625.00	1,625.00	1,625.00

- Gordon Brothers International LLC had been instructed to undertake a valuation of the Company's chattel assets, against which to measure offers received and thereafter assist with the realisation of any chattel assets. The instruction was made during the course of the preceding administration and only paid after the Company was moved to liquidation. They have been paid £23,702.79 during the Period for costs incurred in the administration. It is not envisaged that any costs will be incurred in the liquidation. Gordon Brothers International LLC were selected due to their knowledge and expertise.
- Eversheds Sutherland LLP has been instructed to assist the Joint Liquidators on a variety of matters including, but not limited to:
 - Various statutory and reporting issues,
 - Reviewing and advising on various creditor claims against the Company,
 - Considering claims against third parties, including option analysis and potential causes of action,
 - Post completion requirements arising as a result of the assets sales concluded in the administration,
 - Matters arising as a result of a product safety recall and health and safety matters arising as a result.

A total sum of £489,514.42 has been paid during the Period for their services. Of this, a total of £326,500.92 relates to costs incurred on matters arising in the administration. Eversheds Sutherland LLP were selected due to their knowledge and expertise.

- Harrison Clark Rickerbys Limited were instructed in the administration to advise on various matters including the validity of appointment, and certain charges registered against the Company. They have been paid a total sum of £9,925 during the Period, of which £6,150 relates to costs incurred in the period of the administration. Harrison Clark Rickerbys Limited were selected due to their knowledge and expertise.
- Headland Consultancy Limited ('Headland') has been instructed to assist with communications to and numerous enquiries received from various media platforms, including TV and the Press. As previously reported, there has been significant press interest in this case due to the high profile nature of the brand, leading to the requirement for the Joint Liquidators to instruct Headland have had significant input since appointment. Headland were selected due to knowledge and expertise.

APPENDIX G

FEES AND EXPENSES ESTIMATE AS AT 17 MARCH 2022

Joint Liquidators' Fees			
	Total Hours	Blended Rate	Estimated Fee
Summary Activity			
A. Pre Appointment Matters	0.00	0.00	0.00
TOTAL			0.00
B. Steps on Appointment	7.60	363.22	2,760.50
C. Planning and Strategy	110.00	324.55	35,700.00
D. General Administration	1,757.50	389.07	683,810.00
E. Assets Realisation/Dealing	100.00	371.50	37,150.00
F. Trading Related Matters	0.00	0.00	0.00
G. Employee Matters	24.00	284.42	6,826.00
H. Creditor Claims	725.00	310.03	224,775.00
I. Reporting	165.00	302.55	49,920.00
J. Distribution and Closure	90.00	298.56	26,870.00
TOTAL			1,067,811.50

Expenses Estimate

£

Category 1 Expenses

2,515.01

Category 2 Expenses

90,331.00

Professional Fees and Expenses

Agents' Fees and Expenses

2,500.00

Agents' Fees - ERA Matters

-

Legal Fees and Expenses

416,668.50

1 Joint Liquidators' remuneration

The above fees (remuneration) estimate is based on the information currently available. Assuming that there are no major unanticipated factors, we would expect that the Joint Liquidators' remuneration may be lower than the estimate. Where applicable, all remuneration and expenses will be subject to VAT at the prevailing rate.

The current hourly charge out rates are detailed in Appendix D.

In addition to the work undertaken in Appendix D, the following work is expected to be undertaken.

Steps on appointment

- Setting up of internal files and the Liquidation bank accounts
- Initial statutory notifications and advertisements
- Initial correspondence with directors regarding statutory matters and requests for information
- Attending meetings/phone calls with directors

Planning and strategy

- Preparation of strategy documents
- Review of strategy
- Review of business processes and systems
- Liaising with key stakeholders, being Metro Bank Plc

General administration

- Ongoing maintenance and reconciliation of the Liquidation bank account and other cashiering functions
- Preparation and completion of internal reviews
- Liaising with the Company's former professional advisors and bankers
- Obtaining approval for the basis of the Joint Liquidators' remuneration
- Dealing with queries from the Trustee in Bankruptcy of one of the Company Directors
- Preparing and submitting corporation tax returns
- Preparing and submitting VAT returns
- Investigation work by the Joint Liquidators and their staff into the affairs of the business.. Consideration of legislation relating to, but not limited to, wrongful trading, fraudulent trading, antecedent transactions, preferences, and transactions at undervalue. Instructing and liaising with solicitors and other professional advisors, in-depth review of Company's books and records, including emails and other electronic records, gathering of business intelligence including interviewing persons with relevant knowledge, evaluation of evidence gathered and submission of findings as appropriate.
- Dealing with Press enquiries and PR matters
- Responding to queries from creditors and other stakeholders regarding the progress of the liquidation
- Matters relating to insurance and bonding cover

Asset realisation/dealing

- Dealing with the tracing and realisation of chattel assets
- Review of book debts and liaising with agents instructed in the same
- Queries in relation to motorbikes of the Company and customers

Employee matters

- Dealing with residual employee matters following the transfer of employees to the purchaser of the business and assets of the Company
-

- Dealing with matters pertaining to the Company pension schemes

Creditor claims

- Processing of creditors' claim forms and entering onto IPS
- Reviewing and adjudicating on creditor claims.

It may be necessary to take legal advice where a creditor maintains a secured claim which is not supported by unequivocal evidence or where an unsecured claim is made which is significantly in excess of any value recorded by the insolvent entity and the claim is inadequately evidenced. No provision has been made for dealing with any creditor's claims where the matter is referred to Court. To estimate costs in respect of administering creditor claims we consider the volume of known creditors and the nature of the insolvent entities business. We understand from available records that there are 605 creditors although this number may alter materially depending on the number of customer claims that may be forthcoming.

Reporting

- Preparation and delivery of the annual progress reports

The fees estimate has been prepared on the basis that a liquidation committee is not established. If a liquidation committee is established there will be additional reporting and it may be necessary to seek further fee approval.

In estimating costs in respect of reporting we have formed a view of the duration of the case and estimated how many reports will be required. These activities do not contribute to the financial outcome for creditors, they are statutory duties imposed by the relevant legislation. However, they do contribute to the creditors' understanding of the work being undertaken on their behalf.

Distribution and closure

- Notification of the intention to declare a dividend
- Agreement of preferential creditors' claims
- Agreement of unsecured creditors' claims
- Calculation and payment of the preferential dividend
- Calculation and payment of the dividend to unsecured creditors
- Closure planning

2 Joint Liquidators' expenses

2.1 Category 1 expenses

These are expenses relating directly to the case incurred by an independent third party. In addition to professional fees and expenses such expenses may include items such as bonding, advertising, insurance, external printing costs, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents and storage of the Company's records.

Creditor approval is not required to pay these expenses which will be charged to the case at cost.

2.2 Category 2 expenses - mileage

This is the cost of travel in connection with this Administration by staff using their own vehicles or company cars based on the mileage scale approved by HM Revenue & Customs being 45p per mile and which is the amount BDO LLP pays to staff.

2.3 Category 2 expenses - hosting charges

Given the nature of the investigation and information procured, technology fees have been incurred to store and process certain information. The costs of these disbursements are as follows:

TASK	£
Data processing	50 per GB
Data hosting (monthly)	25 per GB
Relativity licence (monthly)	60 per user
Brainspace licence (monthly)	100 per user

These costs are necessary to ensure all data is securely held in a manner that also enables the ability to access and search those records for information relevant to the Joint Liquidators investigations.

Creditor approval is required to pay category 2 expenses.

3 Professional fees and expenses

The Joint Liquidators may engage specialists to assist in ensuring that the best value is obtained for the estate assets and also to protect the legal interests of the estate including where necessary taking action to recover sums due to the Company. Creditor approval is not required to pay these fees and expenses.

3.1 Agents' fees and expenses

Given the high profile nature of this liquidation, Headland Consultancy Limited have been instructed to assist with communications and enquiries across various media platforms.

The Joint Liquidators do not envisage the need to employ chattel agents as assets where this may be appropriate have been realised in the administration. However, should further assets come to light and agents be required these will be instructed based on their knowledge and expertise and creditors will be updated of such matters in the next report.

3.2 Legal fees and expenses

The Joint Liquidators have engaged Eversheds Sutherland LLP solicitors to assist the Joint Liquidators in pursuit of the investigations into the affairs of the Company and to resolve various matters as detailed earlier in this report.

BDO LLP

18 March 2022

APPENDIX H

NOTICE OF A DECISION BY CORRESPONDENCE PROCEDURE - RULE 15.8

NMUL Realisations Limited - In Creditors' Voluntary Liquidation ('the Company')
Company registration number: 06718623

NOTICE IS GIVEN that I am proposing that the following decisions ('the Proposed Decisions') be considered by creditors of the Company ('the Creditors') by a decision by correspondence procedure:

1. That a liquidation committee be established if sufficient creditors are willing to be members.
2. That the Joint Liquidators' remuneration be approved on a time costs basis in accordance with the fees estimate totalling £1,067,811.50 circulated to creditors including work undertaken by BDO LLP's forensic department.
3. That the Joint Liquidators be authorised to draw category 2 disbursements based on the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors and forensics hosting charges, as an expense of the Liquidation.

Decision Date: 7 April 2022

To vote on the Proposed Decisions please complete and return the attached voting form together with a proof of debt form (unless previously submitted) to me at the contact details below. If your voting form and completed proof of debt form are not received by me by the Decision Date your vote will not be counted.

You may also request that a physical meeting be held to consider the Proposed Decisions. If, by no later than five business days of delivery of this notice, either (i) 10% or more in value of Creditors, (ii) 10% or more in number of Creditors or (iii) 10 or more Creditors who are entitled to vote in this decision procedure request a physical meeting in writing and provide a proof of debt form (unless previously submitted), the decision by correspondence procedure will terminate and a physical meeting convened.

I must also receive any nominations for members to the liquidation committee together with a proof of debt form (unless previously submitted) by the Decision Date. Your nomination for membership to the committee will only be accepted if I am satisfied you are eligible to be a member in accordance with Rule 17.4 of the Insolvency (England and Wales) Rules 2016.

If your debt is treated as a small debt (less than £1,000), or you have opted out of receiving notices, you must still provide a proof of debt form (unless previously submitted) if voting on the Proposed Decisions, requesting a physical meeting or nominating a member for the committee.

You may apply to court to appeal any decision within 21 days of the Decision Date in accordance with Rule 15.35 of the Insolvency (England and Wales) Rules 2016.



Lee Causer
Joint Liquidator and Convener

Date: 18 March 2022

Contact: Teddy Blankson
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: +44 (0)151 237 4421
Email: BRCMTMidlandsandBristol@bdo.co.uk
Reference: 00341370

APPENDIX I

VOTING FORM

VOTING FORM

NMUL Realisations Limited - In Creditors' Voluntary Liquidation ('the Company')

Company registration number: 06718623

Decision Date: 7 April 2022

Name of Creditor

Address

Email

PROPOSED DECISIONS - I WISH TO VOTE AS INDICATED BELOW:

***Delete as applicable**

1. That a liquidation committee be established if sufficient creditors are willing to be members.

For / Against*

2. That the Joint Liquidators' remuneration be approved on a time costs basis in accordance with the fees estimate totalling £1,067,811.50 circulated to creditors including work undertaken by BDO LLP's forensic department.

For / Against*

3. That the Joint Liquidators be authorised to draw category 2 disbursements based on the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors and forensics hosting charges, as an expense of the Liquidation.

For / Against*

COMPLETE THIS SECTION ONLY IF YOU ARE SEEKING A LIQUIDATION COMMITTEE BE ESTABLISHED AND CONSENT TO BE A MEMBER OF THE COMMITTEE.

***Delete as applicable**

I consent to being a member of the liquidation committee.

Yes / No*

I wish to nominate _____ ** (insert name) to act as my representative.

***A body corporate may be a member of a committee, but it cannot act otherwise by a representative*

Signature

Name (BLOCK CAPITALS)

Authority

Dated

Please complete and return this form together with a proof of debt form (unless previously submitted) to Teddy Blankson, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTMidlandsandBristol@bdo.co.uk to be received no later than the Decision Date.

Notes:

A committee member may not be represented by:

- Another member of the committee
- A person who is at the same time representing another committee member
- A body corporate
- An undischarged bankrupt
- A person whose estate has been sequestrated and who has not been discharged
- A person to whom a moratorium period under a debt relief order applies
- A person who is subject to a company directors' disqualification order or a company directors' disqualification undertaking
- A person who is subject to a bankruptcy restrictions order (including an interim order), a bankruptcy restrictions undertaking, a debt relief restrictions order (including an interim order) or a debt relief restrictions undertaking.

Please also note that the Joint Liquidators cannot act as a committee member's representative.

A liquidation committee must have at least three members and no more than five members.

APPENDIX J

PROOF OF DEBT FORM

PROOF OF DEBT FORM

NMUL Realisations Limited - In Creditors' Voluntary Liquidation ('the Company')

Company registration number: 06718623

Relevant date: 29 January 2020

Name of Creditor

(If a company please also give company registration number and where registered)

Address of Creditor

including email address for correspondence

Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the relevant date. £

Note: Any trade or other discounts (except discount for immediate or early settlement) which would have been available to the Company but for the insolvency proceedings should be deducted from the above claim where relevant. Where any payment is made in relation to the claim or set-off applied after the relevant date, this should be deducted.

If amount in 3 above includes outstanding uncapitalised interest please state amount. £

Particulars of how and when debt incurred

(If you need more space append a continuation sheet to this form).

Particulars of any security held, the value of the security, and the date it was given.

Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.

Details of attached documents by reference to which the debt can be substantiated.

Signature of creditor

or person authorised to act on his behalf

Name (BLOCK CAPITALS)

Dated

Position with or in relation to creditor

Address of person signing

(if different from 2 above)

Please complete and return this form to Teddy Blankson, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTMidlandsandBristol@bdo.co.uk.

