



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

1 Company details

Company number 0 6 8 4 9 8 8 8

Company name in full Bertram Trading Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Martin C

Surname Armstrong

3 Administrator's address

Building name/number Allen House

Street 1 Westmead Road

Post town Sutton

County/Region Surrey

Postcode S M 1 - 4 L A

Country United Kingdom

4 Administrator's name ①

Full forename(s) Andrew R

Surname Bailey

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Allen House

Street 1 Westmead Road

Post town Sutton

County/Region Surrey

Postcode S M 1 - 4 L A

Country United Kingdom

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	1	d	9	m	0	m	6	y	2	y	0	y	2	y	1
To date	d	1	d	8	m	1	m	2	y	2	y	0	y	2	y	1

7 Progress report

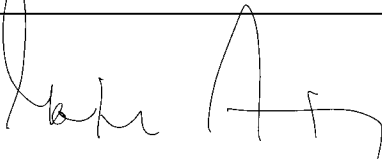
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	d	1	d	7	m	0	m	1	y	2	y	0	y	2	y	2
----------------	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

**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

Private and Confidential

TO ALL KNOWN MEMBERS AND CREDITORS

Our ref MCA/ARB/XB0309

Date 17th January 2022

Dear Sirs

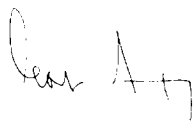
**Bertram Trading Limited t/as "Bertram Books" and "Bertram Library Services" ("the Company") – In Administration
In the High Court of Justice CR-2020-002736**

This is my report on the progress of the Administration of the Company for the six-month period from 19th June 2021 to 18th December 2021. The report should be read in conjunction with my previous reports.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available online, they should contact this office by email at bertram@turpinba.co.uk, or by phone on 0208 661 4019.

Finally, please note that the affairs, business, and property of the Company are being managed by the Joint Administrators, Martin Armstrong and Andrew Bailey. The Joint Administrators act as agents of the Company and contract without personal liability.

Yours faithfully



**Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator**

Encs.

BERTRAM TRADING LIMITED T/AS “BERTRAM BOOKS” AND “BERTRAM LIBRARY SERVICES” (“THE COMPANY”) – IN ADMINISTRATION

JOINT ADMINISTRATORS’ PROGRESS REPORT FOR THE SIX-MONTH PERIOD

FROM 19TH JUNE 2021 TO 18TH DECEMBER 2021

For the purposes of this report, the following abbreviations shall be used:

“AFC”	Aurelius Finance Company Limited
“Barclays”	Barclays Bank plc
“BGL”	Bertram Group Limited (in Liquidation)
“BTL” or “the Company”	Bertram Trading Limited (in Administration)
“BNP”	BNP Paribas Commercial Finance Limited
“BNP Facility”	The agreement for the Discounting of Debts entered into with BNP
“Cerberus”	Cerberus Receivables Management Limited
“CJRS”	Coronavirus Job Retention Scheme
“CRS”	Charles Russell Speechlys LLP
“DBL”	Dawson Books Limited (in Administration)
“EAAA”	East Anglian Air Ambulance Limited
“Erasmus”	Erasmus Antiquariaaten Boekhandel BV
“EUL”	Education Umbrella Limited (in Administration)
“Evolve”	Evolve IS Limited
“HMRC”	HM Revenue and Customs
“Houtschild”	Houtschild Internationale Boekhandel BV
“Katten”	Katten Muchin Rosenman UK LLP
“MBV”	Middleton Barton Asset Valuation Limited
“Natwest”	Natwest Bank Plc
“RBS”	Royal Bank of Scotland Plc
“RPS”	Redundancy Payments Service
“ROT”	Retention of Title
“Savills”	Savills (UK) Limited
“SIP14”	Statement of Insolvency Practice 14
“SOA”	The Directors’ Estimated Statement of Affairs as at 19 th June 2020
“the Group”	The Bertram Group of Companies (as per Group structure appended to Proposals)
“the Joint Administrators”	Martin C Armstrong and Andrew R Bailey of Turpin Barker Armstrong
“the Proposals”	The Joint Administrators’ Proposals delivered to creditors on 12 th August 2020
“TLG”	The Little Group Limited
“Wordery”	Wordery.com Limited

CONTENTS

- 1.** Executive Summary
- 2.** Statutory Information
- 3.** Joint Administrators' actions since last progress report
- 4.** Receipts and Payments accounts
- 5.** Assets
- 6.** Liabilities
- 7.** Dividend prospects
- 8.** Investigation into the affairs of the Company
- 9.** Pre-administration costs
- 10.** Joint Administrators' remuneration
- 11.** Joint Administrators' expenses
- 12.** Further information
- 13.** Summary

APPENDICES

Appendix 1 Statutory Information

Appendix 2 A description of the routine work undertaken since the Joint Administrators' last report

Appendix 3 Joint Administrators' receipts and payments account

Appendix 4 A summary of the Joint Administrators' time costs in the Administration

Appendix 5 A summary of the Joint Administrators' time costs in the reporting period

Appendix 6 A comparison between the Joint Administrators' time costs and fee estimate

Appendix 7 Proof of Debt form

Appendix 8 Practice fee recovery sheet

1. EXECUTIVE SUMMARY

Objective of the Administration

- As Joint Administrators of the Company, Andrew Bailey and I are officers of the Court, and must perform our duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation.
- As stated in the Proposals, the purpose of the Administration is to achieve objective (b) for the Company i.e., achieving a better result for creditors as a whole than would have been likely if the Company had been wound up (without first being in Administration). This has been achieved by the sale of the Company's assets shortly after appointment and by the assignment of the lease for the Warehouse Premises to TLG.

Progress of the Administration

- Following appointment, the Company's tangible assets, consisting of plant and equipment and stock, and intangible assets (consisting of software and intellectual property) were sold to TLG on 6th July 2020 for £910,000.
- On the same date, the lease for the Warehouse Premises was assigned to TLG.
- The Joint Administrators have sought to realise and deal with the Company's remaining assets, including cash at bank, cash held in blocked accounts and book debts.
- The actions taken by the Joint Administrators in the reporting period are detailed later in this report and creditors will note that this has been a complex case with significant work required to be undertaken.

Estimated outcome for creditors

- In the reporting period an interim fixed charge distribution has been paid to AFC, whilst it is also anticipated that further distributions will be made under both the fixed and floating charges held by AFC.
- Preferential claims totalling £193,901.08 were paid in full in the prior reporting period.
- The Company's financial position means there are insufficient assets to enable a dividend to non-preferential unsecured creditors, other than by way of a distribution of the prescribed part of the net property. Based on current information, the estimated distribution to unsecured creditors pursuant to the prescribed part is now circa £154,000.

2. STATUTORY INFORMATION

Statutory information relating to the Company is attached at Appendix 1.

3. JOINT ADMINISTRATORS' ACTIONS SINCE LAST PROGRESS REPORT

Sale of assets to TLG and related continuation of services

As previously reported, under the terms of the sale, the Joint Administrators were required to facilitate the domain names owned by BTL and DBL being maintained for a period of six months from completion (subject to any costs for doing so being met by TLG).

TLG subsequently requested that certain domain names be renewed for a period of two years. The domains in question are controlled by either Virgin Media or CSC Global.

During the reporting period, the Joint Administrators have continued to liaise with TLG, CSC Global and Virgin Media regarding the renewal of the domains.

In addition, the Joint Administrators were obliged to maintain the internet supply from Virgin Media for the period up to 31st July 2020 (at the Company's cost). TLG initially advised that they required some of Virgin Media's services to continue up to 31st October 2020. However, they subsequently advised that they had obtained new internet services and therefore the Virgin Media internet supply was cancelled with effect from 15th September 2020. TLG previously agreed to a mark-up of 25% on sums paid to Virgin Media (net of VAT) for the period of use to be payable to the Company to reimburse the Joint Administrators' costs for facilitating this (since it is of no benefit to creditors). This has not yet been invoiced as Virgin Media's costs are unknown.

Despite requests, the Joint Administrators are yet to receive a final invoice from Virgin Media for renewing the domains managed by them (or for the internet supply) and, in view of the time that has passed, I consider it unlikely one will be received. CSC Global are understood to have billed TLG directly for some domains, however, we received a number of invoices in December 2021 for the remaining domains. It appears that some of these invoices include charges relating to the pre-Administration period (which would not be payable as an expense of the Administration) and these will be queried as appropriate. In any event, TLG are liable to reimburse the Company for any charges paid in this regard.

Natwest and Barclays

As reported previously, in order to facilitate the receipt of funds owing to the Company, Natwest and Barclays were instructed to ensure that the Company's bank accounts remained open to receive credits only. Credit funds have been periodically transferred by the Banks into the Administration estate account as and when requested.

The sums received from Natwest and Barclays included some credits received post-Administration and funds received prior to Administration in respect of "blocked account" debts which were erroneously paid into the accounts by customers. A full reconciliation of the sums received both prior to and post-Administration has been undertaken and further details of this are set out later in this report.

Whilst the Barclays accounts held by the Company were closed in the prior reporting period, the Natwest accounts subsequently remained open and were not closed until September 2021.

The work undertaken in the reporting period in this regard relates to ongoing correspondence with Natwest regarding the operation (and closure) of the accounts and the reallocation of "blocked account" debts to fixed charge realisations.

AFC

AFC has a fixed and floating charge over the Company dated 9th August 2019, and Counsel's advice has confirmed this includes a valid fixed charge over the "blocked" accounts and book debts received both prior to and post-Administration which were historically subject to BNP's security (regardless which account they were paid into). Creditors should note that AFC also hold a fixed and floating charge over DBL and EUL.

The following work has been undertaken in respect of AFC's liability/security in the reporting period:

- Providing regular updates and estimated outcome statements to AFC.
- Reviewing AFC's claim and associated documentation.

- Agreeing apportionment of costs with AFC in accordance with SIP14.
- Paying an interim fixed charge distribution to AFC.

Debt Collection

In the reporting period, Cerberus have continued to pursue the recovery of sums owed to the Company by its customers and it has been necessary to undertake the following work to assist with their efforts:

- Corresponding with debtors that contact the Joint Administrators directly.
- Liaising with Cerberus regarding debtor disputes and the process for dealing with the same.
- Liaising with Cerberus regarding settlement and repayment proposals from debtors.
- Reviewing collection reports from Cerberus.

In addition, and despite the efforts of the Joint Administrators, to date we have been unable to collect the balance of the debt due from Amazon (which is also subject to AFC's fixed charge). We therefore concluded that it was appropriate to instruct Cerberus to pursue Amazon for the remaining balance on our behalf. The following work has been undertaken in the reporting period in this regard:

- Liaising directly with Amazon to pursue collection of the outstanding sum of circa £377,342.
- Instructing Cerberus to pursue the balance owed by Amazon and providing relevant Company records and prior correspondence with Amazon.
- Reviewing updates from Cerberus.

ROT

As reported previously, there were issues encountered with TLG not adhering to the terms of the sale agreement with regard to the identification and segregation of ROT stock.

In the reporting period, the Joint Administrators continued to liaise with Katten on whether TLG's actions and failure to adhere to the terms of the sale agreement are covered under the indemnity included in the sale agreement. We also finalised our internal review and itemised the issues and delays resulting from TLG's actions and provided these to Katten. Should the advice confirm that the circumstances are indeed covered under the indemnity, then the Joint Administrators will be preparing a detailed analysis of costs incurred in connection with TLG's actions (including the costs of agents and lawyers) and will be seeking to recover the same from TLG.

The following work has been undertaken in the reporting period in relation to the above:

- Liaising with solicitors to advise on the scope of the indemnity.
- Finalising our detailed analysis of the position with TLG and the resulting issues arising from the non-segregation of ROT stock.

CJRS monies

As reported previously, a total sum of £130,862.16 (plus accrued interest) in respect of both EUL and BTL is currently held in a designated client account, separate to estate funds for PAYE/NIC due for April and May 2020 for furloughed staff which had been refunded to the Companies via the CJRS. Legal advice obtained previously confirmed that the funds are to be treated as an asset of the Company.

It was initially understood that it would be relatively simple to determine the appropriate split between

the two estates but despite liaising with HMRC and conducting an extensive review of the Company's payroll records, it had not been possible to accurately calculate the split of funds between both BTL and EUL. As set out in my previous progress report, as no split was capable of being determined, we instructed an independent third party, Kreston Reeves LLP, to assist in this regard.

In the reporting period I have continued to liaise with Kreston Reeves LLP regarding the split of the funds between BTL and EUL, however, their final reconciliation has not yet been provided. Once their final reconciliation has been received the funds will be transferred to the estates of BTL and EUL as appropriate.

HMRC

Whilst the SOA provided for a VAT refund with a book value of £53,271, this was expected to be offset against the Company's pre-administration PAYE/NIC debt. However, a claim in the sum of £1,427,083 was originally received from HMRC in respect of alleged outstanding VAT. This claim related to a liability allegedly owed by the VAT Group which the Company was a member of. The Company is jointly and severally liable for any VAT Group liability along with all other members. This liability related to an assessment raised by HMRC in the absence of pre-appointment returns filed by the VAT Group. The Company was usually in a VAT repayment situation (as is evident by the VAT refund included in the SOA as an asset of the Company) so it appeared that this liability may not be correct. The Joint Administrators instructed Kreston Reeves LLP in the prior reporting period to review the available records and, where possible, submit the missing pre-Administration VAT returns to (a) extinguish the alleged VAT liability of the VAT Group and (b) reduce HMRC's claim for dividend purposes. Unfortunately Kreston Reeves LLP advised that the Company's records were not sufficient to enable the outstanding returns to be submitted.

In view of the above, we wrote to HMRC to request that they set out the basis of their assessments and also that they re-assess the pre-Administration VAT assessments previously raised in light of the Company's pre-Administration repayment position. This was done in the hope that they would rescind the assessments and submit a revised, reduced claim. As a result of our letter, HMRC submitted a revised claim on 3rd December 2021 which removed the VAT liability included in their initial claim.

The following work has been undertaken in the reporting period in this regard:

- Providing Kreston Reeves LLP with access to available Company records.
- Liaising with Kreston Reeves LLP regarding the pre-Administration tax affairs and the records available.
- Reviewing the Company's prior VAT position and issuing correspondence to HMRC in respect of their initial claim and the associated VAT assessments raised.

Whilst this work has not resulted in any realisations in the Administration of the Company due to there being an existing PAYE/NIC debt, it may result in realisations being achieved in the Administrations of EUL and DBL. It has also resulted in the reduction of HMRC's substantial claim in the Administration of the Company for dividend purposes.

Intercompany debts

The SOA included intercompany debts with a book value of £4,429,862. It was understood that these debts primarily relate to a sum of circa £3,000,000 due to the Company from EUL (which is also in Administration) and a legacy debt of circa £1,400,000 understood to be due from BGL.

As set out in my prior reports, the debt from EUL has been written off as there is no prospect of a return to unsecured creditors in the Administration. The legacy debt from BGL was estimated to be realised in full according to the SOA.

As previously reported, the Joint Administrators issued a demand to BGL for the sum due, however, a response was received from solicitors acting on behalf of BGL and separately, directly from the director of BGL, disputing the debt. BGL was placed into Creditors' Voluntary Liquidation on 4th June 2021, and I have submitted a claim of £1,408,763.53 in the liquidation on behalf of the Company. Dividend prospects in the liquidation of BGL are unfortunately understood to be relatively nominal.

At the date of appointment, there was also a debt due from Wordery in the sum of circa £33,000. Wordery also purported to apply set off. Following negotiation, a full and final settlement of £8,277.98 (being 25% of the sum believed to be owing) was agreed with Wordery and this was duly received in the reporting period.

The Joint Administrators have been required to undertake the following work in the reporting period in respect of the above:

- Liaising with the liquidators of BGL regarding the Company's claim.
- Negotiating a settlement with Wordery.

Wordery Data

The Board previously agreed to provide Wordery with financial data the Company was holding on its behalf for the period from 1 January 2020 to 30 April 2020. An invoice was raised post-Administration for Wordery to pay £1,000 plus VAT for the provision of the data. The data was initially withheld as Wordery had not paid the agreed charges in relation to the provision of this data nor had they provided documentation evidencing that they were entitled to the data. It became apparent that the obligation to provide this data was on BGL, and not the Company, however, as part of the settlement reached with Wordery on the intercompany debt (as set out above), the data was duly released.

Claim from DBL

The SOA included the sum of £1,507,294.34 as being owed to DBL. The electronic records of the Company, and DBL, indicated that the sum of £1,378,927.15 was owed to DBL by the Company and a claim was duly received in the Administration for this sum. As we, as Joint Administrators of DBL, also prepared and lodged the claim of DBL, and in order to avoid any conflict of interest, I instructed Kreston Reeves LLP to review the claim submitted by DBL on our behalf. Kreston Reeves LLP reviewed the position and examined the electronic records and bank statements of the Company, along with the information provided in support of DBL's claim. Kreston Reeves LLP concluded that DBL's claim of £1,378,927.15 should be accepted and admitted in full for dividend purposes.

The following work was undertaken in the reporting period in this regard:

- Instructing and liaising with Kreston Reeves LLP generally.
- Providing Kreston Reeves LLP access to relevant electronic records relating to the intercompany balance.

Compensation on late payments

Under the Late Payment of Commercial Debts Act the Company is able to claim interest and penalties for invoices that were paid late by Local Authorities. In the reporting period we instructed DELV Limited to act in this matter on our behalf. DELV Limited have reviewed the Company's electronic records and issued claims on our behalf.

The following work was undertaken in the reporting period in this regard:

- Liaising with and instructing DELV Limited regarding potential claims.
- Extracting and providing electronic records to DELV Limited.
- Reviewing periodic updates from DELV Limited and dealing with queries.

Interchange fees claim

In the reporting period we were contacted by CMSPI regarding a potential reclaim of historical interchange fees charged by Visa and Mastercard, following the Sainsbury's and Asda, Argos, Morrisons cases at the UK Supreme Court. CMSPI are providing large merchants with assistance on their claims.

The potential claim is founded on the anti-competitive setting of interchange fees and merchants have the opportunity to reclaim up to six years of interchange fees from Visa and Mastercard. We undertook a review of the Company's credit card revenue for a typical three-month period, but unfortunately the revenue (and therefore the potential claim for a small percentage of this revenue) fell below CMPSI's threshold.

They did, however, put us in touch with Stewarts Law to see whether they could act in this regard. A preliminary discussion was held with Stewarts Law to discuss the position and the further work required before it can be assessed whether a claim is (a) possible and (b) material enough to warrant pursuing in light of the additional work which would be required to calculate and pursue a claim.

The work undertaken in the reporting period in this regard is as follows:

- Corresponding with CMPSI and Stewarts Law regarding potential claims.
- High level review of credit card revenue for three-month period.

Employee Matters

The Company is subject to Employment Tribunal proceedings from a significant number of former employees. As the Company is in Administration, the proceedings were automatically stayed and could not proceed without the consent of the Joint Administrators or permission of the Court. In this regard, we have received regular requests from employees for permission for their proceedings to continue.

These claims would, if successful, rank as unsecured claims in the Administration, whilst any dividend to unsecured creditors is expected to be fairly nominal. It therefore appears that the only benefit in continuing the claims with the Employment Tribunal is to obtain a judgment which will verify the quantum of the unsecured claims. Accordingly, whilst it is a decision for the respective employees as to whether they consider it appropriate or beneficial to continue with the Employment Tribunal claim, the Joint Administrators have confirmed that they will remain neutral to the continuation of any proceedings as there is no benefit to the Administration estate in defending any such claim given the

relatively small amounts involved. We will, however, not participate or be represented in the proceedings.

As above, the Joint Administrators have received a number of requests in the reporting period and have advised the Court, and each employee who has made a request, of their stance.

In addition, in the reporting period we were contacted by a former employee seeking consent to issue claims in relation to two accidents she had whilst employed by the Company. Katten provided legal advice on this matter whilst we were also required to make enquiries of our insurers in relation to the claims and liaise with the employee's representatives.

Preferential Creditors

Preferential claims totalling £193,901.08 (including sums due to the RPS) were paid in full in the prior reporting period. In the reporting period, we have been required to deal with queries from employees regarding their payments in addition to issuing replacement payments where required.

Unsecured Creditors

The Company has around 2,100 known creditors. The following work has continued in the reporting period in order to deal with unsecured creditors:

- Adjudicating on creditor claims as and when received.
- Maintaining up to date creditor information on the case management system.
- Dealing with creditor correspondence, emails, and telephone conversations regarding their claims.

Creditors' Committee

The Joint Administrators have continued to liaise with committee members in the reporting period as required.

I had to undertake the work stated in the sections above either as part of my routine administrative functions, to minimise claims in the Administration or in order to protect and realise the assets of the Company.

Routine statutory and compliance work

In addition to the above work, there is certain work that I am required by the insolvency legislation to undertake in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is contained in Appendix 2.

4. RECEIPTS AND PAYMENTS ACCOUNT

My Receipts and Payments Account for the period from 19th June 2021 to 18th December 2021 is attached at Appendix 3. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

Since the reporting period end date, the following transactions have taken place through the estate:

Date	Receipt	Payment	Details
22/12/2021	£447.78		Compensation on late payment
24/12/2021	£6.55		Gross Bank Interest
07/01/2022		£4,049.68	Agent's Fees – DELV Ltd (inclusive of VAT)
11/01/2022		£3,402.67	Records Management & Storage – File Lady Ltd (Inclusive of VAT)
11/01/2022		£231.91	Domain charges (inclusive of VAT)
12/01/2022	£838.30		Compensation on late payment
17/01/2022	£440.00		Compensation on late payment

Where indicated on the Receipts and Payments Account, funds are held in an interest-bearing estate bank account.

5. ASSETS

The following assets have been realised or otherwise dealt with in the reporting period. Creditors should refer to my prior progress reports for details of assets realised in prior reporting periods.

Book Debts

According to the SOA, the Company had debts with a book value of £3,871,960. After making a provision for bad and aged debts and likely disputes, the directors estimated that £1,846,922 would be recoverable.

Excluding Amazon, which made up circa £700k of the SOA ledger, the ledger comprises a large number of accounts with relatively small balances owed by independent bookshops, universities, libraries, and schools. The BTL ledger includes over 500 customers.

As detailed in the Proposals, the Company's credit control team were retained by the Joint Administrators up to 31st July 2020 to collect out the ledgers for BTL, DBL and EUL (as far as possible). With effect from 1st August 2020, Cerberus were instructed by the Joint Administrators to pursue the collection of the remaining debts (initially excluding Amazon).

As previously reported, a number of issues have been encountered which have affected and delayed recoveries. These are as follows:

- There have been a number of disputes and issues in collecting the book debts as, historically, there has been a 'returns allowance' for non-saleable stock, which customers are seeking to enforce (notwithstanding that any returns are subject to the approval of the Company under its terms and conditions).
- Lots of debtors claimed cash flow problems in light of the Covid-19 pandemic.
- Some debtors requested consolidated invoices (these were provided historically) which Cerberus sought to recreate but this caused payment delays.
- A number of debtors were based overseas, creating difficulties establishing contact and/or instigating enforcement action.
- The debtor ledger passed to Cerberus was overstated due to payments having been made prior to their instruction.

Cerberus have collected the sum of £597,676.92 between their instruction and 18th December 2021, of which £834.79 was collected in the reporting period. The majority of these funds were received via the Company's bank accounts and the BNP blocked accounts. These receipts were originally allocated to either 'book debts', 'cash at bank' or 'cash held in blocked accounts' on the Receipts and Payments account.

The Company had entered into the BNP Facility and the book debts subject to this facility were historically paid into "blocked accounts" held by them pursuant to the terms of their security. Whilst the sums owing to BNP were discharged from receipts into these accounts and from the sale of overseas entities, Erasmus and Houtschild, with their charge over the Company being satisfied on 24th April 2020, the remaining charge holder, AFC have a fixed charge over book debts and blocked account monies.

The majority of debtor recoveries were channelled through the Company's existing bank accounts with Barclays, Natwest and BNP (until their closure) and were originally therefore comprised in the sums received in respect of 'cash at bank' and 'cash held in blocked accounts' on our Receipts and Payments account. The sums received from Barclays and Natwest have been reconciled to establish what elements comprised funded debts and non-funded debts (further details in this regard can be found later in the section below). Again, as detailed previously, Counsel's advice confirmed that AFC hold a fixed charge over funded debts.

As stated above, the debt due from Amazon was not originally being collected by Cerberus. A total of £313,174 has been paid by Amazon since appointment. The Joint Administrators conducted a reconciliation of the Amazon debt in order to issue a demand for the balance due of £377,342. However, despite ongoing correspondence, Amazon has not yet paid any further sums as they have raised queries on the account. In view of the difficulties faced with collecting the balance, in the reporting period the Joint Administrators instructed Cerberus to pursue the balance believed to be owing. Whilst no sums have been received in this regard, following the end of the reporting period Cerberus received an offer of payment of the remaining balances which Amazon had calculated at £63,307.15 (after currency conversions). Cerberus recommended acceptance of this proposal on the basis that Amazon had investigated the position thoroughly. After consideration of the position in light of Cerberus' advice, and on the basis receipt of these funds would bring the total sum recovered from Amazon in line with that estimated on the SOA, we advised Cerberus to accept the offer from Amazon. This sum is yet to be received.

The debt due from Amazon was 'funded' and is therefore subject to AFC's fixed charge. The sums received from Amazon to date were paid into the BNP accounts and are therefore included in the 'cash held in blocked bank accounts' figures on the Receipts and Payments Account.

Cerberus' most recent update has confirmed that, aside from the Amazon payment due imminently, collections have been exhausted and therefore no further recoveries are expected.

Cash at Bank

The SOA estimated that the sum of £1,847,365 would be realised in respect of the Company's bank accounts held with Natwest and Barclays.

These accounts were frozen by the Joint Administrators following appointment but remained open (where appropriate) in order to receive monies due to the Company.

The sums received from Natwest and Barclays amount to £2,077,687.70 (of which £1,264.35 was received in the reporting period) and these funds were originally currently held in the general Administration estate bank account.

Historically these accounts also received sums from customers whose debts were funded by the BNP Facility, and the Company would reconcile the position and transfer the relevant funds to the BNP blocked account. The Company had reconciled the position up to 31st May 2020 and made the relevant transfers to the BNP blocked account. Following receipt of Counsel's advice confirming that AFC hold a fixed charge over debts previously funded under the BNP Facility, the Joint Administrators undertook a full reconciliation of the position and calculated that, of the funds received into the Natwest and Barclays accounts in this regard, the sum of £417,566.25 needed to be re-allocated to fixed charge book debt realisations. This reconciliation and re-allocation was concluded in the reporting period, as can be evidenced on the Receipts and Payments account. A summary of the cash at bank position as shown on the Receipts and Payments account is as follows:

	In Administration	In Reporting Period
Cash at bank received	£2,077,687.70	£1,264.35
Re-allocation of fixed charge debtors	(£417,566.25)	(£417,566.25)
Net cash at bank received	£1,660,121.45	(£416,301.90)

As stated previously, aside from the sum due from Amazon, debtor realisations are now complete and the final Natwest account was closed in the reporting period.

Intercompany Debts

At previously reported, there was believed to be a debt due from Wordery in the sum of circa £33,000 and Wordery purported to apply set off to eradicate the sum owed. Following negotiation, a full and final settlement of £8,277.98 (being 25% of the sum believed to be owing) was agreed with Wordery and this was duly received in the reporting period.

As Wordery debts were historically 'funded' and fall under the charge held by AFC this receipt is included in the Book Debts figure on the Receipts and Payments Account.

Gross Bank Interest

As previously stated, the principal estate bank account is interest-bearing. Gross bank interest totalling £1,040.37 has been received into this account, of which £135.24 was received in the reporting period.

Insurance Refund

In the reporting period we were contacted by Canada Life to advise that the sum of £6,194.30 was owed to the Company in respect of historic overpayments of premiums for a Death in Service Scheme operated by the Company. This sum was duly received in the reporting period.

Late Payment Compensation

As set out previously, DELV Limited are pursuing compensation claims against Local Authorities on our behalf for invoices that were paid late. The sum of £16,846.63 has been recovered in the reporting period in this regard (with a further £1,726.08 received since 19th December 2021). Further recoveries in this regard are expected to be a maximum of £12,000.

HMRC VAT refund

As advised earlier in this report, the Joint Administrators instructed accountants, Kreston Reeves LLP, to submit the missing pre-Administration VAT returns to (a) extinguish the alleged VAT liability of the VAT Group and (b) reduce HMRC's claim for dividend purposes. Unfortunately due to insufficient records Kreston Reeves LLP were unable to assist in this regard. The Joint Administrators therefore wrote to HMRC to request that they set out the basis of their assessments and also that they re-assess the pre-Administration VAT assessments previously raised. Whilst no realisations were made, as a result of our letter, HMRC submitted a revised claim on 3rd December 2021 which removed the VAT liability included in their initial claim.

Prepayments & other receivables

According to the directors' SOA, the Company had prepayments and other receivables of £584,622 as at 19th June 2020. However, an estimated to realise value of nil was placed on this asset by the directors. A breakdown of the majority of the prepayments and other receivables of £584,622 has been obtained (this totals circa £548,000). Circa £362,000 of this relates to prepayments in respect of property expenses (rent/rates) which are not considered recoverable (with both the landlord and the council having submitted significant claims in the Administration). There are further sums totalling circa £22,000 which are subject to mutual set off. The balance of £164,000 was investigated further and correspondence was issued where it was concluded that sums may be realisable. Unfortunately all parties in question adequately evidenced that no sums were owing in this regard.

Whilst not included in the breakdown of prepayments obtained, in the reporting period we were notified by the Company's solicitors, Pinsent Masons LLP, that they were holding the sum of £2,396.73 in respect of a prepayment made by the Company. Following further correspondence, this sum was duly received into the estate bank account.

No further realisations are anticipated in this regard.

Dilapidations settlement

Prior to appointment, the Company had engaged Savills to assist in negotiating settlement of some historic service charges and dilapidations due from RBS, a former sub-tenant of the Office Premises. The service charges of £97,377.41 were paid after appointment and are included in the figures for cash at bank. However, the dilapidations remained outstanding and a settlement of £87,720.88 had already been agreed in principle prior to Administration. As Savills had pre-existing knowledge of this matter, their services were retained by the Joint Administrators. On 2nd June 2021, and in the prior reporting period, a formal settlement which provides for the sum to be paid within 28 days of completion was agreed. However, this sum was not paid in accordance with the agreed terms and Savills have continued to pursue this on our behalf.

I would comment that since the end of this reporting period and following direct communications between the Joint Administrators and RBS' managing agents, we have been advised that payment will be made shortly. It appears that the delay was a result of RBS changing their managing agents around the time payment should have been made, resulting in it being overlooked.

CJRS monies

As advised earlier in this report, a total sum of £130,862.16 (plus accrued interest) in respect of both EUL and BTL is currently held in a designated client account, separate to estate funds for PAYE/NIC which had been refunded to the Companies via the CJRS. Legal advice has confirmed that these funds are an asset in the respective estates. Unfortunately Kreston Reeves have been unable to finalise their allocation of these funds, however, once this has been finalised the funds will be paid into the respective estates.

6. LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies shows that the Company has granted the following outstanding charge:

Persons entitled	Type of charge	Created	Delivered
AFC	Fixed & floating charge	09/08/2019	13/08/2019

AFC previously advised that their indebtedness as at the date of Administration was £7,772,262.47. However, this reduced to £6,200,262.47 following receipt of further sums by AFC from other Group entities. An interim fixed charge distribution of £3,050,000 was paid to AFC in the reporting period. AFC also received interim fixed charge distributions totalling £625,000 from the Administrations of DBL and EUL.

Preferential Creditors

The only known preferential creditors were former employees of the Company for holiday pay. The SOA anticipated that £192,144 would be owed in this regard. The RPS' preferential claim is £138,601.03. Evolve was instructed to assist in calculating the employees' balancing preferential claims, which total £55,300.05. Accordingly, preferential claims total £193,901.08.

Crown Creditors

The SOA included £661,692 owed to HMRC in respect of unpaid PAYE/NIC. A claim in the sum of £2,059,481.50 was originally received from HMRC in respect of alleged outstanding VAT of £1,427,083 and PAYE/NIC of £632,398.52. As previously reported, following correspondence in the reporting period, HMRC have submitted a revised claim of £632,398.52 which relates solely to PAYE/NIC.

Non-preferential unsecured Creditors

The SOA included other non-preferential unsecured creditors totalling £26,691,273. This sum was net of ROT returns (calculated by the Directors as £5,631,608) and inclusive of sums owed to employees in respect of redundancy and pay in lieu of notice (estimated to be £2,894,268).

I have received claims from unsecured creditors totalling £25,994,685, whilst a significant number of creditors included in the SOA have not yet claimed. A proof of debt form is attached at Appendix 7. This should be completed and returned to the Joint Administrators' office (either by email or post) with supporting documentation in evidence of your claim. If you have previously submitted a proof of debt form, there is no requirement to submit a further form.

Following my appointment, I received claims from former employees of the Company in respect of outstanding redundancy and pay in lieu of notice. These claims have been met by the RPS to the extent required. The RPS has submitted a claim of £2,024,584.90 in respect of sums paid by them, which is included in the total for unsecured claims provided above. Evolve will calculate employees' balancing unsecured claims in due course.

Also included in the above total is a claim received from DBL for £1,378,927.15 which was based on DBL's records. This is lower than the sum included as owing to DBL in the SOA, which was £1,507,294.34. As we, as Joint Administrators of DBL, also prepared and lodged the claim of DBL, and in order to avoid any conflict of interest, I instructed Kreston Reeves LLP to review the claim submitted by DBL on our behalf. Kreston Reeves LLP reviewed the position and examined the electronic records and bank statements of the Company, along with the information provided in support of DBL's claim.

Kreston Reeves LLP concluded that DBL's claim of £1,378,927.15 should be accepted and admitted in full for dividend purposes.

7. DIVIDEND PROSPECTS (AND ALLOCATION OF COSTS)

To comply with SIP14, costs are required to be apportioned between fixed, floating, and uncharged asset realisations. The allocation of costs to fixed charge asset realisations was subject to the approval of AFC as the fixed charge holder. Following receipt of legal advice confirming that AFC hold a valid fixed charge over the "blocked" accounts and book debts received which were historically subject to BNP's security (regardless which account they were paid into), the Joint Administrators apportioned certain costs to fixed charge realisations as considered appropriate. This included all debt collection costs (and the BNP bank charge) on the basis that AFC hold a fixed charge over book debts and blocked account monies. In the reporting period, AFC provided their formal agreement to elements of other costs being allocated to fixed charge realisations and an apportionment/reallocation of funds was therefore undertaken (and is shown in the in the Receipts and Payments Account included with this report).

A summary of the apportionment/reallocation of funds agreed with AFC is as follows:

Cost type	% Reallocated to fixed charge	Total paid to 18/12/2021	Allocated to fixed charge realisations	Allocated to floating charge realisations
Joint Administrators' Fees – Pre appt	10%	£150,000.00	£15,000.00	£135,000.00
Joint Administrators' Fees – Post appt	25%	£499,452.00	£124,863.00	£374,589.00
Legal Fees – Pre Appt	10%	£81,777.69	£8,177.77	£73,599.92
Legal Fees – Post Appt (CRS)	10%	£98,847.10	£9,884.71	£88,962.39
Legal Fees – Post Appt (Katten)	10%	£162,000.41	£16,200.04	£145,800.37
Bank Transfer Fees*	100%	£25.00	£25.00	Nil
BNP Bank Charge	100%	£1,500.00	£1,500.00	Nil
Debt Collection Costs	100%	£44,825.78	£44,825.78	Nil
Payroll Services	14%**	£1,855.06	£253.00	£1,602.06

**Relates to distributions under fixed charge only.*

***Being the % of staff retained post-Administration for credit control purposes.*

Any future sums paid in respect of the above cost types will be apportioned in the same way.

It should be noted that the above does not include a proportion of wages and salaries (including PAYE/NIC) which have been paid as this is yet to be calculated. An estimated provision for this sum was made prior to the interim fixed charge distribution made to AFC.

A summary of the dividend position based on current known information is as follows.

Fixed charge creditors

On 26th August 2021 an interim fixed charge dividend of £3,050,000 was paid to AFC. This equated to

48.39p in the £ in respect of their agreed claim of £6,200,262.47. It is anticipated that a further fixed charge dividend will be paid to AFC in due course.

Preferential creditors

Preferential creditors totalling £193,901.08, consisting of the RPS and employees, were paid in full on 22nd April 2021.

Floating charge creditors

It is anticipated that floating charge distributions will be made to AFC in due course.

Unsecured creditors

No dividends have been paid to unsecured creditors to date.

As previously advised, the Company gave a floating charge to AFC on 9th August 2019 and the prescribed part provisions will apply. On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs to date (and future estimated costs) of the Administration, the net property of the Company is estimated to be £757,138 and I estimate that the prescribed part of the net property for unsecured creditors is circa £154,000.

8. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

The areas where I considered that further investigation was required, and which were not concluded in a prior reporting period, are as follows:

Bank Analysis

My previous report set out the work undertaken and to be undertaken in respect of the analysis of the Company's numerous bank accounts (and transactions with various connected and unconnected parties). These analyses were undertaken to establish whether any sums could be recovered for the benefit of creditors.

Due to the number of bank accounts held by the Company, the significant number of transactions, and the delays in receiving certain account statements from Barclays, reviews of certain accounts were only finalised in the reporting period.

The review of all Company bank accounts is therefore now complete and our enquiries in respect of all transactions have been finalised. I can confirm that no claims have been identified in respect of the transactions which were investigated further.

My investigations into the Company's affairs are therefore now complete.

Matters requiring further investigation that may have led to potential recovery actions were identified, and the work outlined above was undertaken to further those investigations with a view to making recoveries for the benefit of the creditors.

9. PRE-ADMINISTRATION COSTS

On 29th October 2020, the following pre-Administration costs were approved by the Creditors' Committee:

Description	Total approved	Paid in total	Paid in reporting period	Balance outstanding
Joint Administrators' Remuneration	£150,000.00	£150,000.00	Nil	Nil
Valuation Agents/Marketing	£163,600.40	£163,600.40	Nil	Nil
Legal Fees and Expenses	£81,777.69	£81,777.69	Nil	Nil
ERA Services	£618.00	£618.00	Nil	Nil
PR Services	£499.50	£499.50	Nil	Nil
TOTAL	£396,495.59	£396,495.59	Nil	Nil

These costs have been paid in full, in prior reporting periods, and as detailed in the attached receipts and payments account.

As set out previously, and as agreed with AFC, certain elements of the above costs have been apportioned to, and paid from, fixed charge realisations.

10. JOINT ADMINISTRATORS' REMUNERATION

My remuneration was approved by the Creditors' Committee on a time cost basis based on a fee estimate of £603,890. This fee estimate was increased by approval of the Creditors' Committee to £858,410. The increased fee estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the Creditors' Committee.

My total time costs to 18th December 2021 amount to £818,118.50, representing 3,128.70 hours of work at a blended charge out rate of £261.49 per hour, (of which £76,070.50, representing 207.10 hours of work, was charged in the period since 19th June 2021, at a blended charge out rate of £367.31 per hour).

I have drawn £499,452 to 18th December 2021, all of which was drawn in the prior reporting period. As set out previously, and as agreed with AFC, 25% of these costs have been apportioned to, and paid from, fixed charge realisations.

A detailed schedule of my time costs incurred to 18th December 2021 is attached as Appendix 4. In addition, a detailed schedule of my time costs incurred since 19th June 2021 is attached at Appendix 5. Furthermore, a comparison of these costs with my increased fees estimate for the Administration is attached as Appendix 6. This also includes comments where the actual blended charge out rate incurred is higher than that anticipated for each category of work, however, the overall blended rate is only slightly higher than that estimated when providing my revised fee estimate to creditors, which was £219.49. This is as a result of the requirement for a higher level of staff being required to deal with certain matters in the Administration.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.turpinbainsolvency.co.uk/fees-and-links>. There are different versions of these Guidance Notes, and you should refer to the most recent

version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which is enclosed at Appendix 8.

11. JOINT ADMINISTRATORS' EXPENSES

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 includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

A summary of the expenses I estimated I would incur when my remuneration was authorised by the Creditors' Committee, in addition to the actual expenses incurred and paid up to 18th December 2021 (and since 19th June 2021), are as follows:

Type of expense	Estimated expense £	Incurred to 18/12/2021 £	Paid to 18/12/2021 £	Incurred in the reporting period £	Paid in the reporting period £
Specific Bond	720.00	720.00	720.00	Nil	Nil
Statutory Advertising	300.00	284.58	284.58	Nil	Nil
Postage	3,000.00	744.98	744.98	Nil	Nil
Mail Redirection	216.00	Nil	Nil	Nil	Nil
Insurance	4,500.00	4,363.51	4,363.51	Nil	Nil
Conference call costs	2,000.00	1,936.88	1,936.88	Nil	Nil
Rent	40,390.00	40,929.30	40,929.30	Nil	Nil
Property Expenses	10,000.00	33,960.19	33,960.19	Nil	Nil
Employees' wages & PAYE/NIC	137,087.00	137,086.22	137,086.22	Nil	Nil
Courier Costs	Nil	180.00	180.00	180.00	180.00
Postage, Packaging & Pallet costs	5,000.00	5,031.69	5,031.69	Nil	Nil
Plant/Vehicle Hire	1,432.00	1,431.46	1,431.46	Nil	Nil
Security costs	7,392.00	7,448.79	7,448.79	Nil	Nil
Waste removal	176.00	175.69	175.69	Nil	Nil
Data extraction costs	550.00	550.00	550.00	Nil	Nil
Payroll software costs	5,000.00	1,855.06	1,855.06	Nil	Nil

Agents' Fees - MBV	180,000.00	174,395.74	172,945.74	Nil	Nil
Agents' Fees – DELV Ltd	Nil	4,211.66	Nil	4,211.66	Nil
Legal Fees - CRS	100,000.00	100,702.60	98,847.10	Nil	Nil
Legal Fees - Katten	50,000.00	168,772.14	161,482.91	11,925.50	19,504.41
Legal Fees – Irwin Mitchell	Nil	500.00	500.00	Nil	500.00
IT consultancy fees	5,000.00	4,567.61	4,567.61	Nil	Nil
Tax advice/accountancy services	5,000.00	2,500.00	2,500.00	400.00	2,500.00
Property services	Nil	3,900.00	Nil	Nil	Nil
Debt collection agents	73,877.00	44,825.77	44,825.78	13,675.61*	17,195.41
Storage costs	28,776.50	18,250.54	15,414.98	2,835.56	2,819.98
ERA Agents' Fees	26,707.00	19,817.00	19,817.00	Nil	Nil
Pension Agents' Fees	450.00	450.00	450.00	Nil	Nil
PR Services	945.00	610.50	610.50	Nil	Nil
Data hosting services – Blue Chip	40,000.00	14,627.00	14,627.00	Nil	Nil
Internet supply – Virgin Media	6,950.00	Nil**	Nil	Nil	Nil
IT costs - Office 365 Exchange	Nil	4,705.04	4,705.04	Nil	Nil
Bank charges – BNP blocked account	Nil	1,500.00	1,500.00	Nil	Nil
Domain charges***	Nil	1,163.05	Nil	1,163.05	Nil
TOTAL	735,468.50	802,197.00	779,492.01	34,391.38	42,699.80

**Comprises an additional £13,613.00 incurred in respect of the increased rate applied to collections in the prior reporting periods (further details of which are set out later in this report) and £62.61 incurred in respect of realisations in the reporting period.*

***It was originally anticipated that circa £6,950 would be payable to Virgin Media for the provision of internet services post-Administration (and this was included as an incurred expense in my last report), however, on the basis that no invoice has been received to date, it is not anticipated that any charges will be levied in this regard.*

****These charges relate to invoices received from CSC Global in December 2021 which appear to include some charges for the pre-Administration period (which are not payable as an expense of the Administration). A review of these invoices will be undertaken, and the charges queried as appropriate. These charges may therefore reduce. In any event, TLG are liable to reimburse the Administration estate for costs paid in this regard.*

The costs included in the above table represent the accrued costs in the Administration (and reporting period), notwithstanding that they may not yet have been invoiced as certain work is ongoing.

A regulatory change to the classification of expenses was brought into effect on 1st April 2021. Payments made to associates, which have been newly classified as category 2 expenses, prior to 1st April 2021 do not require retrospective approval. At the date of payment of the expenses in this case,

all of the expenses incurred were deemed to be category 1 expenses. No category 2 expenses have therefore been incurred in this case to date.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Fee Arrangement
Katten	Solicitors	Time costs + disbursements
File Lady Limited	Document Management	Recurring fixed fees for storage
Cerberus	Debt collection	Percentage of realisations
Savills (UK) Limited	Property services	Time costs
Kreston Reeves LLP	Tax advice / Accountancy Services	Fixed Fee
DELV Ltd	Recovery of compensation for late payments	Percentage of realisations

Katten

Katten has provided legal advice on a number of matters during the Administration. The work undertaken by Katten in the reporting period comprises the following:

- Dealing with matters arising from the surrender of the lease for the Office Premises.
- Advising on a request from a former employee for consent to issue claims against the Company in relation to two accidents suffered during her employment.
- Advising on Wordery's claims and set off position.
- Advising on potential claims in respect of breaches of the sale agreement by TLG.

As stated earlier in this report, the Joint Administrators have sought advice from Katten on the prospect of seeking additional costs that were incurred in dealing with ROT claims as a result of TLG's failure to adhere to the terms of the sale agreement. Should a claim be capable of being made, it will include any costs incurred by Katten in dealing with and advising on TLG's non-compliance.

File Lady Limited

File Lady Limited were engaged to assist with the storage of the books and records held at the former trading premises in Norwich. These records comprise records for BTL, EUL and the Company which are intermingled. The costs for this work were charged to BTL, however, they are likely to include charges for collecting/storing records on behalf of DBL and EUL (albeit these records are relatively nominal by comparison with BTL).

File Lady Limited have advised that they would not be able to separate the records of BTL, DBL and EUL to appropriately charge each estate without incurring significant additional costs. On the basis that the records involved principally relate to BTL, and the costs to separate the records will exceed any potential benefit to the estate of BTL, it was previously concluded that the costs incurred by File Lady Limited be attributed solely to BTL.

Cerberus

Cerberus were engaged to pursue recovery of the Company's debtor ledger with effect from 1st August 2020. The work undertaken by Cerberus in the reporting period includes the following:

- Liaising with the Joint Administrators' office regarding the collectability of the ledger.
- Corresponding with debtors.
- Reporting to the Joint Administrators.

Cerberus were initially remunerated at a rate of 5% of collections received on or after 1st August 2020. As they have been required to undertake more work than they originally envisaged, and as set out in my last progress report, Cerberus previously proposed an increase in their collection fee based on 5% of collections up to 31st December 2020, 7.5% of collections from 1st January 2021 to 6th June 2021 and 10% of collections from 7th June 2021 onwards. This increase request was subsequently withdrawn and a new increased rate of 7.5% of all collections was proposed. On the basis these costs were to be paid from fixed charge debtor realisations, we sought agreement from AFC in respect of the proposed increase, and this was duly provided by AFC.

It should be noted that, despite the increased rate agreed for the collection of the general ledger, Cerberus are to be remunerated at their initial rate of 5% of collections in respect of sums recovered from Amazon in respect of the outstanding balance.

Savills

Savills were engaged by the Company prior to the Joint Administrators' appointment to assist with negotiating a dilapidations settlement with a former tenant of the Office Premises. Based on their pre-existing knowledge of the position, it was considered appropriate for them to be retained post-administration to finalise the settlement. As previously reported, despite a settlement being agreed, it has not been received. Savills (UK) Limited have therefore not raised an invoice for their incurred costs of £3,900.

Kreston Reeves LLP

Kreston Reeves LLP were initially instructed to assist the Joint Administrators with the following:

- Reviewing the Company's pre-Administration VAT and Corporation Tax position.
- Preparing and filing outstanding VAT and Corporation Tax returns.
- Reconciling the CJRS position between EUL and BTL.

Unfortunately due to the lack of available records they were unable assist with resolving the pre-Administration tax position. In the reporting period they have continued to review the CJRS position, however, this matter is ongoing. In addition, and in order to avoid a conflict of interest, they were instructed to review the claim submitted by DBL and advise the Joint Administrators as to whether it should be admitted for dividend purposes.

DELV Limited

DELV Limited were engaged in the reporting period to pursue compensation claims for late payments from Local Authorities and are being remunerated at a rate of 25% of collections. The work undertaken by DELV Limited in the reporting period comprises the following:

- Liaising with the Joint Administrators regarding potential claims.
- Reviewing the Company's electronic records in respect of invoices issued to, and payments received from, Local Authorities.
- Issuing claims to Local Authorities and subsequent correspondence in this regard.
- Providing updates on claims to the Joint Administrators.
- Discussing settlement offers with the Joint Administrators.

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I also confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case.

As at 18th December 2021 then, as you can see from the information provided in this report, the expenses I have incurred in this matter have exceeded the total expenses I estimated I would incur when my remuneration was authorised by the Creditors' Committee. The reasons I have exceeded the fee estimate are as follows:

- Within the estimate of expenses initially provided to creditors within the Proposals, an estimate for business rates due for the period of occupation of the trading premises was omitted. The sum due for rates was £21,938.85. This has therefore meant that the property expenses accrued exceeded the initial estimate of £10,000.
- Katten's costs have exceeded the initial estimate of £50,000 as a result of significant additional unforeseen work that has been required in relation to dealing with TLG and ROT claims, dealing with a DSAR, instructing counsel to provide advice on AFC's security (at the request of the Creditors' Committee) and advising on a number of other ad hoc matters.
- An additional cost was incurred for the operation of the Office 365 exchange for the period of occupation of the trading premises.
- BNP charged the Joint Administrators a fee of £1,500 plus VAT for the costs of maintaining the blocked bank accounts.
- Courier costs were unexpectedly required to collect Company property from a former employee.
- The costs charged by DELV Ltd in relation to the late payment compensation claims were not foreseen as we were not made aware of these potential claims until after our remuneration was approved. In any event, DELV Ltd are remunerated on a success-based percentage and therefore there is a direct net benefit to creditors in these costs being incurred.

Other payments

In addition to the expenses set out in the table provided, the following sums have been paid:

Repayment of third-party funds - £6,367.50

It transpired that a debtor had made a duplicated payment to the "blocked account" held by BNP. As the customer required the repayment of funds urgently and BNP could not facilitate the repayment to the customer directly, the Joint Administrators reimbursed the customer from administration estate funds. These funds will be reallocated to fixed charge costs in due course.

Rent – Block C - £50,928.87 (all paid in prior reporting periods)

This relates to the onward transmission of rent received from the sub-tenant, EAAA, to the landlord.

12. FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Joint Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

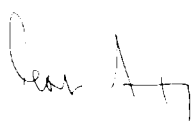
An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Turpin Barker Armstrong can be found in our Provision of Services Regulation Summary Sheet which can be found at <https://www.turpinbainsolvency.co.uk/fees-and-links>.

13. SUMMARY

The Administration will remain open until all matters mentioned in this report have been finalised.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available online, they should contact this office by email at bertram@turpinba.co.uk, or by phone on 0208 661 4019.



Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Martin Armstrong and Andrew Bailey. The Joint Administrators act as agents of the Company and contract without personal liability.

APPENDIX 1

STATUTORY INFORMATION

APPENDIX 1 - STATUTORY INFORMATION

Company Information

Company name:	Bertram Trading Limited
Formerly known as:	Smiths News 2009 Limited
Trading name:	Bertram Books and Bertram Library Services
Company number:	06849888
Date of incorporation:	17 th March 2009
Trading address:	1 Broadland Business Park, Norwich, Norfolk NR7 0WF
Current registered office:	Allen House, 1 Westmead Road, Sutton, Surrey, SM1 4LA
Former registered office:	1 Broadland Business Park, Norwich, Norfolk NR7 0WF
Principal trading activity:	Wholesaler of books

Appointment Details

Joint Administrators:	Martin C Armstrong Andrew R Bailey
Joint Administrators' address:	Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA
Date of appointment:	19 th June 2020
Court name and reference:	High Court of Justice CR-2020-002736
Appointment made by:	The directors
Actions of Administrators:	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.
Extension of Administration	On 17 th March 2021, the secured (and preferential) creditors agreed to extend the Administration of the Company for a period of 12 months, such that the Administration will now automatically end on 18 th June 2022.

APPENDIX 2

ROUTINE WORK UNDERTAKEN SINCE LAST PROGRESS REPORT

Appendix 2 - Routine work undertaken since last progress report

1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder (and their managers). It does not give direct financial benefit to the creditors but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Regular internal video calls/meetings with staff.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holders' estate bank accounts.
- Maintaining and managing the office holders' cashbook.
- Undertaking regular reconciliations of the bank accounts containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing a 6 monthly progress report to creditors and members.
- Filing returns at Companies House.
- Reviewing the Company's pre and post-administration VAT and Corporation Tax position.
- Liaising with the Liquidator of BGL regarding the VAT Group.
- Liaising with accountants regarding the Company's pre-Administration VAT and Corporation Tax records.

2. Creditors

Claims of creditors - the office holders need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holders also need to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holders are required to undertake this work as part of their statutory functions.

Dividends - the office holders have to undertake certain statutory formalities in order to enable them to pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

- Providing updates to AFC.
- Preparing estimated outcome statements.
- Calculating and paying an interim fixed charge dividend to AFC.
- Dealing with creditor correspondence, emails, and telephone conversations regarding their claims.
- Regular video meetings with team dealing with creditor correspondence.
- Maintaining up to date creditor information on the case management system.
- Reviewing proofs of debt received from creditors.
- Dealing with replacement preferential dividend payments to employees.
- Corresponding with employees and the Court regarding employment tribunals.

APPENDIX 3

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

Bertram Trading Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 19/06/2021 To 18/12/2021 £	From 19/06/2020 To 18/12/2021 £
	FIXED CHARGE ASSETS		
1,846,922.00	Book Debts	461,617.10	526,939.23
1,934,294.00	Cash held in blocked bank accounts	NIL	2,912,623.82
40,000.00	Intangible Assets (Software & IP)	NIL	NIL
		461,617.10	3,439,563.05
	FIXED CHARGE COSTS		
	Joint Administrators' Fees - Pre-App	15,000.00	15,000.00
	Joint Administrators' Fees - Post-App	124,863.00	124,863.00
	Legal Fees & Expenses - Pre-App	8,177.77	8,177.77
	Legal Fees & Expenses - Post-App (C)	9,884.71	9,884.71
	Legal Fees & Expenses - Post-app (K)	16,200.04	16,200.04
	Bank transfer fees	25.00	25.00
	BNP bank charge	NIL	1,500.00
	Debt Collection Costs	17,195.41	44,825.78
	Payroll Costs	253.00	253.00
		(191,598.93)	(220,729.30)
(7,772,262.00)	FIXED CHARGE CREDITORS		
	AFC Limited (Group Liability)	3,050,000.00	3,050,000.00
		(3,050,000.00)	(3,050,000.00)
	ASSET REALISATIONS		
1,847,365.00	Cash at Bank	(416,301.90)	1,660,121.45
	Contribution to costs (Wordery)	NIL	1,000.00
	Gross Bank Interest	135.24	1,040.37
Uncertain	HMRC VAT refund	NIL	NIL
	Insurance Refund	6,194.30	6,194.30
	Intangible assets (Software & IP)	NIL	40,000.00
1,400,000.00	Intercompany debts	NIL	NIL
	Late Payment Compensation	16,846.63	16,846.63
435,000.00	Net Stock	NIL	435,000.00
NIL	Prepayments & other receivables	2,396.73	2,396.73
435,000.00	Property, Plant and Equipment	NIL	435,000.00
	Rent (inc service charges & insurance)	NIL	57,942.25
	Sale of returned stock	NIL	13,200.00
	Tax Refund	NIL	978.22
		(390,729.00)	2,669,719.95
	COST OF REALISATIONS		
	Agents' Fees & Expenses - Post-App	NIL	172,945.74
	Agents' Fees & Expenses - Pre-App	180.00	163,780.40
	Legal Fees - Post-App (Irwin Mitchell)	500.00	500.00
	Legal Fees & Expenses - Post-App (C)	(9,884.71)	88,962.39
	Legal Fees & Expenses - Post-app (K)	3,821.87	145,800.37
	Legal Fees & Expenses - Pre-App	(8,177.77)	73,599.92
		13,560.61	(645,588.82)
	COST OF ADMINISTRATION		
	Accountancy Fees - Kreston Reeves	2,500.00	2,500.00
	Bank charges	NIL	25.00
	Conference Call Charges	NIL	1,936.88
	Data extraction costs	NIL	550.00
	Data hosting services	NIL	14,627.00
	Employee Childcare Vouchers	NIL	288.40
	Employee healthcare	NIL	211.62
	ERA Agents' Fees - Post-App	NIL	19,817.00

Bertram Trading Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 19/06/2021 To 18/12/2021 £	From 19/06/2020 To 18/12/2021 £
ERA Agents' Fees - Pre-App	NIL	618.00
Insurance of Assets	NIL	4,363.51
IT Consultancy Fees	NIL	4,567.61
IT costs	NIL	4,705.04
Joint Administrators' Fees - Post-App	(124,863.00)	374,589.00
Joint Administrators' Fees - Pre-App	(15,000.00)	135,000.00
PAYE & NIC	NIL	50,005.05
Payroll Costs	(253.00)	1,602.06
Pension Agents' Fees	NIL	450.00
Plant/Vehicle Hire	NIL	1,431.46
Postage	NIL	744.98
Postage, Packaging and Pallet costs	NIL	5,031.69
PR Agency Fees - Post-App	NIL	610.50
PR Agency Fees - Pre-App	NIL	499.50
Property Expenses	NIL	7,360.05
Property Expenses - Block C	NIL	4,661.29
Rates	NIL	21,938.85
Records Management & Storage	2,819.98	15,414.98
Rent - Block C (paid to landlord)	NIL	50,928.87
Rent (inc service charges & insurance)	NIL	40,929.30
Repayment of third party funds	NIL	6,367.50
Security Costs	NIL	6,958.68
Security Costs - Block C	NIL	490.11
Specific Bond	NIL	720.00
Statutory Advertising	NIL	284.58
Wages & Salaries (inc pension)	NIL	86,581.15
Waste Removal	NIL	175.69
	134,796.02	(866,985.35)
PREFERENTIAL CREDITORS		
Department of Employment	NIL	138,601.03
(192,144.00) Employees' Holiday Pay (293/392)	54.18	41,605.25
HMRC - PAYE/NIC	NIL	13,694.80
	(54.18)	(193,901.08)
UNSECURED CREDITORS		
(115,836.00) Accruals	NIL	NIL
(2,894,268.00) Employees (PILON 392 & Redundancy	NIL	NIL
(661,692.00) HM Revenue & Customs	NIL	NIL
(1,717,705.00) Intercompany	NIL	NIL
(1,840,764.00) Non-trade Creditors	NIL	NIL
5,631,608.00 Retention of Title claims	NIL	NIL
(25,092,616.00) Trade Creditors	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(1,000,001.00) Ordinary Shareholders	NIL	NIL
	NIL	NIL
(27,717,099.00)	(3,022,408.38)	1,132,078.45
REPRESENTED BY		
Bank - Interest Bearing		802,670.60
Fixed charge a/c:Non-Interest Bearing		123,730.46
Input VAT		311,611.28
Output VAT		(105,933.89)

Bertram Trading Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

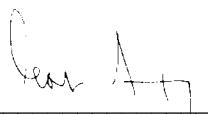
Statement of Affairs £	From 19/06/2021 To 18/12/2021 £	From 19/06/2020 To 18/12/2021 £
------------------------------	---------------------------------------	---------------------------------------

REPRESENTED BY CONTINUED

1,132,078.45

Note:

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT.



Martin C Armstrong FCCA FABRP FIPA
Joint Administrator

APPENDIX 4

A SUMMARY OF THE JOINT ADMINISTRATORS' TIME COSTS IN THE ADMINISTRATION

Time Entry - Detailed SIP9 Time & Cost Summary

XB0309 - Bertram Trading Limited
From: 19/06/2020 To: 18/12/2021
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
402 : Cashiering	55.80	26.30	0.00	68.20	150.30	43,590.00	290.02
504 : Statutory Reporting to Creditors	33.30	55.90	5.90	10.90	106.00	39,569.50	373.30
603 : Statutory filing	4.00	11.10	0.00	6.80	21.90	6,595.00	301.14
604 : Appointment notification	0.60	2.20	0.30	4.90	8.00	1,317.00	164.63
605 : Case review	9.50	5.80	0.00	1.20	16.50	6,974.50	422.70
606 : MLR/Ethics/Bribery checklists	1.40	1.10	0.00	0.00	2.50	1,187.00	474.80
607 : Post-appointment VAT/CT returns	1.00	1.50	0.00	0.30	2.80	1,050.50	375.18
608 : Pension matters	0.00	4.10	0.00	0.00	4.10	1,435.00	350.00
609 : Administrative set up	0.00	0.00	0.00	0.60	0.60	60.00	100.00
611 : Maintenance of case files/records	0.30	2.30	0.70	20.70	24.00	2,374.50	98.94
701 : Strategy (incl Sales)	0.00	20.40	0.00	0.00	20.40	7,100.00	348.04
508 : Convening & holding meetings of creditors	3.70	2.40	0.00	0.00	6.10	3,041.50	498.61
510 : Convening decision procedures	0.20	19.10	0.00	0.00	19.30	6,780.00	351.30
600 : Administration	2.40	60.80	0.10	133.60	196.90	31,385.50	159.40
Administration & Planning	112.20	213.00	7.00	247.20	579.40	152,460.00	263.13
601 : Case Specific 1	66.90	105.20	0.00	2.20	174.30	75,650.00	434.02
Case Specific Matters	66.90	105.20	0.00	2.20	174.30	75,650.00	434.02
509 : Onerous property	2.20	12.10	0.00	0.00	14.30	5,400.00	377.62
505 : Report / Secured Creditor	28.40	21.90	0.00	0.00	50.30	23,908.50	475.32
507 : Dividend distribution/adjudicating claims	9.60	6.20	0.00	425.60	441.40	42,124.00	95.43
403 : Ongoing Employee Issues	0.00	5.40	0.00	0.60	6.00	1,786.00	297.67
500 : Preferential Creditors	1.50	4.40	0.80	13.00	19.70	3,009.00	152.74
501 : Unsecured Creditors	35.60	216.70	0.00	223.50	475.80	100,612.50	211.46
502 : Employee Matters	12.10	47.80	0.00	59.60	119.50	25,126.50	210.26
503 : Committee Report & Meeting	34.60	48.60	0.00	1.00	84.20	35,352.00	419.86
Creditors	124.00	363.10	0.80	723.30	1,211.20	237,318.50	195.94
201 : CDDA Reports	6.80	11.40	0.00	41.60	59.80	9,944.00	166.29
203 : Investigations (other)	25.10	135.60	4.10	34.40	199.20	61,232.00	307.39
204 : Reviewing/listing books and records	0.00	2.30	0.00	4.30	6.60	977.00	148.03
205 : Bank statement analysis	0.00	5.40	0.00	132.70	138.10	7,281.50	52.73
Investigations	31.90	154.70	4.10	213.00	403.70	79,434.50	196.77
300 : Ident / Securing & Insuring	0.00	4.80	0.50	0.20	5.50	1,795.50	326.45
301 : ROT	17.60	277.00	0.00	34.80	329.40	106,273.00	322.63
302 : Property	16.10	46.90	0.00	0.00	63.00	25,038.00	397.43
303 : Book Debts/retentions	39.60	105.00	0.00	1.50	146.10	57,278.00	392.05
304 : Plant & Machinery / Motor Vehicles	24.50	7.50	0.50	0.00	32.50	17,219.50	529.83
305 : Stock	2.10	15.20	0.00	3.10	20.40	6,677.50	327.33
306 : Other Assets	22.20	120.00	0.00	0.00	142.20	50,169.50	352.81
307 : Cash at bank	3.10	4.10	0.00	0.30	7.50	3,243.50	432.47
308 : Intangible assets/Goodwill/IP	4.00	5.90	0.00	0.00	9.90	4,445.00	448.99
202 : Pursuing Antecedent Transactions	0.00	3.60	0.00	0.00	3.60	1,116.00	310.00

Time Entry - Detailed SIP9 Time & Cost Summary

XB0309 - Bertram Trading Limited
From: 19/06/2020 To: 18/12/2021
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Realisation of Assets	129.20	590.00	1.00	39.90	760.10	273,255.50	359.50
Total Hours	464.20	1,426.00	12.90	1,225.60	3,128.70	818,118.50	261.49
Total Fees Claimed						499,452.00	

APPENDIX 5

A SUMMARY OF THE JOINT ADMINISTRATORS' TIME COSTS IN THE REPORTING PERIOD

Time Entry - Detailed SIP9 Time & Cost Summary

XB0309 - Bertram Trading Limited
From: 19/06/2021 To: 18/12/2021
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
402 : Cashiering	10.90	2.90	0.00	11.60	25.40	7,586.00	298.66
504 : Statutory Reporting to Creditors	16.30	0.00	0.00	0.00	16.30	8,150.50	500.03
600 : Administration	0.80	6.00	0.00	9.40	16.20	3,130.00	193.21
603 : Statutory filing	0.00	0.00	0.00	0.40	0.40	16.00	40.00
605 : Case review	6.40	0.00	0.00	0.80	7.20	3,120.00	433.33
607 : Post-appointment VAT/CT returns	1.00	0.60	0.00	0.30	1.90	748.00	393.68
611 : Maintenance of case files/records	0.30	0.00	0.00	0.00	0.30	142.50	475.00
Administration & Planning	35.70	9.50	0.00	22.50	67.70	22,893.00	338.15
601 : Case Specific 1	2.60	2.90	0.00	0.00	5.50	2,313.50	420.64
Case Specific Matters	2.60	2.90	0.00	0.00	5.50	2,313.50	420.64
505 : Report / Secured Creditor	8.30	0.00	0.00	0.00	8.30	4,452.50	536.45
507 : Dividend distribution/adjudicating claims	1.70	0.00	0.00	0.20	1.90	985.50	518.68
500 : Preferential Creditors	0.30	0.00	0.00	0.00	0.30	142.50	475.00
501 : Unsecured Creditors	6.90	19.20	0.00	1.00	27.10	10,025.50	369.94
502 : Employee Matters	3.60	2.80	0.00	2.80	9.20	3,070.00	333.70
503 : Committee Report & Meeting	0.20	0.00	0.00	0.00	0.20	95.00	475.00
Creditors	21.00	22.00	0.00	4.00	47.00	18,771.00	399.38
203 : Investigations (other)	3.60	12.60	0.00	0.00	16.20	6,077.00	375.12
205 : Bank statement analysis	0.00	0.20	0.00	3.10	3.30	189.00	57.27
Investigations	3.60	12.80	0.00	3.10	19.50	6,266.00	321.33
301 : ROT	0.50	2.70	0.00	0.00	3.20	1,115.00	348.44
302 : Property	0.00	2.00	0.00	0.00	2.00	650.00	325.00
303 : Book Debts/retentions	9.70	12.40	0.00	0.00	22.10	9,147.50	413.91
306 : Other Assets	9.40	30.00	0.00	0.00	39.40	14,657.00	372.01
307 : Cash at bank	0.50	0.00	0.00	0.20	0.70	257.50	367.86
Realisation of Assets	20.10	47.10	0.00	0.20	67.40	25,827.00	383.19
Total Hours	83.00	94.30	0.00	29.80	207.10	76,070.50	367.31
Total Fees Claimed						0.00	

APPENDIX 6

A COMPARISON BETWEEN THE JOINT ADMINISTRATORS' TIME COSTS AND FEE ESTIMATE

Appendix 6 - Comparative fee estimate and time summary

	FEE ESTIMATE			REPORTING PERIOD (FROM 19 JUNE 2021 TO 18 DECEMBER 2021)			ADMINISTRATION (FROM 19 JUNE 2020 TO 18 DECEMBER 2021)			
Classification of Work Function	Fee Estimate £	Total hours of work	Blended Rate £	Time Costs incurred £	Total hours of work	Actual Blended Rate £	Time Costs incurred £	Total hours of work	Actual Blended Rate £	Reason blended rate has been/is likely to be exceeded
Administration & Planning	172,107.50	592.00	290.72	22,893.00	67.70	338.15	152,460.00	579.40	263.13	No comments - actual blended rate is lower than estimate.
Investigations	96,940.00	312.00	310.71	6,266.00	19.50	321.33	79,434.50	403.70	196.77	No comments - actual blended rate is lower than estimate.
Realisation of Assets	252,630.00	746.00	338.65	25,827.00	67.40	383.19	273,255.50	760.10	359.50	Higher level of staff required to deal with certain realisations (including Amazon and Wordery debts).
Creditors	252,445.00	2,014.50	125.31	18,771.00	47.00	399.38	237,318.50	1,211.20	195.94	Higher level of staff required to deal with certain claims/creditors and reporting to the Committee/AFC.
Case Specific Matters	84,287.50	246.50	341.94	2,313.50	5.50	420.64	75,650.00	174.30	434.02	Higher level of staff required to deal with various case specific matters (including dealing with post-Administration supplies, IT/data issues, and furlough funds).
Total	858,410.00	3,911.00	219.49	76,070.50	207.10	367.31	818,118.50	3,128.70	261.49	Slightly higher blended rate a result of the requirement for higher level of staff being required to deal with certain matters in the Administration

APPENDIX 7

PROOF OF DEBT FORM

Rule 14.4 The Insolvency (England and Wales) Rules 2016

Proof of Debt – General Form

IN THE

High Court of Justice

Number:

CR-2020-002736

Name of Company in Administration:

Bertram Trading Limited

Company Registration Number:

06849888

Date of Administration:

19th June 2020

1 Name of creditor

(If a company, please also provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)
(include any Value Added Tax)

4 If amount in 3 above includes (£)
outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.
(If you need more space, attach a continuation sheet to this form)

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

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

8 Details of any document by reference to which the debt can be substantiated

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Admitted for dividend for

Amount (£)

Amount (£)

Date

Date

Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator

Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator

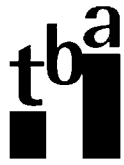
Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

APPENDIX 8

PRACTICE FEE RECOVERY SHEET



turpin barker armstrong

Accountants, Auditors and Business Advisors
Corporate Recovery and Insolvency
Wealth Management

PRACTICE FEE RECOVERY POLICY FOR TURPIN BARKER ARMSTRONG

Introduction

This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court. The report accompanying the request to fix the basis of remuneration will indicate the basis, or bases, being requested in that particular case and will make it clear what work is to be undertaken in respect of each basis.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <https://www.turpinbainsolvency.co.uk/fees-and-links>. Alternatively, a hard copy may be requested from Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA. Please note that we have provided further details in this policy document.

SIP 9 also contains various requirements that the office holder has to comply with in connection with their remuneration, both when seeking approval and when reporting to creditors and other interested parties after approval. One of the matters that an office holder has to comply with is that they must also seek approval for any payments that could reasonably be perceived as representing a threat to the office holder's objectivity or independence by virtue of a professional or personal relationship, including to an associate. Where it is anticipated that such payments will be made in a case they will be separately identified when seeking approval for the basis of the office holder's remuneration.

Other than in respect of Voluntary Arrangements an office holder is required to record the time spent on casework in all cases, even if they are being remunerated for that work on a basis other than time costs. Time is recorded directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning (including statutory reporting).
- Realisation of Assets.
- Investigations.
- Creditors (claims and distributions).
- Trading.
- Case specific matters.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6-minute units with supporting narrative to explain the work undertaken.

Charge-out rates

Grade of staff	Charge- out rate per hour, effective from 1 st April 2021 £	Charge- out rate per hour, effective from 1 st April 2019 £	Charge-out rate per hour, effective from 1 st April 2017 £	Charge-out rate per hour, effective from 1 st April 2013 £
Partner				
Senior Partner	645.00	595.00	545.00	495.00
Partner	475.00	440.00	400.00	365.00
Manager				
Director	370.00	-	-	-
Manager	350.00	350.00	325.00	295.00
Assistant Manager	325.00	310.00	285.00	260.00
Other Senior Professionals				
Senior Administrator	310.00	290.00	265.00	240.00
Assistants & Support Staff				
Administrator	260.00	240.00	220.00	200.00
Assistant Administrator	100.00	100.00	90.00	80.00
Junior Administrator	40.00	40.00	40.00	40.00

These charge-out rates charged are reviewed on 1st April each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time.

In cases where we were appointed prior to 1st October 2015, most of our fees are recovered on a time cost basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1st October 2015 and the basis of our post-appointment fees will be determined once we are aware of the full circumstances of the case and will be subject to approval.

When we seek time costs approval, we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. The blended rate is calculated as the prospective average cost per hour, based upon the estimated time to be expended by each grade of staff at their specific charge out rate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

A report accompanying the request to fix the basis of remuneration will include the fees estimate, as well as details of the expenses that will be, or are likely to be, incurred. Further information about expenses is provided in a separate section below.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will summarise that information in an average or “blended” rate for all of the work being carried out within the estimate, and by reference to each separate category of work, and will also say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. A report accompanying the request to fix the basis of remuneration will set out the potential assets in the case, the remuneration percentage proposed in respect of any realisations and the work covered by that remuneration, which may solely relate to work undertaken in connection with the realisation of the assets but might also include other categories of work as listed above. The report will also include details of the expenses that will be, or are likely to be, incurred. Further information about expenses is provided in a separate section below.

A percentage of distributions made to unsecured creditors may also be requested, in order to cover the work associated with the agreement of claims and making the distribution.

The disclosure that we make will include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal. In order to meet the requirements of SIP 9 it will also explain why the basis requested is expected to produce a fair and reasonable reflection of the work that we anticipate will be undertaken on the case.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances, then an increase can only be approved by the Court.

Fixed Fee

The legislation allows fees to be charged at a set amount. A report accompanying the request to fix the basis of remuneration will set out the set fee that we proposed to charge, and the work covered by that remuneration, as well as details of the expenses that will be, or are likely to be, incurred. Further information about expenses is provided in a separate section below.

The disclosure that we make will include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal. In order to meet the requirements of SIP 9 we will also explain why the basis requested is expected to produce a fair and reasonable reflection of the work that we anticipate will be undertaken on the case.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the

circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances, then an increase can only be approved by the Court.

Direct Costs

Where we seek approval on a percentage and/or fixed fee basis, in order to meet the requirements of SIP 9 we also have to disclose the direct costs that are included within the remuneration that will be charged on those bases in respect of the work undertaken. The following are direct costs that will be included in respect of work undertaken in respect of each of the standard categories of work where the office holder is to be remunerated for such work on either a percentage or fixed fee basis:

- Administration and Planning (including statutory reporting) – staff costs.
- Realisation of Assets – staff costs.
- Investigations – staff costs.
- Creditors (claims and distributions) – staff costs.
- Trading – staff costs.
- Case specific matters – staff costs.

Mixed bases

If remuneration is to be sought on a mixed basis, we will make it clear in the report accompanying the request to fix the basis of remuneration which basis will be charged for each category of work that is to be undertaken on the case.

Members' Voluntary Liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee, and SIP 9 does not apply unless the members specifically request it. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All fee bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are usually VAT exempt, the office holder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Expenses

As already indicated, a report will accompany the request to fix the basis of remuneration and that will include details of expenses to be incurred, or likely to be incurred. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Expenses are any payments from the insolvent estate that are neither an office holder's remuneration nor a distribution to a creditor, or a member. Expenses also include disbursements. Disbursements are payments that are first paid by the office holder and then reimbursed from the insolvent estate. 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).

Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder. They can be paid by the office holder without obtaining prior approval. Examples of costs that may amount to Category 1 expenses are professional advisors (who are not associates), statutory advertising, external meeting room hire

(where the room is only hired for that meeting), external storage, specific penalty bond insurance, insolvency case management software fees charged on a per case basis, and Company search fees.

Category 2 expenses are either payments to associates, or payments in respect of expenses that have an element of shared costs, such as photocopying and mileage. Category 2 expenses require approval in the same manner as an office holder's remuneration before they can be paid.

Turpin Barker Armstrong does not propose to recover any Category 2 expenses that include an element of shared costs.

Professional advisors may be instructed to assist the office holder on the case where they consider that such assistance is necessary to enable them to appropriately administer the case. The fees charged by any professional advisors used will be recharged at cost to the case. Where the professional advisor is not an associate of the office holder it will be for the office holder to agree the basis of their fees. Where the professional advisor is an associate of the office holder it will be for those responsible for fixing the basis of the office holder's remuneration to approve payments to them. The fees of any professional advisors are subject to the rights of creditors to seek further information about them or challenge them as summarised below. Professional advisors that may be instructed on a case include:

- Solicitors/Legal Advisors;
- Auctioneers/Valuers;
- Accountants;
- Quantity Surveyors;
- Estate Agents;
- Pension specialists;
- Employment Claims specialists; and
- GDPR/Cyber Security specialists.

Reporting and rights to challenge

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and to each creditor. The report will provide a breakdown of the remuneration charged by the office holder in the period covered by the report, i.e., the amount that the office holder is entitled to draw, together with the amount of remuneration actually drawn. If approval has been obtained for remuneration on a time costs basis, the time costs incurred will also be disclosed, whether drawn or not, together with the "blended" rates of such costs. The report will also compare the actual time costs incurred with those included in the fees estimate prepared when fixing the basis of the remuneration and indicate whether the fees estimate is likely to be exceeded. If the fees estimate has been exceeded, or is likely to be exceeded, the report will explain why that is the case.

The report will also provide information about expenses incurred in the period covered by the report, together with those actually paid, together with a comparison with the estimated expenses. If the expenses incurred, or anticipated to be incurred, have exceeded the estimate provided the report will explain why that is the case.

Under the insolvency legislation the report must also include a statement of the legislative rights of creditors to request further information about the remuneration charged and expenses incurred in the period covered by the report, or to challenge them on the grounds that they are excessive. Extracts of the relevant insolvency rules dealing with these rights are set out below. Once the time period to seek further information about the office holder's remuneration and/or expenses for the period covered by the report has elapsed, then a Court Order is required to compel the office holder to provide further information about the remuneration and expenses. A Court order is required to challenge the office holder's remuneration and/or expenses for the period covered by the report.

Once that period has elapsed, then a separate Court Order is required to allow an application out of time.

Under rule 18.9 of the Insolvency (England and Wales) Rules 2006, an unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the office holder's remuneration and expenses, within 21 days of receipt of any report for the period. Any secured creditor may request the same details in the same time limit.

Under rule 18.34, an unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the office holder's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of any report for the period. Any secured creditor may make a similar application to court within the same time limit.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.