

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 0 7 7 8 2 7 1 5

Company name in full Quantum Geotechnical Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Court

Court number 0 0 0 0 0 9 2 0 1 9

3 Administrator's name

Full forename(s) Alistair

Surname Wardell

4 Administrator's address

Building name/number 6th Floor

Street 3 Callaghan Square

Post town Cardiff

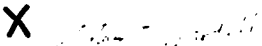
County/Region

Postcode C F 1 0 5 B T

Country

AM23

Notice of move from administration to dissolution

5	Administrator's name ①		
Full forename(s)	Philip		① Other administrator Use this section to tell us about another administrator.
Surname	Stephenson		
6	Administrator's address ②		
Building name/number	30 Finsbury Square		② Other administrator Use this section to tell us about another administrator.
Street			
Post town	London		
County/Region			
Postcode	E C 2 A 1 A G		
Country			
7	Final progress report		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
8	Sign and date		
Administrator's signature	Signature X  X		
Signature date	d 1 d 3 m 0 m 9 y 2 y 0 y 2 y 3		

**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 **Richard J Jackson**

Company name **Grant Thornton UK LLP**

Address **11th Floor**

Landmark St Peter's Square

Post town **1 Oxford St**

County/Region **Manchester**

Postcode **M 1 4 P B**

Country

DX

Telephone **0161 953 6900**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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



Quantum Geotechnical Limited - in administration

Joint administrators' final progress report

UK Restructuring
Grant Thornton UK LLP
11th Floor
Landmark St Peter's Square
1 Oxford St
Manchester
M1 4PB
T +44 (0)161 953 6906

Prepared by: Alistair Wardell, joint administrator

Contact details: Should you wish to discuss any matters in
this report, please email
cmusupport@uk.gt.com or write to the
above address

Guide to this report

Report sections

Definitions

1 **Executive summary**

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

2 **An overview of the administration**

Includes implementation of the joint administrators' proposals and details of any extensions to the administration

3 **Progress to conclusion**

Includes details on overall strategy and progress (realisation of assets)

4 **Investigations into the affairs of the company**

Includes a summary of the outcome

5 **Creditors and dividends**

Includes creditor balances and information on dividends

6 **Joint administrators' remuneration and expenses**

Includes details of payments to the joint administrators (including details of fees and expenses incurred) and their associates

7 **Outcome of administration**

Includes summary details of the exit from administration, details on the joint administrators' discharge from liability, and general information for readers (eg data protection)

Report appendices

A **Notice about this report**

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

B **Statutory information**

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

C **Abstract of the joint administrators' receipts and payments**

D **Statement of Insolvency Practice 9 disclosure: Payments to the joint administrators and their associates**

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

Definitions

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

Act	The Insolvency Act 1986
Companies/Group	Ashridge Construction Limited, Churchfield Homes Limited, Dawnus Construction Holdings Limited, Dawnus Developments Limited, Dawnus Group Limited, Dawnus Limited, Dawnus Southern Limited and Quantum Geotechnical Limited – all in administration
Company	Quantum Geotechnical Limited
CVL	Creditors' Voluntary Liquidation
Firm / Grant Thornton	Grant Thornton UK LLP
First Administration Date	15 March 2019 for all companies in the Group
First Administrations	The administrations of the Group which commenced on the First Administration Date and automatically terminated following 12 months
HEF	HSBC Equipment Finance (UK) Limited
HMRC	HM Revenue & Customs
HSBC	HSBC Bank plc
Joint Administrators / we / us / our	Alistair Wardell Philip Stephenson
Period	The period from 11 May 2023 to 11 September 2023, since the period end of the previous progress report
Proposals	The Joint Administrators' proposals dated 17 May 2022
Rules	The Insolvency (England and Wales) Rules 2016
Second Administration Dates	19 May 2020 for Dawnus Construction Holdings Limited and 11 May 2020 for all other companies in the Group
Second Administrations	The current administrations of the Group which commenced on the Second Administration Dates
SIP	Statement of Insolvency Practice
VAT	Value Added Tax
WG	Welsh Government

1 Executive summary

- This final progress report for the Company's administration covers the entirety of the administration
- Our Proposals were deemed approved on 6 June 2022 in accordance with rule 3.38(4) of the Rules
- The key work done in the Period has been to settle the costs of the administration, agree the claims of unsecured creditors and distribute the prescribed part dividend, as well as making a final distribution to the secured creditor, HSBC
- A dividend of 1.53p in the £ was paid to unsecured creditors on 1 September 2023
- The Joint Administrators will conclude the administration by filing the necessary paperwork with the Registrar of Companies and dissolving the Company.



Alistair Wardell
Joint Administrator
13 September 2023

2 An overview of the administration

2.1 Implementation of the proposals

The Proposals were approved in accordance with rule 3.38(4) of the Rules.

The duty of the Joint Administrators is to act in the best interests of the creditors as a whole in order to achieve the purpose of the administration, which was to achieve one of the three objectives set out in the insolvency legislation:

- Rescuing the Company as a going concern; or
- Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration); or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

The second objective was pursued for all companies in the Group. Placing the Group into administration enabled the Joint Administrators to protect and preserve the Group's assets for the benefit of creditors due to the speed of the administration process and the legal moratorium which was evoked once the notices of intention to appoint the Joint Administrators were filed. The legal moratorium allowed for our agents to attend the various sites to identify and secure the Group's assets and preserved the value in the contract debtors to allow for their novation.

The objective has been achieved by protecting and realising the assets of the Company and the wider Group and distributing the available funds to the secured and unsecured creditors.

2.2 Extension of the administration

The appointment of Joint Administrators ordinarily ceases to have effect at the end of the period of one year from the date of appointment.

In certain circumstances it is necessary to extend the Joint Administrators' term in office to achieve the objective of the administration.

The administration was extended by the secured creditors to give a revised expiry date of 15 September 2023.

3 Progress to conclusion

3.1 Realisation of assets

We attach as Appendix C an account of our receipts and payments for the Period and a cumulative account for the period since appointment.

No assets have been realised in the Period and there are no further assets to be realised.

4 Investigations into the affairs of the Company

4.1 Investigations

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

Based on the outcome of our investigations into the affairs of the Company, there are no matters identified that need to be reported to the creditors.

5 Creditors and dividends

5.1 Secured creditors

Below is a summary of the secured creditors which had indebtedness owed by the Group at the First Administration Date. This also includes the distributions made from the Group to date and the potential outcome for each creditor, based on estimates at the end of the Period:

Summary of secured creditors				
	Dates of creation of charges	Types of charges	Debt outstanding at appointment	Potential outcome based on current information
WG	27/03/2018	Debenture and chattels mortgage	£0.49 million	A distribution of £1.04 million was made to WG during the First Administration and no further distributions have been made in the Second Administration
HEF	16/03/2018, 02/08/2018	Debenture and chattels mortgage	-	HEF was paid in full during the First Administration
HSBC	01/08/2017, 04/08/2017, 02/02/2018, 16/02/2018, 16/03/2018	Legal mortgage, debenture, chattels mortgage, benefits of certain contracts and security of cash deposits	£5 million	Total distributions of £2.75 million have been made to HSBC, of which £1.72 million has been paid during the Second Administration It is anticipated that there will be further sufficient realisations to enable a distribution, although the quantum and timing is uncertain
Lloyds Bank Plc	02/02/2018	Mortgage	£1.29 million	Paid in full following the sale of the properties in Dawnus Limited

A final distribution of £8,085 has been made to HSBC in the Period from the Company.

5.2 Preferential creditors

These may include employee claims for wages and salary up to £800 per person and accrued holiday pay, and employee contributions to occupational pension schemes deducted in the four months before the insolvency. A significant element of these claims has been transferred to the Secretary of State, following payment of employment related claims by the Redundancy Payments Service.

There were no employees as at the date of administration.

5.3 Unsecured creditors

Prescribed part

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

We have agreed claims totalling £1.4 million and distributed a prescribed part dividend to unsecured creditors totalling £22,021, equating to 1.53p in the £ on 1 September 2023.

6 Joint Administrators' remuneration and expenses

6.1 Overview

The remuneration in respect of the First Administration and the Second Administration has been approved by the secured creditors on a time costs basis, limited to £80,000.

First Administration

We incurred time costs in the First Administration of £70,753, of which £49,633 has been drawn in the Period. By comparison in our fees estimate, which was supplied to creditors when we sought approval of our fee basis, we anticipated charging remuneration totalling £104,715.

Second Administration

We have charged remuneration and incurred expenses in the Period amounting to £11,136 and £207, bringing the cumulative totals at Period end to £66,319 and £3,698 of which £30,767 and £3,698 has been paid. By comparison in our fees estimate, which was supplied to creditors when we sought approval of our fee basis, we anticipated charging remuneration totalling £66,661.

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

7 Outcome of the administration

7.1 Exit from administration

Our Proposals were deemed approved on 6 June 2022 in accordance with rule 3.38(4) of the Rules.

The Proposals empowered the Joint Administrators to conclude the administration by filing the necessary paperwork with the Registrar of Companies and dissolving the company

We are sending Form AM23 to the Registrar of Companies with a copy of this final progress report on the administration. Upon registration of Form AM23 by the Registrar of Companies the administration ceases and the Company will be dissolved three months later.

7.2 Discharge from liability

All secured creditors have provided their consent for the Joint Administrators to be discharged from liability in accordance with paragraph 98 of schedule B1 to the Act 14 days after the final progress report is issued to creditors.

7.3 Data protection

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

7.4 Contact from third parties

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

A Notice about this report

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

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

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

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

Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners.

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

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

Please note you should read this progress report in conjunction with the Joint Administrators' previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton Insolvency Act portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

B Statutory information

Company Information

Company name	Quantum Geotechnical Limited
Date of incorporation	22 September 2011
Company registration number	07782715
Former trading address	Unit 1-7 Dyffryn Court, Moorhen Close Riverside Business Park, Swansea Vale Swansea SA7 0AP
Present registered office	11th Floor Landmark St Peter's Square 1 Oxford St Manchester M1 4PB

Administration information

Administration appointment	The administration appointment in the High Court of Justice, Business and Property Court, 000009 of 2019
Appointor	order of the court
Date of appointment	11 May 2020
Joint Administrator's names	Alistair Wardell Philip Stephenson
Joint Administrator's addresses	6th Floor, 3 Callaghan Square, Cardiff, CF10 5BT 30 Finsbury Square, London, EC2A 1AG
Purpose of the administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up
Values of the Net Property and Prescribed Part	The Company's Net Property was calculated at £95,106. The Prescribed Part was calculated at £22,021
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Act, the functions of the administrators are to be exercised by any or all of them.

Quantum Geotechnical Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 11/05/2023 To 11/09/2023 £	From 11/05/2020 To 11/09/2023 £
ASSET REALISATIONS		
Admin/Receivers Surplus	NIL	174,166.92
Grant Thornton reimbursement	NIL	11.64
Novation Agreements Contributions	NIL	4,625.50
	NIL	178,804.06
COST OF REALISATIONS		
Bank Charges	67.25	298.57
Administrators' Fees	80,000.00	80,000.00
Administrators' Expenses	583.44	583.44
Legal Fees (1)	NIL	2,665.43
Payments Between Administrations	NIL	11.64
Statutory Advertising	93.50	93.50
Irrecoverable VAT	7.63	7.63
Storage Costs	38.17	38.17
	(80,789.99)	(83,698.38)
FLOATING CHARGE CREDITORS		
HSBC Bank Plc	8,084.54	73,084.54
	(8,084.54)	(73,084.54)
UNSECURED CREDITORS		
Unsecured Creditors (All)	22,021.14	22,021.14
	(22,021.14)	(22,021.14)
	(110,895.67)	NIL

Note:

Statement of Insolvency Practice 7 states that the headings used in the Receipts and Payments Account should follow those used in any prior Statement of Affairs (SOA) or estimated outcome statement. The SOA was provided by the Company's directors at the commencement of the First Administration and provided estimated to realise values for the categories of assets to be realised.

The receipts above represent funds passed into the current administration from the First Administration, and as such, a meaningful comparison to the SOA by category cannot be made.

D Payments to the Joint Administrators and their associates

SIP9 disclosure

This appendix has been prepared in accordance with the requirements of the Act, the Rules 2016 and SIP9. In summary, it covers:

- remuneration basis
- work done by the Joint Administrators and their team during the Period
- statement of expenses incurred in the Period
- payments to associates
- relationships requiring disclosure
- sub-contracted work
- information for creditors (rights, remuneration, committees).

Remuneration basis of the Joint Administrators

On 28 October 2022, 5 July 2023 and 5 September 2023, the secured creditors resolved that remuneration be fixed by the time properly spent by the Joint Administrators and their staff (at HSBC rates) in accordance with the fees estimates provided, which limited fees to be drawn to £80,000 for costs incurred in both the First Administration and the Second Administration.

First Administration

We incurred time costs in the First Administration of £70,753, of which £49,633 has been drawn in the Period. By comparison our fees estimate, which was supplied to creditors when we sought approval of our fee basis, we anticipated charging remuneration totalling £104,715.

Second Administration

During the Period remuneration has been charged, based on time costs incurred, totalling £11,136 represented by 36 hrs at an average of 309 £/hr (as shown in the 'Work done' section below). This brings cumulative remuneration charged as at Period end to £66,319, of which £30,367 has been paid. A description of the work done in the Period is provided in the respective section below.

Remuneration charged (time costs incurred) are in line with what was anticipated in the fees estimate and expenses are in line with the expense estimate, both of which were provided to the creditors prior to the determination of our remuneration basis.

As at Period end, payment from the estate totalling £80,000 has been made towards our remuneration in respect of time costs incurred in both the First Administration and Second Administration.

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

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, against any fees estimate provided. Our fees estimate was included within our Proposals dated 17 May 2022. We are also required to provide narrative explanation of the work done and why it was necessary. The following tables (narrative followed by numerical) set out this information for the Joint Administrators' remuneration charged together with a numerical fees estimate variance analysis. Reasons for any excess of the fees estimate are included in the 'Remuneration basis' section above. Note, however, that the level of remuneration charged that is eventually paid may be less depending on the value of asset recoveries or successful claims, for example. Details of expenses incurred in connection with work done are provided in the 'Statement of expenses incurred in the Period' section below.

Unless otherwise stated the work done in the Period has been either to comply with legislation and/or best practice requirements and, where applicable, to secure, manage and realise assets/recover claims to help generate financial value for the benefit of the estate and for distributions to creditors to be made (should sufficient funds become available). The work added value to the insolvency process, if not financial value to the estate, and helped facilitate efficient case management.

Work done and why it was necessary		Remuneration (time costs) charged		
Creditors		10 hrs	£3,557	£/hr 349
Secured				
<ul style="list-style-type: none"> Responding to correspondence received and providing ad hoc case updates Reviewing and updating outcome statement Obtaining resolutions from secured creditors 				
Unsecured				
<ul style="list-style-type: none"> Recording creditors' claims and maintaining the online creditors' portal Updating details and dealing with ad hoc queries and correspondence received Finalising creditors claims, sending correspondence to creditors 				
Dividends				
<ul style="list-style-type: none"> Adjudicating creditor claims Preparing, issuing and advertising notices of dividend Calculating, preparing, auditing and paying dividends to relevant creditors Processing dividend 				
Administration		26 hrs	£7,579	£/hr 294
Case management				
<ul style="list-style-type: none"> Calculating and maintaining an estimated outcome statement, monitoring progress and using the statement to help inform decisions and strategy Preparing and assessing case file reviews (including anti-money laundering, ethics and data protection matters) to ensure efficient and effective case progress General case administration 				
Reports to creditors, notices & decisions				
<ul style="list-style-type: none"> Drafting, circulating and filing of reports to creditors regarding case progress and any significant matters 				

Treasury, billing & funding			
<ul style="list-style-type: none">• Preparing and assessing bank reconciliations, at least quarterly• Assessing and processing invoices and remittances, preparing journals and cashbook entries as necessary• Preparing, assessing and processing billing requests			
Tax			
<ul style="list-style-type: none">• Preparing and submitting tax and VAT returns as required• Liaising with HMRC regarding tax status, preparing and submitting required tax forms			
Closure			
<ul style="list-style-type: none">• Obtaining relevant clearances and making final submissions to HMRC and The Pensions Regulator• Conducting final case review and reconciliation to ensure all matters are concluded, liabilities and dividends paid• Preparing, issuing and filing final report to creditors and other required statutory notices• Arranging continued storage (following closure of the case) and subsequent secure destruction of records in accordance with regulations			
Total remuneration charged in the Period	36 hrs	£11,136	£/hr 309

Commercial in confidence

Detailed SIP9 time cost analysis for the Period and fees estimate variance analysis as at Period end

Period from 11/05/2023 to 11/09/2023

Area of work	Partner		Manager		Executive		Administrator		Period total			Cumulative total as at period end			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of Assets:												11.40	2,999.50	263.11	14.40	4,554.00	316.25	3.00	1,554.50
Insurance	-	-	-	-	-	-	-	-	-	-	-	0.50	245.00	490.00					
Debtors	-	-	-	-	-	-	-	-	-	-	-	7.90	1,763.50	223.23					
Sale of business	-	-	-	-	-	-	-	-	-	-	-	2.50	868.50	347.40					
Stock & work-in-progress	-	-	-	-	-	-	-	-	-	-	-	0.50	122.50	245.00					
Creditors:									10.20	3,567.25	348.75	42.50	16,610.50	390.84	98.85	29,833.25	301.80	56.35	13,222.75
Secured	-	-	0.70	366.50	-	-	-	-	0.70	366.50	523.57	29.05	11,833.25	407.34					
Unsecured	-	-	0.95	400.50	2.20	539.00	-	-	3.15	939.50	298.25	6.95	2,499.00	359.57					
Dividends	-	-	4.40	1,746.00	1.95	505.25	-	-	6.35	2,251.25	354.53	6.50	2,278.25	350.50					
Administration:									25.80	7,578.50	293.74	147.75	46,709.25	316.14	104.05	32,273.50	310.17	(43.70)	(14,435.75)
Appointment formalities	-	-	-	-	-	-	-	-	-	-	-	0.30	81.00	270.00					
Case set-up	-	-	-	-	-	-	-	-	-	-	-	0.35	136.75	390.71					
Case management	-	-	2.00	875.00	0.35	85.75	0.20	36.00	2.55	996.75	390.88	35.60	11,374.07	319.50					
Reports to creditors, notices & decisions	-	-	2.15	1,029.50	1.25	306.25	3.60	648.00	7.00	1,983.75	283.39	44.25	13,165.24	297.52					
Treasury, billing & funding	-	-	1.90	619.50	6.10	1,435.75	1.55	279.00	9.55	2,334.25	244.42	29.10	6,773.43	232.76					
Tax	-	-	2.00	657.00	1.60	667.00	0.60	190.50	4.20	1,514.50	360.60	35.65	14,429.50	404.75					
Closure	-	-	2.05	639.00	0.45	110.25	-	-	2.50	749.25	299.70	2.50	749.25	299.70					
Total	-	-	16.15	6,333.00	13.90	3,649.25	5.95	1,153.50	36.00	11,135.75	309.33	201.65	66,319.25	328.88	217.30	66,660.75	306.77	15.65	341.50

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant manager and executives
- Adverse variances are presented in brackets
- Total time costs paid to date: £80,000 (£49,633 First Administration / £30,367 Second Administration)
- Please note that the actual time incurred in the Period may slightly differ to that reported in the table above. This is due to lags between time being recorded on our internal system by staff and then being posted to the case. We do not expect any differences to be material.

Statement of expenses incurred in the Period

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

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 expenses			
Insolvency Practitioners Bond	0	150	150
Subsistence	0	273	273
Travel (Non-Mileage)	0	160	160
Bank Charges	67	299	299
Legal Fees (1) Blake Morgan LLP	0	2,665	2,665
Payments Between Administrations	0	12	12
Statutory Advertising	94	94	94
Irrecoverable VAT	8	8	8
Storage Costs	38	38	38
Total expenses	207	3,698	3,698

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

Category 1 expenses

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

Category 2 expenses

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

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service.

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

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

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the Joint Administrators' fee basis.

Sub-contracted work

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

Information for creditors and members

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

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

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

