



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

### 1 Company details

Company number 0 7 8 3 1 8 1 0

Company name in full High Street GRP Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Anthony

Surname Hyams

### 3 Administrator's address

Building name/number Allan House

Street 10 John Princes Street

Post town London

County/Region

Postcode W 1 G 0 A H

Country

### 4 Administrator's name ①

Full forename(s) Carrie

Surname James

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 2nd floor

Street 168 Shoreditch High Street

Post town London

County/Region

Postcode E 1 6 R A

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	1	d	6	m	1	m	2	y	2	y	0	y	2	y	1
To date	d	1	d	5	m	0	m	6	y	2	y	0	y	2	y	2

### 7 Progress report

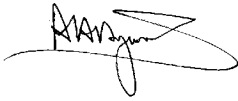
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

d	1	d	5	m	0	m	7	y	2	y	0	y	2	y	2
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**Presenter information**

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

Contact name

Mark Newton

Company name

Insolve Plus Ltd

Address

Allan House

10 John Princes Street

Post town

London

County/Region

Postcode

W 1 G 0 A H

Country

DX

Telephone

020 7495 2348

**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**

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**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

**Private and Confidential**

Our ref: AHH/MN

15 July 2022

Dear Sirs

**High Street GRP Limited – In Administration  
High Court of Justice, Business and Property Courts of England and Wales  
CR-2021-002046**

This is our report on the progress of the Administration of the Company for the six month period from 16 December 2021 to 15 June 2022.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available on-line, they should contact Mark Newton on 020 7495 2348, or by email at [marknewton@insolveplus.com](mailto:marknewton@insolveplus.com).

Finally, please note that the affairs, business and property of the Company are being managed by the Joint Administrators, Carrie James and Anthony Hyams. The Joint Administrators act as agents of the Company and contract without personal liability.

Yours faithfully  
For and on behalf of  
High Street GRP Limited



Anthony Hyams FCCA  
Joint Administrator

Encs.

## **High Street GRP Limited – In Administration**

### **JOINT ADMINISTRATORS' PROGRESS REPORT TO CREDITORS**

**For the six months ending 15 June 2022**

#### **STATUTORY INFORMATION**

##### **Company Information**

Company name:	High Street GRP Limited
Company number:	07831810
Date of incorporation:	2 November 2011
Trading address:	6 <sup>th</sup> Floor, Stockbridge House, Trinity Gardens, Newcastle Upon Tyne NE1 2HJ
Current registered office:	Unit 1, First Floor Brook Business Centre, Cowley Mill Road, Uxbridge UB8 2FX
Former registered office:	6 <sup>th</sup> Floor, Stockbridge House, Trinity Gardens, Newcastle Upon Tyne NE1 2HJ
Principal trading activity:	Development of Building Projects

##### **Appointment Details**

Administrators	Carrie-Ann James and Anthony Harry Hyams
Administrators' addresses	Carrie-Ann James formerly of SKSi, Unit 1, First Floor Brook Business Centre, Cowley Mill Road, Uxbridge, Middlesex UB8 2FX now Kreston Reeves, 2 <sup>nd</sup> floor, 168 Shoreditch High Street, London E1 6RA.  Anthony Harry Hyams of Insolve Plus Ltd, Allan House 10 John Princes Street, London W1G 0AH
Date of appointment	16 December 2021
Court name and reference	High Court of Justice, Business and Property Courts of England and Wales  CR-2021-002046
Appointment made by:	ICC Judge Prentis
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.

## JOINT ADMINISTRATORS' ACTIONS SINCE APPOINTMENT

We wrote to all known creditors in a letter on 22 December 2021 advising them of our appointment. We have subsequently been made aware of additional creditors and have provided them with the appropriate notice.

The Company operated as the ultimate holding company for a number of SPV's (Special Purpose Vehicles). The Company ceased trading upon appointment and we confirm that the administrators have not traded the Company since appointment.

There is certain work that we are 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 our appointment as Administrators is contained in Appendix A. We had to undertake this work either as part of our routine administrative functions, or in order to protect and realise the records and assets of the Company.

Since appointment we have secured the electronic books and records of the Company, notified the known creditors of our appointment and commenced our investigations into the conduct of the Company and its director surrounding certain transactions that allegedly transferred assets away from the Company prior to administration.

In the period immediately following our appointment, the Joint Administrators arranged and held meetings with Mr Forrest (the director of the Company), Castle Trust and Management Services Limited representing the majority of the creditors, Hadrians Real Estate plc, a group of Loan Note Holders and Peter Murray of Insolvency and Law Limited. Peter Murray was one of the petitioning creditors and represented a number of Loan Note Holders. No petitioning costs have been discharged at this point but will be once sufficient realisations are made.

In particular, we have been enquiring into the Indemnity provided to the Company following the transfer of assets to Hadrians Real Estate plc. We have met with two of the directors of that Company and have obtained, and are continuing to obtain, further information. We have obtained legal advice in respect of the initial documentation and determining our course of action to realise assets for the benefit of the creditors. Due to the sensitive nature of our investigations, it is not felt prudent to divulge any specific detail as to do so could jeopardise any potential recoveries.

Following the initial meeting with Mr Forrest, we have continued to liaise and meet with him as he continues to assist us, as he is obliged to do so, with the progress of the Administration and any asset recoveries.

We have held further discussions with and have obtain information from Castle Trust and Management Services Limited in regards to their position as Security Trustee on behalf of the Loan Note Holders. To our knowledge, we have obtained the details of all known Loan Note Holders and have contacted them to enable them to register their claims. A number of Loan Note Holders have contacted us direct and we have requested they complete a Proof of Debt in order for them to register their claims. Attached to these proposals at Appendix B is a Proof of Debt form which should be completed and returned in order to register your claim **if you have not previously submitted a claim**. If you have already submitted your Proof of Debt, there is no need to re-submit.

The Joint Administrators proposals were dispatched to all known creditors on 10 February 2022 which included a Notice of a Virtual Meeting of Creditors, convened for 24 February 2022. Prior to the meeting

date, sufficient requests were received to convene a physical meeting of creditors. As a result, a notice of a physical meeting was dispatched to creditors on 17 February 2022.

At the physical meeting held on 15 March 2022 at The Hallam Conference Centre, 44 Hallam Street, London W1W 6JJ, the resolution for approval of administrators' proposals was approved by the creditors. The decision with regards to the formation of a creditors' committee was adjourned to a later point in time. No proposal regarding the remuneration of the Joint Administrators was proposed or passed.

Creditors expressed an interest in forming a Creditors Committee. Due to the number of creditors, it was decided to use an online platform to collate votes. The platform chosen was Choice Voting. In order for the Loan Note Holders to vote, they were required to release a part of their secured claim. This is due to secured creditors not being able to vote for the formation of a Creditors Committee. The release of security was voluntary and the Loan Note Holders were advised to seek independent advice before releasing any security. An amount of £1 was suggested. The Loan Note Holders were required to, if they wished to release a part of their security, to complete a waiver form and submit it to us. Based on voting on the platform and the waiver forms received, the Creditors Committee was constituted with the following members:

- Insolvency & Law Limited represented by Peter Murray
- Argos International Limited represented by Dr Christian Fassetta
- Elaheh Ghassemiah
- Flexen Limited represented by Iain Cartmill
- Andrew Twigg

We have so far held two meetings with the Creditors Committee and have discussed the strategy of the administration, including potential asset realisations, our investigations to date and areas to focus on going forwards. The committee is a sounding board to assist the Joint Administrators and is helpful in focusing on areas of concern with a view to maximising realisations for the benefit of all creditors. Due to the complexities of this administration, the creditors committee have been very helpful in assisting with our strategy and will continue to do so in the future.

In addition to the above, we have undertaken tasks that are required by statute or regulatory guidance or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out. A description of the routine work undertaken since our appointment as Joint Administrators is contained in Appendix A.

Creditors should be aware of various scams that are currently being targeted against the Loan Note Holders. The fraudsters are claiming, for an upfront fee, to be able to pay the Loan Note Holders their funds. This is not true and you should not engage with these people.

As and when a scam is identified, the Insolvency Service is being made aware. Please note that creditors do not need to pay any third party to secure the release of funds. The Company is not in liquidation and anyone claiming to have been appointed to pay creditors is committing fraud.

If you do receive any emails, telephone calls or other correspondence, please advise William Bryson of the Insolvency Service at the below mentioned contact information:

William Bryson, Investigator, Criminal Investigation Team South, The Insolvency Service.

**William.Bryson@insolvency.gov.uk** PO Box 280, Exchange House, 60 Exchange Road, Watford WD18 0GA. 03030 031701. 07810 152880.

As and when the Joint Administrators become aware of a scam, creditors are being contacted via

email or on our portal.

Creditors should be aware that Carrie James has left SKSi and is now at Kreston Reeves 2nd Floor, 168 Shoreditch High Street, London E1 6RA and continues to act as Joint Administrator.

At the date of this report, no Statement of Affairs has been received from the director.

## **RECEIPTS AND PAYMENTS ACCOUNT**

There have been no receipts or payments to date and a receipts and payments account has not, therefore, been provided.

## **ASSETS**

The Company's leasehold property and investment in subsidiaries are subject to fixed charges. The book values as at 14 October 2021 for this class of asset was £146,235. At this present time, it is not known whether these assets will be realised. In any event, as they are subject to a number of fixed charges they will fall under the security holder's debentures and as such it is not anticipated any surplus, if any, would become available to any other class of creditor.

### **Office Equipment**

Office equipment had a book value of £9,526 and furniture and fixtures £6,459. It is not anticipated any funds will be realised but enquiries are ongoing to ascertain their location so a valuation can be obtained from a professional agent.

Book value of IT Equipment is £18,648. We have assumed a 25% realisation for this asset. This will be subject to a formal valuation undertaken by professional agents. At this present time, no realisations have been made.

### **Debtors Control Account**

The book value totalling £201,132 has no realisable value. We are uncertain what this balance comprises of but will review in due course.

### **Net Wages**

We are currently unaware what this asset totalling £17,469 relates to and it will be investigated in due course to ascertain whether any realisable value is possible.

### **Director Loans and Employee Loans**

The director considers his loan account has been paid in full and he is a creditor of the Company totalling £42,312. This will be reviewed in due course to ascertain the veracity of the loan account.

Employee loans are shown in the accounts with a book value of £17,469. It is not clear who these loans were made to or whether there will be any realisable value.

### **Building Projects**

There are numerous building projects at various stages of progress held within the SPV's. The Joint Administrators have instructed Pantera Property Limited, 10 North Park Road, Harrogate, HG1 5PG,



a property and asset valuation Company to provide a report on the stages of completion of each site and to consider funding requirements. They have also been instructed to review the business plan produced by Hadrians Real Estate plc and have contacted the director, Mr Fraser, regarding their proposed strategies to complete the projects they are involved in. At the time of this report, we are awaiting the report from Pantera Property Limited. Once the report has been received, the Joint Administrators will review to determine their next course of action. Pantera Property Limited have confirmed they hold adequate Professional Indemnity Insurance.

The Joint Administrators have been advised that funding for certain projects is currently being sought and this will be reviewed in due course.

Should it transpire that the business plans are viable, the Joint Administrators may consider they are proceeded with. However, this will be reviewed together with Pantera Property Limited to ascertain whether it is in the best interests of creditors and should it not be the case, the Joint Administrators are able to step in to take control of the SPV's/projects.

### **Other Assets**

It would appear from the Company's records that the Company sold High Street Hospitality Limited and it has been agreed with the purchaser that approximately £4m of net debt will be paid over ten years.

It does not appear this transaction is reflected accurately in the Intercompany balances. It is understood that £2m has been paid to date. This transaction will also be reviewed by the Joint Administrators.

The recoverability of the remaining Debtors is uncertain and will be dependent on several factors including the completion of building projects.

## **LIABILITIES**

### **Secured Creditors**

Loan Note Holders titled "Secured 'Investor Creditors'" in the Estimated Financial Position total £123,602,050. These relate to investments in specific construction projects or directly into the Company itself. There are different redemption dates for the Loan Note holders and the Joint Administrators will need to ascertain whether they are all treated as one class of creditor or if different security applies to the different categories. This task will not be undertaken until such time as funds are available to make a distribution.

The Company's leasehold property and investment in subsidiaries are subject to fixed charges. The book values as at 14 October 2021 for this class of asset was £146,235. At this present time, it is not known whether these assets will be realised. In any event, as they are subject to a number of fixed charges they will fall under the security holder's debenture's and as such it is not anticipated any surplus, if any, would become available to any other class of creditor

### **Preferential Creditors**

The only known ordinary preferential creditors is one former employee of the Company for unpaid wages and holiday pay. Their claim is subject to a maximum limit set by the insolvency legislation. The liability has been estimated at £1,534

## **Crown Creditors**

HMRC are secondary preferential creditors for certain specified debts, such as VAT, PAYE, employee National Insurance Contributions, student loan deductions and Construction Industry Scheme deductions. Secondary preferential debts are payable after all ordinary preferential debts have been paid in full, and before non-preferential unsecured debts.

According to the Company's records the PAYE and Employees National Insurance liability totals £518,373. Employers National Insurance is an unsecured claim and is not therefore included in this class of creditor.

VAT is shown as an asset totalling £131,777 but is likely to be subject to Crown Set-off. This means HM Revenue and Customs are able to off-set the VAT refund against other liabilities due to them.

## **Prescribed part**

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000. There were no floating charges created on or after 6 April 2020 so the revised prescribed part of £800,000 does not apply.

The Company gave two floating charges to Castle Trust and Management Services Limited on 28 September 2018 and 11 April 2017 and the prescribed part provisions may apply. The Administrators' Estimate of the financial position of the Company shows that the net property of the Company is £nil, and we estimate that the prescribed part of the net property for unsecured creditors is £nil. However, these estimates do not take into account the costs of the Administration which will reduce the amount of the Company's net property. Since the Company's net property is likely to be less than £10,000, the insolvency legislation does not require me to distribute the prescribed part of the net property to creditors if we think that the costs of distributing the prescribed part would be disproportionate to the benefits to creditors. We are of the view that the costs of distribution would be disproportionate and so will not be making a distribution of the prescribed part of the net property to unsecured creditors.

The above is subject to any realisations and is therefore subject to change should sufficient funds become available in relation to the prescribed part.

## **Non-preferential unsecured Creditors**

Information sourced from the Company's accounting records indicate unsecured creditors total £87,723,019.

## **DIVIDEND PROSPECTS**

Any dividend will be subject to the recovery of assets and we cannot comment on that at this time.

## **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

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

We are required to investigate the conduct of the director and any other person(s) acting as director in the three years preceding the administration and complete a report for the Insolvency Service so that they can consider whether it is appropriate to disqualify the directors. This report is not made public.

We are also obliged investigate the affairs of the Company in the period prior to the administration in order to identify any claims which could be made to recover assets. If such claims are identified, we will then assess whether it is economic to pursue recovery action. We will report on the outcome of such investigations to creditors in future reports pursuant to Statement of Insolvency Practice 2 ("SIP2").

As mentioned above, our preliminary investigation into the Company's affairs and director's conduct is ongoing. We are reviewing the circumstances which led to the insolvency and creditor responses to our request for information on any concerns they might have. We have also started the process of reviewing the Company's electronic records, including financial records.

As creditors will appreciate, investigations of this kind are sensitive so to expand on the areas of interest in this report is not thought prudent and could prejudice any outcome. We would confirm that a number of potential areas of interest have been identified and we continue our investigations in these areas.

If creditors have any matters they wish to bring to our attention they should do so by emailing us with matters of concern and supporting documentation. We will report further on the outcome of our investigations in subsequent reports.

We submitted a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. This is dealt with by the Insolvency Service directly.

There has been no funding requirement to meet the costs of the administration to date.

## **ENDING THE ADMINISTRATION**

Legislation provides for several exit routes from administration, namely:

Automatic end of administration – the appointment of an administrator shall cease to have effect at the end of the period of one year.

Court ending administration on application of the administrator – on application a Court may provide for the appointment of an administrator of the company to cease to have effect from a specified time.

Termination of administration where objective achieved – if the administrator thinks that the purpose of administration has been sufficiently achieved in relation to the company, he may file a notice in the

prescribed form with the Court and Registrar of Companies and then the appointment shall cease to have effect.

Court ending administration on application of creditor – on application the court may provide for the appointment of an administrator of the company to cease to have effect at a specified time.

Public interest winding-up - this applies where a winding-up order is made for the winding up of a company in administration on a petition presented under either public interest grounds or by the Financial Services Authority.

Moving from administration to creditors' voluntary liquidation – this applies where the administrator thinks that the total amount which each secured creditor of the company is likely to receive has been paid to him or set aside for him and that a distribution will be made to unsecured creditors of the company.

Moving from administration to dissolution – if the administrator of a company thinks that the company has no property, which might permit a distribution to its creditors, he shall send a notice to that effect to the registrar of companies and on registration the appointment shall cease to have effect.

Pursuant to Paragraph 52(1)b of Schedule B1 of the Act we do not expect that either of the objectives specified in paragraph 3(1)(a) and (b) of Schedule B1 of the Act can be achieved.

The administration process comes to an automatic end after one year and it may be necessary to extend the period of the administration in order to achieve the objectives of the administration. Having made a statement under Paragraph 52(1)b, the administration can be extended for a period of one year with the consent of each of the secured creditors and a decision of the preferential creditor in a decision procedure. An extension will be sought if it is considered necessary.

It is not expected that there will be sufficient realisations, after costs, to permit a distribution to unsecured creditors. If it is not possible it is therefore proposed that the exit route from administration be in accordance with Paragraph 84 of Schedule B1 of the Act – moving from administration to dissolution.

In the event that sufficient funds are realised to allow a distribution to unsecured creditors other than by virtue of the prescribed part (which does not apply in this case) then it is proposed that the joint administrators become joint liquidators without a further resolution of the creditors which will facilitate the distribution to creditors as this is not available in administration without sanction of the court. If creditors accept our proposals in this regard then, when appointed as joint liquidators, any act required or authorised under any enactment is to be done by any one or more of the joint liquidators for the time being holding office.

Creditors should be aware that, in such circumstances, in accordance with Paragraph 83(7)(a) to Schedule B1 of the Act and Rule 3.60 of the Rules, creditors may nominate a different person as the proposed liquidator. Where creditors nominate an alternative person, the nomination must, where applicable, include a declaration required by Section 231 of the Act being that where there are two or more persons proposed as liquidator, they should declare whether any act required or authorised, under any enactment, is to be done by all or any one or more of the persons for the time being holding office.

It is proposed that the administrators shall have their discharge from liability in respect of any action of theirs during the administration at the time their appointment ceases to have effect in accordance with paragraph 98(2) of Schedule B1 of the Act.

## PRE-ADMINISTRATION COSTS

A summary of the pre appointment costs incurred and notified to date, which remain unpaid, are set out below:

Expense	Role	Comments	£
James Cowper Kreston	Insolvency Practitioners	Advisory work	20,972.00
James Cowper Kreston	Insolvency Practitioners	Pre-Appointment	30,252.00
SKSi	Insolvency Practitioners	Advisory work	30,273.33
SKSi	Insolvency Practitioners	Pre-Appointment	17,930.00
Burges Salmon	Solicitors		107,843.50
Burges Salmon	Solicitors	Disbursements	650.85
Gunnercooke	Solicitors	UAB Petition and attendance costs	21,574.50
Insolvency & Law Ltd		Petition and attendance costs	16,488.00
Locke Lord	Solicitors	Petition costs	Unknown
<b>Total</b>			<b>245,984.18</b>

The unknown costs relating to Locke Lord as detailed above relate to petition costs of Castle Trust and Management Services Limited. We are at present unaware of the quantum but will report to creditors in our next progress report.

## Advisory Payments Made

Details of advisory fees net of VAT paid prior to the commencement of the Administration to SKSi, James Cowper Kreston and Burgess Salmon are as follows:

Expense	Role	Comments	£
SKSi Limited	Insolvency Practitioners	Advisory work	31,316.67
James Cowper Kreston	Insolvency Practitioners	Advisory work	37,500.00
Burgess Salmon	Solicitors		<u>22,897.00</u>
Total			<b>91,713.67</b>

## ADMINISTRATORS' REMUNERATION AND EXPENSES

The Joint Administrators are not seeking a resolution for fees at this present time and recommend that this is deferred to a later period. This will be determined with the Creditors Committee.

We would advise that sub-contractors have undertaken work on this case to date. We have sub-contracted some of the work we are required to undertake as office holder, namely dealing with any Pension scheme within the Company. We sub-contracted this work because the sub-contractor is a specialist at such work.

This work has been sub-contracted to an unconnected third-party organisation who maybe paid a fixed fee for undertaking this work. They have however indicated they will assist without charge.

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.

Professional advisors have undertaken work on this case to date although we have recently issued instructions to Locke Lord LLP in respect of the legal review of the share transfer agreement and the indemnity. We consider that they have the required skill set to provide the advice required. As detailed above, Pantera Property Limited have also been instructed to review the building projects.

Locke Lord LLP will act on a time cost basis with an uplift as they are operating on a contingency fee basis. We have yet to receive details of time incurred by them to date.

Burgess Salmon have assisted the administrators regarding certain aspects of the administration, including the physical creditors meeting. No fee details have been received to date. They have acted on a time cost basis.

Pantera Property Limited have confirmed they will act on a time cost basis. No details of time incurred to date has been received.

The pension Company dealing with the pension claim, Creative Benefits, have advised they will assist without charge.

An independent forensic analyst will be instructed to assist with the review of the Company's electronic records and to provide additional support with the investigation process. They will act on a time cost basis and we will provide details in a subsequent report.

Our choice of professional advisors is based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. We also confirm that they will hold appropriate regulatory authorisations. We will also consider and confirm that the basis on which they will charge their fees will represent value for money.

Our Category 1 expenses incurred to date amount to £3,868.43 in total, and are made up as follows:

<b>Nature of category 1 expense</b>	<b>Amount incurred/accrued to date £</b>	<b>Amount still to be paid £</b>
Specific bond – Carrie James	10.00	10.00
Specific bond – Anthony Hyams	15.00	15.00
Travel Costs	336.00	336.00
Travel Costs – Insolve Plus Ltd	318.75	318.75
Statutory Advertising - SKSi	99.60	99.60
Statutory Advertising – Insolve Plus Ltd	247.40	247.40

Choice Voting	264.40	264.40
Web Site Costs	750.00	750.00
Telephone Calls	69.28	69.28
Meeting Room Hire	1,758.00	1,758.00

We have not paid any category 1 expenses to date. We are able to pay expenses without needing to obtain approval, but when we issue statutory reports in the Administration or any subsequent Liquidation, we will compare the actual expenses incurred with the original estimate provided and will explain any material differences.

We would advise that we are not seeking a resolution to approve Category 2 expenses at this time.

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/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows SKSi's fee policy are available at the link [www.sksi.co.uk/practice-fee-recovery-policy](http://www.sksi.co.uk/practice-fee-recovery-policy). Please note that there are different versions of the Guidance Notes and in this case you should refer to the October 2015 version.

## 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 Administrator's 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 Administrator's 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 SKSi Ltd, including about our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found at [www.sksi.co.uk/privacy-policy](http://www.sksi.co.uk/privacy-policy).

SKSi Ltd uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation. You can find more information on how SKSi Ltd uses your personal information on our website at [www.sksi.co.uk/privacy-policy](http://www.sksi.co.uk/privacy-policy)

To comply with the Provision of Services Regulations, some general information about Insolve Plus Ltd, including about our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found at <https://insolvedirect.com/privacy-policy/>.

Insolve Plus Ltd uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation. You can find more information on how Insolve Plus Ltd uses your personal information on our website at <https://insolveplus.com>.

## SUMMARY

The Administration will remain open until the following matters have been finalised:

- The position relating to the various building projects held in the SPV's.
- Realisations from completed building projects.
- Investigations to identify assets, the director's and others conduct.
- Investigations into the alleged transfer of assets and movement of funds pre-administration.
- The secured status of the Loan Note Holders and to which security document they fall into.
- Subject to realisations, the agreement of creditor claims and distribution of funds.
- Employee related claims, including any shortfall with the pension scheme.


We are required to provide an estimation of the time the administration will continue for. As creditors will appreciate, this is a complex matter so any estimation is subject to revision.

The duration of an administration is initially for 12 months and can be extended with the consent of the creditors and the Court.

However, at this present time, our estimate is approximately five to six years. Once these matters have been finalised, the Administration will cease and our files will be closed.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available on-line, they should contact Mark Newton by email at [marknewton@insolveplus.com](mailto:marknewton@insolveplus.com) or by phone on 0207 495 2318.

For and behalf of  
High Street GRP Limited  
In Administration



Anthony Hyams  
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Carrie James and Anthony Hyams. The Joint Administrators act as agents of the Company and contract without personal liability.



## **Appendix A**

### 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 and staff. 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.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical/electronic case files (delete as applicable).
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding a meeting of creditors to obtain the approval of the Administrators' proposals.
- Supervising the work of advisors instructed on the case to assist in dealing with pension schemes; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account 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 6 monthly progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

### 2. Creditors

Employees - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Office (RPO). The office holder is required to undertake this work as part of their statutory functions.

Claims of creditors - the office holder needs 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 holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received.

The office holder is required to undertake this work as part of his statutory functions.

## **Insolve Plus Ltd**

### **Insolvency Assignment Charging and Expenses Recovery Policy**

#### **Fixed fee and percentages of realisations and distributions**

Where the approved basis of remuneration is as a fixed fee and/or on a percentage of realisations and distributions, the charges are applied as follows, unless otherwise specified and approved;

##### **Fixed fee basis**

There are certain tasks that have to be undertaken in nearly every insolvency assignment, namely Administrative duties and dealing with Creditors. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

**Administration:** This represents the work that is 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 the required practice that Office Holders must follow.

**Creditors: Employees -** The Office Holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Service (RPS). That work will include dealing with queries received from both the ex-employees and the RPS to facilitate the processing of the claims. The Office Holder is required to undertake this work as part of his statutory functions.

**Claims of creditors -** the Office Holder needs 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 Holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The Office Holder is required to undertake this work as part of his statutory functions.

This Firm's past time records have been reviewed and after taking into account the complexity of the insolvency assignment, concluded that a fixed fee of £18,500 plus VAT is necessary to cover administrative work. This fee is to be drawn from the asset realisations at the Office Holder's discretion, as and when funds are available. A fixed fee of £18,500 plus VAT for undertaking that work in the insolvency assignment is being sought. This demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that is anticipated to be necessarily and properly undertaken. Information about the work that will be undertaken for the fixed fee is listed below. Please note that the list includes generic tasks that may not be necessary every time, but arise in a typical case and are expected to be necessary in this case. If any one task is not required it would not make a material difference to the amount of work done for which approval of the fixed fee is being sought.

- Dealing with anti-money laundering and anti-bribery compliance requirements

- Undertaking statutory notifications to Companies House and Creditors, including gazetting the Office Holders appointment
- Arranging the statutory advertising of the appointment
- Case planning and devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case
- Obtaining a specific penalty bond
- Reviewing adequacy of specific penalty bond on a regular basis
- Setting up and maintaining case files
- Setting up the case on the Office Holders electronic case management system ("IPS") and entering data
- Convening and holding meetings of members and creditors where applicable
- Dealing with decision making procedure
- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing Office Holders estate bank account
- Creating, maintaining and managing Office Holders cash book
- Undertaking regular reconciliations of the estate bank account(s)
- Undertaking regular reviews of the progress of the case
- Filing returns at Companies House
- Preparing and filing Corporation Tax return
- Preparing and filing VAT returns
- Case reviews at one month, three months, six months and thereafter every six months
- Overseeing and reviewing the work on the case by the case administrators
- Attending to correspondence with creditors and others, including emails
- Attending to telephone calls with creditors
- Maintaining creditor information
- Attending to correspondence and telephone calls with directors and shareholders
- Attending to correspondence and telephone calls with other parties including HM Revenue & Customs
- Statutory investigations into the affairs of the Company and dealings of the directors
- Preparation and submission of statutory reports to the Secretary of State
- Preparing, reviewing and issuing statutory reports to creditors and members
- Obtaining information from the case records about employee claims
- Completing documentation for submission to the Redundancy Payment Office
- Corresponding with the Redundancy Payments Office regarding employee claims
- Dealing with all employee matters, including the Redundancy Payments Service and pension schemes
- Corresponding with employees in respect of their claims
- Ascertaining the existence of a pension scheme
- Submitting the relevant pension notification (if applicable)
- Arranging for the winding up of the pension scheme (if applicable)
- Recovering and listing the books and records of the case
- Conducting an initial investigation with a view to identifying potential assets by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors, and others
- Reviewing the books and records of the case to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors
- Obtaining closure clearance from government departments such as HMRC
- Preparing and issuing final report
- Holding final meetings and preparing minutes, where applicable

- Preparing and sending final returns to Companies House/the Court
- Archiving case records and books and records
- Filing final returns at Companies House (if applicable)

The above list is not exhaustive, but provides an overview of the work anticipated to be carried out in the insolvency assignment, which is either required by Statute or necessary to perform the basic duties of an Office Holder, but may not necessarily provide a direct financial benefit to creditors.

If the case remains open for more than two years an additional fee of £5,000 plus VAT will be charged, per annum, from the third year onwards, to cover the administrative and statutory work required to keep the case open.

#### Percentage basis:

There are certain tasks that are carried out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. The work is undertaken to protect and then realise the assets, initially at this Practice's own cost, suffering the loss if any asset is not recoverable. If assets are recovered, the Office Holder's costs are first recovered and then any balance is distributed. A percentage basis is being sought as it reflects the risk being taken, the nature of the assets involved, the complexity of the insolvency assignment and shares the anticipated benefit with the creditors.

The Office Holder will, therefore, be seeking fees based on the percentages of asset realisations listed below (net of any fixed charges or finance). Creditors should note that these charges will not be levied on the first £18,500 of realisations if the Office Holder has drawn a fixed fee as detailed above. The percentage proposed is expected to produce a fair and reasonable fee to reflect the work that is necessarily and properly undertaken to realise assets.

• Equity in Freehold / Leasehold Property	25%
• Plant & Machinery / Fixtures & Fittings / Stock	25%
• Goodwill / Intellectual Property Rights / Investments	25%
• Book Debts / Work in Progress / Rent Deposit	20%
• Equity in Motor Vehicles	20%
• Cash at Bank / Funds held by reporting accountant	15%
• HM Revenue & Custom Refunds	15%
• In relation to any other asset recovery arising from the Office Holders investigations (e.g. antecedent transaction recoveries)	50%

The Office Holder will in addition be seeking remuneration as a percentage of the value of total distributions to creditors (excluding fixed charge creditors) (to be deducted from the total distribution including Prescribed Part payments), as listed below. This reflects the additional work on creditors claims to facilitate a distribution to creditors

• The first £20,000	25%
• The next £80,000	15%
• Over £100,000	10%

The work undertaken on a percentage basis includes, but is not limited to, the following;

- Arranging suitable insurance over assets
- Regularly monitoring the suitability and appropriateness of the insurance cover in place
- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with banks regarding the closure of accounts
- Instructing agents to value known assets
- Disposing of the business and assets
- Dealing with Retention of Title claims
- Liaising with agents with regard to the realisation of assets
- Instructing solicitors to assist with the realisation of assets
- Registering cautions in respect of properties
- Instructing solicitors to assist with the sale of leasehold/freehold properties
- Obtaining details from secured creditors in respect of debts secured over assets
- Liaising with secured creditors in respect of the realisation of charged assets
- Determining ownership of assets such as properties and vehicles
- Issuing notice of intended dividend and placing an appropriate notice
- Reviewing and adjudicating on proofs of debt received from creditors
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims
- Calculating and paying dividends
- Paying tax deducted from dividends paid to employees

### **Time cost basis**

Where the approved basis of remuneration is on a time costs basis, work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 18 March 2021 are as follows:

Directors	£450 - £595
Associate Directors	£450
Senior Managers	£405
Managers	£350
Assistant Managers	£310
Senior Administrators	£250
Administrators	£175
Junior Administrators	£125
Accounts Managers	£175
Cashiers	£150
Junior Cashiers	£125
Office Assistants	£75

### **Expenses recovery**

#### **Category I expenses**

Category I expenses will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Insolve Plus and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category I expenses can be drawn without prior approval.

Examples of Category I expenses include postage, case advertising, specific bond insurance, company search fees, travel and properly reimbursed expenses incurred by personnel in connection with the

case. Also included will be services specific to the case where these cannot practically be provided internally such as printing and external room hire. Document storage and associated services is charged at cost.

If an asset agent is required on a case it is anticipated that they would be paid approximately £1,000 plus VAT for providing a valuation report, but this may vary according to the size and complexity of the assets. If that agent is then required to assist with the sale of those assets it would be anticipated that the agent would receive approximately 10% of gross realisations. In the event that the office holder instructs a debt collection agent it is anticipated that the agent will be paid a percentage of debtor realisations. This percentage will vary from approximately 5% to 25% depending upon the age and complexity of the debt. If the Office Holder is required to instruct a solicitor it is anticipated that the solicitor will charge on a time cost basis which would be monitored by the office holder and disclosed to creditors in future progress reports.

### **Category 2 expenses**

Category 2 expenses are payments to associates or which have an element of shared costs. Category 2 expenses may be drawn if they have been approved in the same manner as an Office Holder's remuneration. When seeking approval, an Office Holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 expenses are photocopying/scanning and all business mileage.

The current levels of Category 2 expenses recovered by Insolve Plus are as follows:-

Photocopying/scanning (internal)	15p per side
Business mileage	45p per mile

All costs are subject to VAT, where applicable. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

## SKSi Practice Fee Recovery Policy

### Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time onwards. This sheet explains how we intend to apply the alternative fee bases allowed by the new 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 by the creditors in the general meeting, or by the court.

Further information about creditors' rights can be obtained by visiting the creditors' information microsite 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.r3.org.uk/technical-library/england-wales/sips/more/29125/page/1/sip-9-payments-to-insolvency-office-holders-and-their-associates>.

Alternatively, a hard copy may be requested from Carrie James of SKSi, Unit 1, First Floor, Brook Business Centre, Cowley Mill Road, Uxbridge, UB8 2FX. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee members and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. in reference to time properly spent by SKSi practice members of staff at our standard charge-out rates, the time incurred will also be disclosed, whether drawn or not, together with the average (or 'blended') rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

### Time Cost Basis

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

### Charge-out Rates

Director (Appointment Taker)	425-500
Associate Director	400
Senior Manager	350
Manager	310
Senior Administrator	275
Administrator	150
Assistants & Support Staff	100

### Offshore team Charge-out Rates

Senior Administrator	175
Administrator	120-140
Assistants & Support Staff	100

The charge-out rates charged are reviewed annually 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. The work is generally recorded under the following categories:

- Administration and planning
- Investigations
- Realisation of assets
- Creditors
- Trading
- Case-specific matters

The legislation with regard to office holders' fees changed on 1 October 2015; therefore, we seek time costs for the following categories:

- Investigations
- Distributions
- Trading

When we seek time costs approval, we 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. We will also disclose whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

SKSi operate both on-shore and off-shore teams and have staff located in the UK and in India. These staff are employed as part of the SKS Group who are a majority owner of SKSi Limited.



Both UK and Indian teams work on all aspects of case administration under the supervision of the office holder. The hybrid team allows for a more cost-effective approach, to enable the work to be undertaken by people at the most appropriate level of expertise and avoids the considerable costs that would result if SKSi were otherwise to employ specialists and sufficient staff resources to carry out the work solely in the UK. Junior grades of staff are used where appropriately compatible with the efficient conduct of the matter in order to ensure that costs are kept to a minimum.

The disclosure that we make will include sufficient information about the insolvency appointment to enable creditors to understand how the proposed fees reflect the complexity (or otherwise) of the case, any responsibilities of an exceptional nature that will fall on the office holder, the effectiveness with which the office holder expects to carry out their functions, and the value and nature of the property with which the office holder will have 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 disclose 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 as a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Any fee request will be accompanied by a report that will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but will be disclosed to help put the remuneration request into context.

The percentage approved with respect to realisations will be charged against the assets realised, and, where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make will include sufficient information about the insolvency appointment to enable creditors to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibilities of an exceptional nature that will fall on the office holder, the effectiveness with which the office holder expects to carry out their functions, and the value and nature of the property with which the office holder will have to deal.

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. Different set amounts can be used for different tasks. Any fee request will be accompanied by a report that will specify the set fee that we propose to charge and the work that will be covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but will be disclosed to help put the remuneration request into context.

The disclosure that we make will include sufficient information about the insolvency appointment to enable creditors to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibilities of an exceptional nature that will fall on the office holder, the effectiveness with which the office holder expects to carry out their functions, and the value and nature of the property with which the office holder will have to deal.

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.

## Members' Voluntary Liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVLs), company voluntary arrangements (CVAs) or individual voluntary arrangements (IVAs). In MVLs, the company's members set the fee basis, often as a fixed fee. 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 Cases

With the exception of individual voluntary arrangements (IVAs) and company voluntary arrangements (CVAs), which are VAT exempt, the office holders' remuneration that is invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

## Agents' Costs

These will be charged at cost, based upon the charge made by the agent instructed; the term 'agent' includes:

- Solicitors/legal advisors
- Auctioneers/valuers
- Accountants
- Quantity surveyors
- Estate agents
- Other specialist advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. 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.

## Disbursements

In accordance with SIP 9, the basis of disbursement allocation with respect to disbursements incurred by the office holder in connection with the administration of the estate must be fully disclosed to the creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or SKSi; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors, either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of Category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying and mileage. It is SKSi policy not to draw Category 2 disbursements.

In light of the latest revisions to SIP9 and the revised definition of category 2 disbursements, please note that the firm is adopting the guidance of the IPA/ICAS in this regard, in that if a category 1 disbursement has been incurred and paid by the firm, any invoice raised by the firm to reimburse such disbursements will still be classified as a category 1 disbursement despite the payment being made to the firm.

**Rule 18.9 – Creditors’ and members’ requests for further information in administration, winding up and bankruptcy**

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members’ voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members’ voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members’ voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

**Rule 18.34 – Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive**

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
  - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
  - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
  - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
  - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

## Appendix B

### PROOF OF DEBT under rule 14.4 The Insolvency (England and Wales) Rules 2016

**High Street GRP Limited - In Administration**  
**In the High Court of Justice Number CR-2021-002046**

**Date of Administration: 16 December 2021**

1	Name of creditor:	
2	Address of creditor:	
3	Claim, including VAT, as at date of Administration:  Less: any payments made after that date in relation to the claim; any deduction for discounts (except a discount for immediate or early settlement) which would have been available but for the insolvency proceedings; and any adjustment as a result of set-off  Total claim, including VAT	£  £  £
4	The amount of any uncapitalised interest that is include in the claim, if any.	£
5	Particulars of how and when the debt was incurred	
6	Please provide details of any documents by which debt can be substantiated:  <i>(Notes - copies need not be supplied unless specifically requested by the office holder)</i>	
7	Particulars and value of any security held and the date it was given:	

<p>8      Signature of creditor or authorised person:</p> <p>NAME, IN BLOCK LETTERS:</p> <p>Creditor's reference:</p>	
<p>9      Position or relationship with creditor:</p> <p><i>(eg, director, accountant, credit controller etc)</i></p>	

**Guidance notes re preferential debts:**

For claims arising in insolvencies commencing on or after 15 September 2003 the categories of preferential debts under section 386(1) of the Insolvency Act 1986, are as follows:

- (a) pension scheme contributions;
- (b) remuneration etc of employees;
- (c) levies on coal and steel production.

**VAT bad debt relief**

The provisions of the Finance Act 1990, came into effect on 26 July 1990, and introduced changes in the way that VAT on bad debts is recovered.

Your claim overleaf must be quoted inclusive of VAT. You may claim relief on your VAT return when the debt is at least six months old and has been written off. This system can also be applied to debts for any supplies made between 1 April 1989, and 25 July 1990, and such debts must be claimed gross overleaf. Any dividend you receive in respect of this claim will include payment in respect of the VAT element of your debt and you will be responsible for declaring such VAT to HM Customs & Excise.