

AM03

Notice of administrator's proposals



Companies House

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

1 Company details

Company number 09045035

Company name in full Mid Holding Co UK Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Jason Mark

Surname Elliott

3 Administrator's address

Building name/number Regency House

Street

Post town 45-53 Chorley New Road

County/Region Bolton

Postcode BL14QR

Country

4 Administrator's name ①

Full forename(s) Craig

Surname Johns

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Regency House

Street

Post town 45-53 Chorley New Road

County/Region Bolton

Postcode BL14QR

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6

Statement of proposals



I attach a copy of the statement of proposals

7

Qualifying report and administrator's statement ^①



I attach a copy of the qualifying report



I attach a statement of disposal

^① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8

Sign and date

Administrator's
Signature

Signature



Signature date

^d

1

^d

3

^m

0

^m

9

^y

2

^y

0

^y

2

^y

2

AM03

Notice of Administrator's Proposals



Presenter information

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

Contact name	Ashley Carlton						
Company name	Cowgill Holloway Business Recovery LLP						
Address	Regency House						
	45-53 Chorley New Road						
Post town	Bolton						
County/Region							
Postcode	B	L	1		4	Q	R
Country							
DX							
Telephone	0161 827 1200						



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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

Joint Administrators' Report and Statement of Proposals Pursuant to Paragraph 49 of Schedule B1

**Mid Holding Co UK Limited Formerly T/A Mid-Group -
In Administration**

12 September 2022

cowgills

CONTENTS

- 1** Introduction and Background
- 2** Administration Strategy and Objective
- 3** Joint Administrators' Receipts and Payments
- 4** Financial Position
- 5** Proposals
- 6** Exit Routes
- 7** Pre-administration Costs
- 8** Joint Administrators' Remuneration
- 9** Estimated Outcome
- 10** Proposals approval and next report

APPENDICES

- A** Statutory Information
- B** Joint Administrators' Receipts and Payments Account for the Period from 21 July 2022 to 12 September 2022
- C** Summary of the Estimated Financial Position of the Company as at 21 July 2022
- D** Pre-Appointment Time Analysis and a Time Analysis for the Period from 21 July 2022 to 12 September 2022
- E** Additional Information in Relation to the Joint Administrators' Fees
- F** Estimated Outcome Statement as at 12 September 2022

1 Introduction and Background

- 1.1 The Company was incorporated on 16 May 2014, by Sahel Abdul Hadi Majali ("SH"). In December 2014, Ala Baha Omar Al Masri, Shaker Sahel Majali, Ala Ghazi Shabaan Yakhout and Andrew David Shepherd were also appointed as directors of the Company. The shareholding of the Company was issued to Mid Co Holding Guernsey Ltd, a connected company by common directors.
- 1.2 The Company was incorporated for the purpose of being an offsite construction and consultancy business, with the founding director, SH, holding significant experience having in 1991, founded an award-winning successful business in Jordan. SH therefore had a long career in the construction industry, developing an in-depth knowledge of construction management and technologies.
- 1.3 The Company grew significantly, being able to win and deliver projects throughout the UK for various clients, with its turnover exceeding £5m in the first year. This was aided by SH extensive contacts and reputation within the construction industry. The Company was initially financed by SH and connected companies. The Company was part of a wider group of companies, known as Mid-Group, all of which were connected and established to deliver specific elements of the construction contracts awarded to the Company.
- 1.4 By the second year of trading, the Company had grown exponentially and the annual turnover for year ending 2015 reached circa £46m. Being an off-site specialist, the Company was able to grow significantly using contractors and plant hire local to the sites, rather than an extensive acquisition of fixed assets and employees. This enabled the Company to win further work throughout the UK.
- 1.5 The growth and success of the business as a group continued and the group of Companies won several awards in 2019 and 2020 from the Offsite and Constructing Excellence Awards.
- 1.6 The Company's financial difficulties began in March 2020, following the COVID-19 pandemic. The government imposed national lockdown led to all construction sites being closed.
- 1.7 The Company used all available Government support to aid the business during this period and in order to retain staff for when restrictions were eventually lifted. The Company gave Coutts and Company a fixed and floating charge over its assets, as part of a cross guarantee for a CBILS loan, obtained by its subsidiary, Mid Contracting and Consulting Ltd.
- 1.8 Following the re-opening of all sites being worked on, the Company was able to retain almost all of its contracts.
- 1.9 In early 2022, it became apparent however, that the Company was suffering cash-flow issues and it soon became clear that significant losses had been incurred on a number of the sites it had contracted to. Further coupled with claims against the Company in respect of retentions and rectification works, the Company began to struggle.
- 1.10 The Company sought external advice from several parties in respect of its financial position and the ability to complete all of its remaining contractual obligations.
- 1.11 In July 2022, the directors were referred to Jason Mark Elliott of Cowgill Holloway Business Recovery LLP by Mottram Estates Ltd, as following the financial reviews, it became apparent that the Company required advice on its solvency.

- 1.12 Despite numerous requests, it became evident at an early stage that the financial reporting and records were not readily available, nor was an up-to-date financial position, as the Company's accounting software did not appear to have been reconciled since 30 November 2021.
- 1.13 The Company had numerous statutory demands issued, had insufficient funds available to cover the payroll costs in the group for July 2022 and had received indications that its current contracts were likely to be terminated. Nonetheless, a contractual review was undertaken and it was then apparent that the Company had suffered losses of circa £20m.
- 1.14 After further consideration of all the options available to the Company, it soon became clear that cash-flow issues meant the Company would no longer be able to trade in its current format and was irrecoverably insolvent. As such, a decision was made to file a Notice of Intention to Appointment Administrators.
- 1.15 A moratorium under Part A1 of the Insolvency Act 1986 has not been in force for the Company at any time within the period of 2 years ending with the day on which the Company entered Administration.
- 1.16 As a result of the Company's financial position, Jason Mark Elliott and Craig Johns of Cowgill Holloway Business Recovery LLP ("CHBR"), Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR were appointed Joint Administrators of the Company by the director, Sahel Abedul Hadi Majali on 21 July 2022. Jason Mark Elliott and Craig Johns are licensed to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association.
- 1.17 The Joint Administrators are authorised to act jointly and severally in the Administration.
- 1.18 This firm's Privacy Notice about the way that we will use and store personal data can be found at <https://www.cowgills.co.uk/services/business-recovery/privacy-notice/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.19 For the purposes of paragraph 100(2) of Schedule B1 the administrators may exercise any of the powers conferred on them by the IA 1986 jointly or individually.
- 1.20 This report incorporates the Administrators' statement of proposals made under paragraph 49 of Schedule B1, which will be treated as delivered to creditors on 14 September 2022.

Type of proceedings

- 1.21 The proceedings flowing from the Administration appointment will be COMI proceedings.

2 Administration Strategy and Objective

- 2.1 The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
- *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.*
- 2.2 In this case, it was not possible to achieve the primary objective of rescuing the Company as a going concern, as at the date of our appointment, it was understood the Company had ceased to trade. The nature of the Company's trading and financial situation also meant that a Company Voluntary Arrangement was not feasible. The Company's workforce had been consulted regarding their redundancy.
- 2.3 We consider that the second objective of Administration was not possible, as a better result for the Company's creditors as a whole (when compared to the Company being wound-up) cannot be achieved by realising the Company's assets, as following the Company ceasing to trade and its overall financial position, neither a sale of the Company could be achieved nor would asset realisations likely be greater.
- 2.4 The Joint Administrators' functions are therefore being carried out with the objective of 'Realising property in order to make a distribution to one or more secured or preferential creditors', as realisations will result in the secured creditor receiving a dividend pursuant to its security, in addition to the secondary preferential creditors, which fulfils the third purpose of the Administration under Paragraph 3 of Schedule B1 of the Insolvency Act 1986.

Consideration of Proposals by Creditors

- 2.5 Under Para 52(1) of Schedule B1 to the Insolvency Act 1986, where an Administrator thinks that:
- (a) The Company has sufficient property to enable each creditor of the Company to be paid in full,
 - (b) The Company has insufficient property to enable a distribution to be made to the unsecured creditors other than from the Prescribed Part, or
 - (c) The Company cannot be rescued as a going concern, or a better result as a whole than would be likely if the Company were wound up (without first being in Administration) cannot be achieved
- 2.6 Then the Joint Administrators are not required to seek a decision from the Company's creditors as to whether they approve these Proposals.
- 2.7 In this case we think that neither option (a) 'The Company has sufficient property to enable each creditor of the Company to be paid in full' or option (c) being 'The Company cannot be rescued as a going concern, or a better result as a whole than would be likely if the Company were wound up (without first being in Administration) can be achieved.
- 2.8 As such, option (b) 'The Company has insufficient property to enable a distribution to be made to the unsecured creditors other than from the Prescribed Part' applies and we are therefore not required to seek a decision from creditors to approve our Proposals unless the requisite number of creditors request such a decision within the prescribed period. Please see the covering letter which accompanies this Report for further information about this.
- 2.9 Please note that the procurement of accurate and recent financial information of the Company has proved difficult and therefore the Joint Administrators basis of knowledge comes from draft management financial accounts dated 30 November 2021.

- 2.10 As such, this option is based on the current information available to the Joint Administrators. The Joint Administrators were advised by the directors of the Company that it was in fact due to a refund from HM Revenue & Customs ("HMRC") and therefore although no claim was to be expected from HMRC, this option is subject to HMRC overall position as a secondary preferential creditor. As such, the quantum of their claim, as being uncertain, has been listed as £1.

Progress Since Appointment

Administration (including statutory compliance and reporting)

- 2.11 Following our appointment, the strategy for the Administration was carefully assessed to ensure that a coherent planned process for the case could be achieved. This work may, where appropriate, have included liaison with solicitors to deal with any legal considerations surrounding the Company's insolvency (such as assessing the validity of any 3rd party security in relation to the assets) and liaising with valuation agents about the most appropriate means of realising the value in the Company's business and assets.
- 2.12 We have also dealt with a number of statutory formalities which are required of us under related legislation. Typically, this includes issuing and filing all appointment notices with creditors and the Registrar of Companies and advertising our appointment in the London Gazette, together with preparing these proposals to creditors outlining how the purpose of the Administration may be achieved.
- 2.13 Other statutory duties performed are outlined in further detail in the fees information which can be found at Appendix E. Please note that much of this work will have been performed to comply with statutory requirements and as such may not necessarily add any value to the insolvent estate.
- 2.14 It should also be noted that the although the Company's workforce were contractually employed by a connected company, Mid Group Services Limited, their services were then contracted out to the Company and others within the group. As such, the Joint Administrators provided advice and consulted all employees regarding their status, as a result of the Company's financial difficulties.
- 2.15 Ultimately their services were no longer required by the Company and as a result, all employees were made redundant on 25 July 2022. The Joint Administrators wanted to ensure that employees were treated fairly and appropriately, given they would have no claim in the Administration estate. As such, the directors sought advice and therefore Mid Group Services Limited was placed into Creditors' Voluntary Liquidation on 8 August 2022, with Jason Mark Elliott and Craig Johns of CHBR being appointed Joint Liquidators.
- 2.16 The Joint Administrators instructed an employee claims specialist, ERA Solutions Limited ("ERA"), to assist the employees in making their claims to the Redundancy Payments Service. Although the claims will be made through the liquidation of Mid Group Services Limited, the Joint Administrators are seeking to pay the costs of ERA's services as an expense of the Administration estate, given that the employees services were rendered redundant as a direct result of the Administration.

Trading

- 2.17 As previously mentioned, the business had already ceased to trade on 21 July 2022, the date the Company entered Administration.

Realisation of assets

Cash Held on Appointment

- 2.18 The Joint Administrators are holding the sum of £193,294.15, which represents the credit balances held in the Company's bank accounts as of 8 July 2022 and 20 July 2022 respectively. These funds were held in the client account of CHBR and were subsequently transferred to a designated case bank account. The Joint Administrators do not anticipate any further realisations.

HMRC Refund

- 2.19 It was understood that the Company was due a refund from HMRC at the date of the Joint Administrators appointment. However the quantum of HMRC claim is yet to be verified. As such, due to possible right of offset by HMRC, the estimate to realise value is uncertain.

Book Debt

- 2.20 The Company paid a deposit of £500,000 to a contractor in respect of a bond against future works. As these will not be completed, the Joint Administrators have instructed their agent to seek recovery of these funds. It is understood that a commercial settlement may be required and as such, the estimate to realise position is currently uncertain.

Retentions

- 2.21 In the draft management financial accounts for the period ending 30 November 2021, the Company's retentions held had a book value of £1,646,418.
- 2.22 The Joint Administrators have instructed Andrew White of The Alderley Group Ltd ("AW") to assist with dealing with these in the most appropriate manner, in order to maximise realisations for the Administration estate. Following a review, it has been determined that the remaining collectable retentions have an estimated book value of £221,754.22 however of these, £171,743.98 are not due until February 2023. The Joint Administrators are therefore exploring the option of a re-assignment in return for a commission-based agreement.

Office Furniture and Equipment

- 2.23 In the draft management financial accounts for the period ending 30 November 2021, the Company's office furniture and equipment had a book value of £40,330.
- 2.24 The Joint Administrators instructed Jonathan Kay of Robson Kay Associates ("RKA"), who is a member of the National Association of Valuers and Auctioneers, to attend the Company's head office, complete an inventory and uplift of the Company's office furniture and equipment.
- 2.25 Upon review, it appears that this has depreciated significantly and RKA have estimated the book value to be £5,200 and the forced sale value to be £2,850, before any costs of sale. RKA will list these items at the next available auction, to seek offers and dispose.

Intercompany Loans

Mid Contracting and Consulting Ltd ("Mid C&C")

- 2.26 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £47,794,503 due from Mid C&C. Mid C&C entered Administration on 10 August 2022, with Jason Elliott and Craig Johns of CHBR being appointed as Joint Administrators.
- 2.27 As such, the estimate to realise position is currently uncertain but it is unlikely the Company will see any return on this basis.

Mid Co Holdings Guernsey Limited ("MCHG")

- 2.28 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £1,478,603 due from MCHG.
- 2.29 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Mid Group (West) Limited ("MGW")

- 2.30 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £6,849,636 due from MGW.
- 2.31 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Mid Group Services Limited ("MGS")

- 2.32 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £14,109 due from MGS. MGS entered Liquidation on 8 August 2022, with Jason Elliott and Craig Johns of CHBR being appointed as Joint Liquidators.
- 2.33 As such, the estimate to realise position is currently uncertain but it is unlikely the Company will see any return on this basis.

Sterling MEP Services Limited ("SMEP")

- 2.34 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £4,187,293 due from SMEP.
- 2.35 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.
- 2.36 The work undertaken by the Joint Administrators and their staff to date in realising the Company's assets has been necessary in order to maximise the likelihood of a return to creditors being made. Where assets remain to be realised, these will be dealt with as the Administration progresses and further updates will be provided to creditors in our progress reports.
- 2.37 Further information on the estimated outcome of the Administration can be found in section 9 below.

Creditors

- 2.38 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.
- 2.39 Work undertaken by an Administrator in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however an Administrator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrator in dealing with those claims.

Investigations

- 2.40 In accordance with the Company Directors Disqualification Act 1986, the Joint Administrators are required to investigate the Company's affairs and to subsequently submit a report on the conduct of the Directors of the Company to the Department for Business, Energy and Industrial Strategy, within 3 months of appointment. As this is a confidential report, we will not be able to disclose the contents of this.

3 Joint Administrators' Receipts and Payments

- 3.1 A summary of receipts and payments for the Administration period from the date of our appointment to 12 September 2022 is attached at Appendix B.

4 Financial Position

- 4.1 A Statement of the Company's Affairs has not yet been received, as the Chief Financial Officer of the Company resigned as director on 25 July 2022, without the Joint Administrators consent and has since not responded to the request. Attached at Appendix C is a summary of the Estimated Financial Position of the Company as at 21 July 2022, together with a list of creditors names and addresses along with details of their debts (including details of any security held by them). Creditors should note that the estimated financial position is before the costs of the Administration procedure are considered.
- 4.2 We have the following observations to make in relation to the Estimated Financial Position of the Company.

Assets

Goodwill

- 4.3 In the last set of filed accounts for the year ending 31 December 2020, goodwill had depreciated to Nil. In any event, it is unlikely this would have any value in the event of a winding-up scenario.

Cash Held on Appointment

- 4.4 The Joint Administrators are holding the sum of £193,294.15, which represents the credit balances held in the Company's bank accounts as of 8 July 2022 and 20 July 2022 respectively. As such, this sum is realisable in full.

HMRC Refund

- 4.5 It was understood that the Company was due a refund from HMRC at the date of the Joint Administrators appointment. However the quantum of HMRC claim is yet to be verified. As such, due to possible right of offset by HMRC, the estimate to realise value is uncertain.

Book Debts

- 4.6 The Company paid a deposit of £500,000 to a contractor in respect of a bond against future works. As these will not be completed, the Joint Administrators have instructed their agent to seek recovery of these funds. It is understood that a commercial settlement may be required and as such, in a winding-up scenario, the estimated realise position remains uncertain.

Retentions

- 4.7 In the draft management financial accounts for the period ending 30 November 2021, the Company's retentions held had a book value of £1,646,418.
- 4.8 At the date of appointment, the current value of these retentions remained uncertain and as such, the Joint Administrators have instructed Andrew White of The Alderley Group Ltd ("AW") to assist with dealing with these in the most appropriate manner, in order to maximise realisations for the Administration estate. The estimated to realise value in a winding-up scenario is therefore uncertain.

Office Furniture and Equipment

- 4.9 The Joint Administrators instructed Jonathan Kay of Robson Kay Associates ("RKA"), who is a member of the National Association of Valuers and Auctioneers, to attend the Company's head office, complete an inventory and uplift of the Company's office furniture and equipment, whom have advised that the forced sale value in the event of a winding-up scenario would be £2,850.

Intercompany Loans

Mid Contracting and Consulting Ltd ("Mid C&C")

- 4.10 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £47,794,503 due from Mid C&C. Mid C&C entered Administration on 10 August 2022, with Jason Elliott and Craig Johns of CHBR being appointed as Joint Administrators.
- 4.11 As such, the estimate to realise position is currently uncertain but it is unlikely the Company will see any return on this basis.

Mid Co Holdings Guernsey Limited ("MCHG")

- 4.12 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £1,478,603 due from MCHG.
- 4.13 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Mid Group (West) Limited ("MGW")

- 4.14 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £6,849,636 due from MGW.
- 4.15 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Mid Group Services Limited ("MGS")

- 4.16 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £14,109 due from MGS. MGS entered Liquidation on 8 August 2022, with Jason Elliott and Craig Johns of CHBR being appointed as Joint Liquidators.
- 4.17 As such, the estimate to realise position is currently uncertain but it is unlikely the Company will see any return on this basis.

Sterling MEP Services Limited ("SMEP")

- 4.18 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £4,187,293 due from SMEP.
- 4.19 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Liabilities

Secured Creditors

- 4.20 The Company granted a fixed and floating charge to Coutts and Company ("Coutts") which was created on 23 August 2021 and delivered on 26 August 2021. Coutts have the benefit of the fixed and floating charge via a cross guarantee, in respect of a Coronavirus Business Interruption Loan Scheme ("CBILS") loan obtained by a connected company, Mid Contracting and Consulting Ltd. Coutts have confirmed that £1,500,000 is currently outstanding.
- 4.21 The Company also granted a fixed and floating charge to Bibby Financial Services Limited ("Bibby") which was created on 29 April 2021 and delivered on 3 May 2021; however, Bibby have confirmed that no outstanding balance is due and their facility is closed.

Ordinary and Secondary Preferential Creditors

Employees

- 4.22 As referred to above, the Company had no direct employees, as these were all contracted to a connected company, Mid Group Services Limited – in Liquidation. As such, no claims are expected.

HM Revenue & Customs ("HMRC")

- 4.23 It is currently uncertain that HMRC will have a claim in the Administration as a secondary preferential creditor, in respect of VAT and CIS/PAYE so as the quantum of this is yet to be established for the purposes of this statement, they have been listed as £1.

Prescribed Part Fund

- 4.24 As mentioned above the Company granted a fixed and floating charge to Coutts on 23 August 2021. Accordingly, we are required to create a fund out of the Company's net floating charge property for the benefit of unsecured creditors (known as the "Prescribed Part").
- 4.25 Based on present information, we estimate that the Company's net property will be £196,143 and therefore arising from this, the Prescribed Part Fund available to unsecured creditors would be £44,229. Please note that this is only an estimate and may fluctuate depending on asset realisations and any claim from HMRC as a secondary preferential creditor.

Unsecured Creditors

Intercompany Loan – Mid Contracting and Consulting Ltd

- 4.26 As per the draft management financial accounts for the period ending 30 November 2021, the Company had a liability of £16,459,024 due to Mid Contracting and Consulting Ltd. These balances are estimated, as the Company is also owed monies by Mid Contracting and Consulting Ltd.

Intercompany Loan – Mid Group (West) Ltd

- 4.27 As per the draft management financial accounts for the period ending 30 November 2021, the Company had a liability of £113,587 due to Mid Group (West) Ltd. These balances are estimated, as the Company is also owed monies by Mid Group (West) Ltd.

Trade and Expense Creditors

- 4.28 The trade and expense creditors of £7,473,146 have been calculated using the figures contained in the Company's books and records and claims received to date.

5 Proposals

- 5.1 It is proposed that the Joint Administrators will continue to manage the affairs of the Company in order to achieve the objective of the Administration. In the circumstances it is proposed that:
- 5.2 If having realised the assets of the Company, the Joint Administrators think that a distribution will be made to the unsecured creditors from the fund created out of the Company's net floating charge property (known as the **Prescribed Part**) by virtue of section 176A(2)(a), this will be distributed by the Joint Administrators in the Administration and the Company will thereafter proceed to dissolution.
- 5.3 If, however, having realised the assets of the Company the Joint Administrators think that a distribution will be made to the unsecured creditors other than by virtue of section 176A(2)(a) as noted above, they propose filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Joint Administrators to an end and will move the Company automatically into Creditors' Voluntary Liquidation (**CVL**) in order that the distribution can be made. In these circumstances, it is proposed that the Joint Administrators in office at the date of conversion to CVL will become the Joint Liquidators in the CVL. The acts of the Joint Liquidators may be undertaken by either or both of them.
- 5.4 Court approval is not required to enable the Joint Administrators to make a distribution to the unsecured creditors of the Prescribed Part. If however, a distribution to unsecured creditors not limited to the Prescribed Part is anticipated, the Joint Administrators may consider making an application to Court to seek permission to distribute this in the Administration. If permission is granted, the Company will exit into dissolution once the distribution has been made and the Administration is concluded.
- 5.5 If the Joint Administrators think that the Company has no property which might permit a distribution to its creditors, they will file a notice with the Court and the Registrar of Companies for the dissolution of the Company.
- 5.6 See Section 6 below on **Exit Routes** for further information on the exit routes available from Administration.
- 5.7 The Joint Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the Administration.
- 5.8 If the Joint Administrators consider it necessary to extend the period of the Administration, they will seek the consent of creditors or the approval of the Court to the extension. Creditors may consent to an extension for a period of up to one year and the Court can order that the Joint Administrators term of office be extended for a specified period determined by it.

- 5.9 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed, they be authorised to sanction the basis of the Joint Administrators' remuneration, Category 2 Expenses (where charged) and any proposed act on the part of the Joint Administrators without the need to report back to creditors generally, to include any decision regarding the most appropriate exit route from the Administration.
- 5.10 The basis of the Joint Administrators' remuneration may be fixed as one or more of the following bases and different bases may be fixed in respect of different things done by them:
- As a percentage of the value of the assets they have to deal with, or
 - By reference to time properly spent by the Joint Administrators and their staff managing the Administration, or
 - As a set amount
- 5.11 In accordance with Statement of Insolvency Practice 9, issued by the Association of Business Recovery Professionals, the Joint Administrators be authorised to draw Category 2 Expenses as and when funds are available, in accordance with their firm's published tariff. Details of Category 2 Expenses charged by the firm can be found at Appendix E.
- 5.12 Where no Creditors' Committee is appointed the remuneration and Category 2 Expenses of the Joint Administrators shall be fixed by a decision of creditors or where the Joint Administrators think that the Company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the Prescribed Part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with insolvency legislation. The Joint Administrators will also seek approval for any unpaid pre-administration costs detailed in this report and their discharge from liability in the same manner.
- 5.13 In this case, the Joint Administrators are seeking to approve the basis of their remuneration as follows:
- By reference to the time properly spent by the Joint Administrators and their staff in attending to matters arising in the Administration

Further details about the proposed fee basis can be found in Section 8 below and Appendix E.

- 5.14 The Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

6 Exit Routes

- 6.1 All Administrations automatically come to an end after the period of one year, unless the Company's creditors agree to extend this period, or the Court orders the Joint Administrators' term of office be extended for a specified period of time.
- 6.2 At the time of drafting these Proposals we do not believe that an extension to the period of Administration will be necessary, however will confirm the position to creditors in a subsequent progress report in due course.

- 6.3 Based on information currently available, the information on the exit route(s) we believe may be appropriate in this Administration is/are set out below.

Dissolution of the Company

- 6.4 Based on present information, the Joint Administrators think that a distribution will be available to the unsecured creditors from the Prescribed Part by virtue of section 176A(2)(a). This will be distributed in due course within the Administration and a notice will thereafter be filed at Court and with the Registrar of Companies with the Joint Administrators final report, for the dissolution of the Company.
- 6.5 The Joint Administrators' appointment will end following the registration of the notice by the Registrar of Companies.

Compulsory Liquidation

- 6.6 If a move to Creditors' Voluntary Liquidation is not possible because a dividend to the unsecured creditors (other than by virtue of the Prescribed Part) is not anticipated, but the Joint Administrators conclude that an exit into liquidation is appropriate so that further investigations into the Company's affairs may be carried out for example, an application to Court may be made to exit into Compulsory Liquidation instead. If this exit route is appropriate, at this stage it is anticipated (but is not mandatory) that the Joint Administrators will become the Joint Liquidators in the subsequent liquidation.

7 Pre-administration Costs

- 7.1 Pre-administration costs are defined as:

- (i) Fees charged, and
- (ii) Expenses incurred

by the Joint Administrators, or another person qualified to act as an Insolvency Practitioner before the company entered Administration (but with a view to its doing so), and "unpaid pre-administration costs" are pre-administration costs which had not been paid when the company entered Administration.

- 7.2 Below is information on the pre-administration costs incurred in this case, together with details of any amounts which remain unpaid, where applicable.

7.3 The pre-appointment fees charged and expenses incurred by the Joint Administrators are as follows:

Fees or Expenses charged by	Brief description of services provided	Fee Basis	Total amount charged £	Amount paid £	Amount unpaid £
Cowgill Holloway Business Recovery LLP	<ul style="list-style-type: none"> • Meeting with the Board of Directors and advice provided to the Company • Reviewing the financial position and potential strategies for the Company to include CVA, CVL and Administration • Daily correspondence with the director and several meetings to discuss the options available • Extracting financial information for the Company and liaising with the secured creditors in relation to the proposed strategy. 	Time Costs plus VAT and expenses	9,112.50 plus VAT	Nil	9,112.50 plus VAT
Horwich Farrelly LLP	<ul style="list-style-type: none"> • Preparing appointment documentation and filing of the same 	Time Costs plus VAT and expenses	2,669.35 plus VAT and expenses	Nil	2,669.35 plus VAT and expenses

7.4 The pre-appointment fees and expenses above were charged in accordance with the terms of an engagement letter dated 6 July 2022, between the Joint Administrators, firm and the Company, acting by way of its directors.

7.5 In this case, the above work was considered necessary to be carried out prior to the appointment of the Administrator because it was necessary to formulate a strategy, liaise with the secured creditor, establish the contractual position (and subsequent potential liability) of the Company ultimately, to maximise asset realisations, which will realise property in order to make a distribution to one or more secured or preferential creditors

7.6 The payment of unpaid pre-administration costs set out above as an expense of the Administration is subject to the approval of creditors, separately to the approval of the Joint Administrators' proposals. As the Joint Administrators think that the Company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the Prescribed Part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with insolvency legislation.

8 Joint Administrators' Remuneration

- 8.1 As Joint Administrators, we are required to provide creditors with details of the work we propose to undertake in the Administration and the expenses we consider will be, or are likely to be, incurred in dealing with the Company's affairs, prior to determining the basis upon which our remuneration will be fixed.
- 8.2 In addition to this, where the Joint Administrators seek agreement to the basis of their remuneration by reference to time properly spent by them and their staff in attending to matters arising in the Administration, a fees estimate outlining the time and estimated cost of the work to be done must also be provided.
- 8.3 In this case, we are seeking to agree that our remuneration be based on the time properly spent by us and our staff in dealing with the affairs of the Company. Our fees estimate and details of the work we propose to undertake, and the expenses we anticipate will be, or are likely to be, incurred in the Administration can be found at Appendix E. Further information on the work done since our appointment to the date of this report can be found in section 2 of this report.
- 8.4 Please note that where appropriate, the fees estimate may be to a particular stage of the case only and if we consider the estimate will be exceeded during the Administration, we are obliged to seek further approval for any increase in our remuneration. The fees estimate provides details of these matters where relevant and appropriate approval to the basis of our remuneration will be sought as outlined in section 5 of this report.
- 8.5 For information, attached at Appendix D is a time matrix outlining the time spent by us and our staff since the date of our appointment as Joint Administrators. This time is included within the overall fees estimate provided with this report.
- 8.6 A copy of "A Creditors' Guide to Administrators' Fees" is available on request or can be downloaded from <https://www.cowgills.co.uk/wp-content/uploads/2016/01/Creditors-Guide-to-Administrators-fees.pdf>. If you would prefer this to be sent to you in hard copy please contact Ashley Carlton of this office on 0161 827 1222.

9 Estimated Outcome

- 9.1 An estimate of the outcome of the Administration as at 12 September 2022 is attached as Appendix F. We have the following observations to make in relation to this Estimated Outcome Statement ("EOS").

Assets Subject to Fixed Charge

Goodwill

- 9.2 In the last set of filed accounts for the year ending 31 December 2020, goodwill had depreciated to Nil. In any event, it is unlikely this would have any value, as the Company has now ceased to trade.

Assets Subject to Floating Charge

Book Debt

- 9.3 The Company paid a deposit of £500,000 to a contractor in respect of a bond against future works. As these will not be completed, the Joint Administrators have instructed their agent to seek recovery of these funds. It is understood that a commercial settlement may be required and as such, the estimate to realise position is currently uncertain.

HMRC Refund

- 9.4 It was understood that the Company was due a refund from HMRC at the date of the Joint Administrators appointment. However the quantum of HMRC claim is yet to be verified. As such, due to possible right of offset by HMRC, the estimate to realise value is uncertain.

Retentions

- 9.5 In the draft management financial accounts for the period ending 30 November 2021, the Company's retentions held had a book value of £1,646,418.
- 9.6 The Joint Administrators have instructed Andrew White of The Alderley Group Ltd ("AW") to assist with dealing with these in the most appropriate manner, in order to maximise realisations for the Administration estate. Following a review, it has been determined that the remaining collectable retentions have an estimated book value of £221,754.22 however of these, £171,743.98 are not due until February 2023. The Joint Administrators are therefore exploring the option of a re-assignment in return for a commission based agreement. Therefore, for the purposes of the EOS, the estimate to realise position is uncertain.

Cash Held on Appointment

- 9.7 The Joint Administrators are holding the sum of £193,294.15, which represents the credit balances held in the Company's bank accounts as of 8 July 2022 and 20 July 2022 respectively.

Office Furniture and Equipment

- 9.8 The Joint Administrators instructed Jonathan Kay of Robson Kay Associates ("RKA"), who is a member of the National Association of Valuers and Auctioneers, to attend the Company's head office, complete an inventory and uplift of the Company's office furniture and equipment, whom have advised that the estimate to realise is expected to achieve £2,850. .

Intercompany Loans

Mid Contracting and Consulting Ltd ("Mid C&C")

- 9.9 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £47,794,503 due from Mid C&C. Mid C&C entered Administration on 10 August 2022, with Jason Elliott and Craig Johns of CHBR being appointed as Joint Administrators.
- 9.10 As such, the estimate to realise position is currently uncertain but it is unlikely the Company will see any return on this basis.

Mid Co Holdings Guernsey Limited ("MCHG")

- 9.11 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £1,478,603 due from MCHG.
- 9.12 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Mid Group (West) Limited ("MGW")

- 9.13 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £6,849,636 due from MGW.
- 9.14 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Mid Group Services Limited ("MGS")

- 9.15 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £14,109 due from MGS. MGS entered Liquidation on 8 August 2022, with Jason Elliott and Craig Johns of CHBR being appointed as Joint Liquidators.
- 9.16 As such, the estimate to realise position is currently uncertain but it is unlikely the Company will see any return on this basis.

Sterling MEP Services Limited ("SMEP")

- 9.17 In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £4,187,293 due from SMEP.
- 9.18 It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Liabilities

Secured Creditors

- 9.19 The Company granted a fixed and floating charge to Coutts and Company ("Coutts") which was created on 23 August 2021 and delivered on 26 August 2021. Coutts have the benefit of the fixed and floating charge via a cross guarantee, in respect of a Coronavirus Business Interruption Loan Scheme ("CBILS") loan obtained by a connected company, Mid Contracting and Consulting Ltd. Coutts have confirmed that £1,500,000 is currently outstanding. Based on present information, it is estimated that Coutts will receive a distribution under their floating charge only, of approximately 0.41 pence in the pound.
- 9.20 The Company also granted a fixed and floating charge to Bibby Financial Services Limited ("Bibby") which was created on 29 April 2021 and delivered on 3 May 2021; however Bibby have confirmed that no outstanding balance is due and their facility is closed.

Ordinary and Secondary Preferential Creditors

Employees

- 9.21 As referred to above, the Company had no direct employees, as these were all contracted to a connected company, Mid Group Services Limited – in Liquidation. As such, no claims are expected.

HM Revenue & Customs ("HMRC")

- 9.22 It is currently uncertain that HMRC will have a claim in the Administration as a secondary preferential creditor, in respect of VAT and CIS/PAYE so as the quantum of this is yet to be established for the purposes of this statement, they have been listed as £1. Based on this only, HMRC would be paid in full.

Prescribed Part Fund

- 9.23 As mentioned above the Company granted a fixed and floating charge to Coutts on 23 August 2021. Accordingly, we are required to create a fund out of the Company's net floating charge property for the benefit of unsecured creditors (known as the "Prescribed Part").
- 9.24 Based on present information, we estimate that the Company's net property will be £11,442 and therefore arising from this, the Prescribed Part Fund available to unsecured creditors would be £5,288. Please note that this is only an estimate and may fluctuate depending on asset realisations and any claim from HMRC as a secondary preferential creditor.

Unsecured Creditors

Intercompany Loan – Mid Contracting and Consulting Ltd

- 9.25 As per the draft management financial accounts for the period ending 30 November 2021, the Company had a liability of £16,459,024 due to Mid Contracting and Consulting Ltd. These balances are estimated, as the Company is also owed monies by Mid Contracting and Consulting Ltd.

Intercompany Loan – Mid Group (West) Ltd

- 9.26 As per the draft management financial accounts for the period ending 30 November 2021, the Company had a liability of £113,587 due to Mid Group (West) Ltd. These balances are estimated, as the Company is also owed monies by Mid Group (West) Ltd.

Trade and Expense Creditors

- 9.27 The trade and expense creditors of £7,473,146 have been calculated using the figures contained in the Company's books and records and claims received to date.
- 9.28 As noted above, there is likely to only be a distribution to unsecured creditors via the Prescribed Part and based on present information, unsecured creditors will receive approximately 0.02 pence in the pound.

10 Proposals approval and next report

- 10.1 As we think the Company has insufficient property to enable it to make a distribution to its unsecured creditors (other than a potential distribution of the prescribed part fund of any net floating charge property), we are not required to seek a decision from the unsecured creditors on the approval of our Proposals.
- 10.2 However, we do require approval in respect to the Joint Administrators' remuneration and discharge from office. This will be dealt with by way of a decision by correspondence and the letter issued to creditors, with the link to this report, contains further information about the decision process.
- 10.3 The Joint Administrators are required to provide a progress report within one month of the end of the first six months of the Administration and we will report to you again at this time.

For and on behalf of
Mid Holding Co UK Limited



Craig Johns
Joint Administrator

Enc

Statutory Information

1 Company information

Company name	Mid Holding Co UK Limited
Trading name(s)	Mid-Group
Registered number	09045035
Registered office address	c/o Cowgill Holloway Business Recovery LLP, Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR
Former registered office address	Hapag-Lloyd House, 48a Cambridge Road, Barking, IG11 8HH
Trading address(s)	Hapag-Lloyd House, 48a Cambridge Road, Barking, IG11 8HH
Court details	High Court of Justice Business and Property Courts in Manchester Insolvency and Companies List (CHd)
Court reference number	CR-MAN-000543-2022

2 Details of the Company's Directors, Secretary and Shareholdings

	Date appointed	Date resigned	Shares held
Directors			
Sahel Abedul Hadi Majali	16 May 2014		
Jacqueline Margaret Diane Adams-Hooker	5 October 2017	25 July 2022	
Steven William Hearn	1 September 2020	27 June 2022	
Shaker Sahel Majali	22 December 2014	1 January 2020	
Andrew David Shepherd	22 December 2014	1 September 2020	
Shareholder			
Mid Co Holdings Guernsey Limited			1,000

3 Joint Administrators' Details

Name of Joint Administrators	Jason Mark Elliott Craig Johns
Address	Cowgill Holloway Business Recovery LLP, Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR
Telephone Number	0161 827 1200
Fax Number	01204 414 244
Joint Administrators' IP Numbers	009496 013152
Authorising Body	The Insolvency Practitioners Association
Date of Appointment	21 July 2022

Appendix B

**Joint Administrators' Receipts and Payments Account for the Period from 21 July 2022 to
12 September 2022**

S of A £	£	£
FLOATING CHARGE RECEIPTS		
Cash held on appointment	193,294.15	
		193,294.15
FLOATING CHARGE PAYMENTS		
IT Software and Services	3,117.59	
		(3,117.59)
		190,176.56
REPRESENTED BY		
VAT Receivable		623.52
HB Bank 1 Current - Non-Interest Bearing		189,553.04
		190,176.56

Appendix C

Summary of the Estimated Financial Position of the Company as at 21 July 2022

	Notes	£
Assets subject to Fixed Charge		
Goodwill	1	0
Less: Coutts and Company ("Coutts")	2	(1,500,000)
Estimated Surplus / (Shortfall) to Coutts c/d		(1,500,000)
Assets Subject to a Floating Charge		
HMRC Refund	3	Uncertain
Book Debt	4	Uncertain
Retentions	5	Uncertain
Cash Held on Appointment	6	193,294
Office Furniture and Equipment	7	2,850
Intercompany Loans	8	Uncertain
Estimated funds available for Secondary Preferential Creditors		196,144
Estimated funds available for Secondary Preferential Creditors		196,144
Less: Estimated Secondary Preferential Creditors	9	(1)
Estimated Surplus / (Deficiency) to Preferential Creditors		196,143
Prescribed Part calculation c/d	10	(44,229)
Estimated funds available to Floating Charge Creditor		151,915
Less: Debts secured by Floating Charge		
Coutts and Company		(1,500,000)
Estimated Surplus / (Shortfall) to Coutts c/d		(1,348,085)
Add back Prescribed Part	10	44,229
Estimated available to unsecured creditors		44,229
Less: Unsecured Creditors:		
Intercompany Loan - Mid Contracting and Consulting Ltd	11	(16,459,024)
Intercompany Loan - Mid Group (West) Ltd	12	(113,587)
Trade & Expense Creditors	13	(7,473,146)
Total Unsecured Creditors		(24,045,757)
Estimated (Shortfall to Creditors)		(24,001,528)
Estimated Total (Shortfall) to Creditors		(25,349,613)

Summary of the Estimated Financial Position of the Company as at 12 September 2022

Notes

1. In the last set of filed accounts for the year ending 31 December 2020, goodwill had depreciated to Nil. In any event, it is unlikely this would have any value in the event of a winding-up scenario.
2. Coutts have the benefit of a fixed and floating charge via a cross guarantee, in respect of a Coronavirus Business Interruption Loan Scheme ("CBILS") loan obtained by a connected company, Mid Contracting and Consulting Ltd. Coutts have confirmed that £1,500,000 is currently outstanding.
3. It was understood that the Company was due a refund from HMRC at the date of the Joint Administrators appointment. However the quantum of HMRC claim is yet to be verified. As such, due to possible right of offset by HMRC, the estimate to realise value is uncertain.
4. The Company paid a deposit of £500,000 to a contractor in respect of a bond against future works. As these will not be completed, the Joint Administrators have instructed their agent to seek recovery of these funds. It is understood that a commercial settlement may be required and as such, the estimate to realise position is currently uncertain.
5. In the draft management financial accounts for the period ending 30 November 2021, the Company's retentions held had a book value of £1,646,418. The Joint Administrators are currently liaising with their agent regarding the current realisable value and therefore this remains uncertain.
6. The Joint Administrators are holding the sum of £193,294.15, which represents the credit balances held in the Company's bank accounts as of 8 July 2022 and 20 July 2022 respectively.
7. The Office Furniture and Equipment has been professionally valued by Robson Kay Associates, who have advised the forced sale value is likely to achieve £2,850.
8. The Company is owed sums in respect of several intercompany loans. These are; £47,794,503 from Mid Contracting and Consulting Ltd - in Administration, £1,478,603 from Mid Co Holdings Guernsey Limited, £6,849,636 from Mid Group (West) Limited, £14,109 from Mid Group Services Limited - in Liquidation and £4,187,293 from Sterling MEP Services Limited. It should be noted that these figures are estimates based on the draft financial management accounts dated 30 November 2021 but in any event, these companies have either entered a form of insolvency or have ceased to trade. Therefore, the estimate to realise position is currently uncertain.
9. It is uncertain that HM Revenue & Customs will have a claim in the Administration in respect of VAT and CIS/PAYE however as the quantum of this is yet to be established and therefore for the purposes of this statement, have been listed as £1.
10. This is the estimated prescribed part calculation based on the Company's net property.
11. The Company has outstanding intercompany loans due however it should be noted these balances are estimates based on draft management financial accounts dated 30 November 2021.
12. The trade and expense creditors have been calculated using the figures contained in the Company's books and records and claims received to date.

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A2 - Secured Creditors Statement of Affairs Figures

Key	Name	£
CB000D	Bibby Financial Services Limited 3rd Floor Walker House Exchange Flags Liverpool L2 3YL	0.00
CC000C	Coutts and Company 440 Strand London WC2R 0QS	1,500,000.00

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A4 - Preferential Creditors Statement of Affairs Figures

Key	Name	£
CH0009	HM Revenue & Customs Insolvency Claims Handling Unit EIS Newcastle BX9 1SR	1.00

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CA0003	Affinity Fire Engineering (UK) Ltd 40 Bowling Green Lane EC1R 0NE	20,640.00
CA0007	Andrew D Smith Ltd Clydesdale, Crow Street Henham Hertfordshire England CM22 6AG	7,887.85
CA000A	Aquaid Franchising Ltd Unit 10 Kings court Willie Snaith Road Newmarket CB8 7SG	656.42
CA0009	Arcitile Group Ltd Ink Rooms 1.12 28 Easton Street London England WC1X 0DS	94,538.99
CA000B	Aviva UK Technical Claims Services 4th Floor East 1 Whitehall Riverside Leeds LS1 4BN	3,750,000.00
CB000C	BCL Groundworks Limited c/o Atradius Collections Ltd 3 Harbour Drive Capital Waterside Cardiff CF10 4WZ	32,957.61
CB0002	BE SUSTAINABLE LIMITED 3 St. Georges Crescent SALFORD Salford M6 8JG	420.00
CB0004	Bird & Bird LLP 12 New Fetter Lane EC4A 1JP	807.29
CB0007	British Gas Millstream Maidenhead Road Windsor Berkshire SL4 5GD	198.32

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CB000B	Buildspace Group Ltd The Carriage House, Mill Street Maidstone Kent United Kingdom ME15 6YE	16,236.00
CC0001	Carden I.T Services Limited Castle House Sea View Way BN2 6NT	9,510.05
CC000D	CCS Facades Ltd 10 Lancaster Court Coronation Road High Wycombe HP12 3TD	379,739.24
CC000B	Creagh Concrete Products Ltd 38 Blackpark Road Toomebridge Antrim Northern Ireland BT41 3SL	717,535.13
CD0000	Daniel Owen Ltd Hadwyn House Field Road Reading Berkshire RG1 6AP	17,622.42
CD0002	Dodd Group (Midlands) Ltd Stafford Park 13 TF3 3AZ	187,766.49
CE0002	EE Ltd Collections Operations 6 Camberwell Way Doxford Technology Park Sunderland SR3 3XN	705.83
CF0000	Falcon Tower Crane Services Ltd Airfield Industrial Estate Shipdham IP25 7SD	63,137.55
CF0003	FRP Advisory Trading Ltd 110 Cannon Street London United Kingdom EC4N 6EU	6,000.00

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CG0003	Gascoyne & Beever 31 Lyons Street Sheffield South Yorkshire S4 7QS	47,119.36
CG0001	Generation (UK) Ltd Paragon Cranes Farm Road SS14 3RY	16,738.93
CG0002	Growth Ignition Consulting Ltd 42 New Street St. Neots United Kingdom PE19 1AJ	13,680.00
CH000A	Hanban Consulting Ltd 37 Marble Hill Gardens Twickenham TW1 3AU	41,158.80
CH0003	Hapag-Lloyd (UK) Ltd Hapag Lloyd House 48a Cambridge Road IG11 8HH	21,939.89
CH0008	Hogan Lovells International LLP Hogan Lovells International LLP Atlantic House 50 Holborn Viaduct LONDON EC1A 2FG	4,200.00
CI0000	Innovare Systems Unit 3 Middlemarch Business Park Siskin Parkway West Coventry CV3 4PW	809,890.80
CJ0001	JB Wealth Management 41 The Broadway, Cheam Village SM3 8BL	50.00
CK0000	Kilnbridge Construction Services Ltd McDermott House South Crescent Cody Road Business Park London E16 4TL	17,528.93

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CM0008	L & M Carpentry Unit 9 Borers Yard Borers Arms Road Compthorne West Sussex RH10 3LH	128,411.41
CL0002	Leggwork Construction Services Ltd 470 Bath Road Bristol England BS4 3AP	11,120.78
CL0006	LJJ Ltd Richmond House 107 Bowesfield Lane Stockton on Tees TS18 3HF	579,354.94
CL0003	London Borough of Hackney 4th Floor 1 Hillman Street E8 1DY	4,000.00
CL0004	Lumini Developments Ltd 69 Ringswell Gardens Bath Avon BA1 6BN	0.00
CL0005	Luxcrete Ltd Unit 2 Firbank Industrial Estate Dallow Road Luton LU1 1TW	517.48
CM0009	Mid Contracting and Consulting Ltd - In Administrati c/o Cowgill Holloway Busines Recovery LLP Regency House 45-53 Chorley New Road Bolton BL1 4QR	16,459,024.00
CM000A	Mid Group (West) Ltd Hapag-Lloyd House, 48a Cambridge Street Barking IG11 8HH	113,587.00
CM0005	Mobile Mini UK Ltd Mobile Mini UK Ltd Ravenstock House 28 Falcon Court Preston Farm Industrial EstateSTOCKTON-ON-TEES TS18 3TX	110.88

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CM0007	Munnelly Support Services Ltd Munnelly House 84-88 Pinner Road HA1 4LP	5,786.20
CN0000	National House Building Council N H B C House Davy Avenue Knowlhill MK5 8FP	0.00
CN0001	Nick Building Contractors Ltd N B C Building Contractors Unit 4 May Avenue Industrial Estate May AvenueGRAVESEND, Unit 4 DA11 8RU	50,333.63
CN0004	Noma Architects 14 Guinea Street Redcliffe Bristol BS1 6SX	4,800.00
CN0002	Npower Commercial Gas Ltd Westwood Way Westwood Business Park Coventry England CV4 8LG	780.00
CN0003	NPower Ltd P.O. Box 8201 B69 2RH	12,028.89
CO0000	O2 - Telefonica UK Ltd 260 Bath Road SL1 4DX	85.54
CO0003	Off Site Solutions (RT) Ltd Hoopers Close Isleport Business Park Highbridge TA9 4JU	30,000.00
CO0004	Omagh Aluminium Systems Ltd Gortrush Industrial Estate Omagh BT78 5EJ	65,889.01
CO0001	O'Neill & Brennan Construction Ltd Metropolitan House Darkes Lane EN6 1AG	157,101.87

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CO0002	Options Resourcing Ltd 15 Abbey Court Benedict Drive YO8 8RY	86,318.35
CP0000	Perkins & Will UK Ltd The White Chapel Building 10 Whitechapel High Street E1 8QS	20,168.56
CP0004	Portakabin (Site Accommodation) Ltd New Lane Huntington YO32 9PT	1,439.88
CP0008	Protec International Ltd 45-49 Greek Street Stockport Cheshire SK3 8AX	586.53
CR0005	Rixonway Kitchens Churwell Vale Shaw Cross Business Park WF12 7RD	465.94
CS0000	S D Samuels (Special Projects) Ltd The Grove North Road RM15 6SS	24,420.46
CS0001	Sapphire Balconies Ltd 11 Arkwright Road RG2 0LU	570,088.74
CS0003	Screwfix Direct Ltd t/as Trade UK Unit 9 Trident Industrial Estate Pindar Road, Unit 9 EN11 0WZ	957.83
CS000G	Sevencon Search Ltd 49 Beach Road Carlyon Bay St Austell PL25 3PQ	14,940.00
CS000B	Staybills Hire Ltd 5 No 5 The Old Courtyard, Culcheth Hall Drive Culcheth Cheshire England WA3 4PU	785.52

Cowgill Holloway Business Recovery LLP
Mid Holding Co UK Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CS000F	Sweco Building Control Ltd Grove House, Mansion Gate Drive Leeds West Yorkshire England LS7 4DN	1,963.20
CT0001	Taurus Cleaning Solutions Ltd A/C ref: MIDG001 Unit 4B Henstridge Trading Estate, Marsh Lane Henstridge Templecombe Somerset BA8 0TG	28,700.00
CT0005	The Commercial Flooring Company Ltd The Dairy Dovecote Court, Potters Martson Hall, Pingle Lane Croft Leicestershire England LE9 3JR	91,686.94
CU0000	UK Power Solution Limited River View House Bonds Mill Estate Stonehouse GL10 3RF	5,305.20
CW0009	Warton Freight Services Ltd Unit 1, Riverside Industrial Estate Oliver Close West Thurrock Essex RM20 3EE	1,290.00
CW0006	Windrush Serco Ltd T/as Aquaid Bucks Unit 7 The Point Gatehouse Way Gatehouse Aylesbury Buckinghamshire HP19 8DB	1,201.80
CW0007	Woodworx (Carpentry UK) Ltd Unit A Tower Lane BRISTOL, Unit A BS30 8XT	50,719.46
CW0008	Worldline IT Services Ltd t/as Fuelgenie 1 Technology Drive Beeston Nottingham England NG9 1LA	143.03

MID HOLDING CO UK LIMITED - IN ADMINISTRATION

Appendix D

Pre-appointment Time Analysis

	Partner	Director	Manager	Assistant Manager	Senior Administrator	Administrator	Junior Administrator	Cashier	Total hours	Total Cost £	Average Cost £
Pre-Appointment Planning & Strategy	22.50	-	-	-	-	-	-	-	22.50	8,887.50	395.00
Pre-Appointment General Admin	-	-	-	-	-	-	-	1.50	1.50	225.00	150.00
Pre-Appointment Employee Matters	-	-	-	-	-	-	-	-	-	-	-
Pre-Appointment Creditor Claims	-	-	-	-	-	-	-	-	-	-	-
Pre-Appointment Asset Realisations	-	-	-	-	-	-	-	-	-	-	-
Total Hours	22.50	-	-	-	-	-	-	1.50	24.00	9,112.50	379.69
Current Chargeout Rates	395.00	350.00	275.00	250.00	225.00	175.00	120.00	150.00			

Time Analysis for the Period from 21 July 2022 to 12 September 2022

	Partner	Director	Manager	Assistant Manager	Senior Administrator	Administrator	Junior Administrator	Cashier	Total hours	Total Cost £	Average Cost £
Administration (including Stat)	44.00	-	-	3.20	-	60.00	7.40	0.50	115.10	29,643.00	257.54
Creditor Claims (Claims and Distributions)	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-	-
Planning & Strategy	-	-	-	-	-	-	-	-	-	-	-
Realisation of Assets	3.75	-	-	-	-	3.50	-	-	7.25	2,093.75	288.79
Total Hours	47.75	-	-	3.20	-	63.50	7.40	0.50	122.35	31,736.75	259.39
Current Chargeout Rates	395.00	350.00	275.00	250.00	225.00	175.00	120.00	150.00			

Additional Information in Relation to the Administrator's Fees, Expenses & the use of Subcontractors

Fee Basis and Proposed Expenses

The Joint Administrators are seeking to agree the basis of their remuneration in this case as time properly spent by them and their staff in dealing with the affairs of the Company. Information about the work done to date can be found in the body of the Joint Administrators' Report and Statement of Proposals at Section 2.

As a time cost basis is being sought in this case, the Joint Administrators' fees estimate is attached to this report, which provides details of the rates the Joint Administrators and their staff propose to charge for each part of that work and the time it is anticipated each part of that work will take.

The fees information provided is based on information about the Company's affairs available to the Administrator at the present time. Should any matters arise which impact on the proposed remuneration basis, such as additional investigatory matters or potential realisable assets, further time or cost may be incurred, and it may be necessary to revise the Joint Administrators' estimate of costs.

In this case, we do not currently anticipate that it will be necessary to seek further approval to increase the level of the fees proposed.

Also included within the fees information attached are details about the Joint Administrators' anticipated expenses, which includes any **Category 1 expenses**, which generally comprise of external supplies of incidental services specifically identifiable to the case and do not require prior creditor approval to be paid. The information about expenses also outlines any **Category 2 expenses** charged by this firm which do require prior approval by creditors and are costs which are directly referable to the appointment but are not payments to an independent third party and may therefore include payments to associates of the Joint Administrators or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis.

Fees Information in accordance with The Insolvency (England and Wales) Rules 2016 and Statement of Insolvency Practice 9

Fees Overview

Prior to an office holder agreeing the basis of remuneration, details of the work proposed to be done and the expenses it is considered will be, or are likely to be, incurred in dealing with an insolvent's affairs must be provided to creditors.

In addition, where an office holder proposes to take all or any part of this remuneration based on the time spent in dealing with the insolvent's affairs, a **fees estimate** must also be provided. This will outline the anticipated cost of that work, how long it is anticipated the work will take and whether any further approvals may be needed from creditors in due course.

It should be noted that a **fees estimate** may be provided to a particular milestone or for a designated period in a case, where it is not possible to accurately estimate the work that will need to be done at the outset.

Creditors should be aware that the **fees estimate** is based on all of the information available now and may be subject to change due to unforeseen circumstances that may arise during the assignment. If it is considered that this estimate will be exceeded, the office holder will provide an update and seek approval to increase the previously agreed estimate.

Work anticipated and the likely outcome to creditors

Some of the work undertaken by an office holder is required by statute and may not necessarily provide a financial benefit to creditors. Examples of this work include investigations required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 or dealing with the claims of former employees via the National Insurance Fund.

It may also be necessary for an office holder to instruct other parties to assist with the assignment because of a particular expertise that they may bring, such as asset valuation, tax or legal advice. Details of any anticipated expenses can be found at the end of this document, although it should be noted that this may change during the course of an assignment where it is necessary to seek additional expertise or specialist support.

Office holders are also required to comment on whether the work they anticipate doing will provide a financial benefit to creditors and to give an indication of the likely return to creditors when seeking approval for the basis of their remuneration. Due to the complex nature of the work undertaken by insolvency practitioners and the uncertainties that may exist in relation to the realisation of an insolvent's assets at the outset of a case, this position may change during an assignment, therefore updates will be provided in periodic progress reports to creditors.

In this case, it is anticipated that a distribution will become available for the secured and preferential creditors with a distribution to unsecured creditors unlikely other than from the Prescribed Part. Further information on this can be found below in the section on '**Creditors (claims and distributions)**'.

Proposed Fee Basis

In this case, it is being proposed that the basis of our remuneration as office holder will be based on the time spent by us and our staff in dealing with the insolvent's affairs. Our *fees estimate* is attached to this document which totals £119,677.50 and is based on all the work we currently propose will be necessary in this assignment. If we consider this estimate will be exceeded, we will notify creditors, provide a revised estimate and seek further approval for our increased fees. Similarly, we will update creditors in our future progress reports on the amount we anticipate being paid against this estimate.

The remainder of this document contains an explanation of the work we propose undertaking. Each part of the work to be undertaken will necessarily require different levels of expertise and therefore related cost. To aid understanding, for the purposes of our *fees estimate*, we have indicated the rates and grades of staff such as myself, the case manager, the case administrator and cashier when estimating the total hours to be spent on each part of the work.

Each part of the work to be undertaken will necessarily require different levels of expertise and therefore related cost. In order to aid understanding, for the purposes of our *fees estimate*, we have indicated the rates and grades of staff such as myself, the case manager, the case administrator and cashier when estimating the total hours to be spent on each part of the work.

We will update creditors in order to provide a revised estimate and seek further approval as necessary and will update creditors in our future progress reports on the amount we anticipate being paid against this estimate.

Outline of work to be done by the Office Holders

Below are details of the work we propose undertaking in support of our *fees estimate* for the assignment:

Administration (including statutory compliance & reporting)

Office holders are required to carry out certain tasks in nearly every insolvency assignment, namely administrative duties and dealing with the claims of creditors. Whilst these tasks are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not necessarily produce any direct financial benefit for creditors, but nonetheless still have to be undertaken.

This work may include:

- Notifying creditors of the office holder's appointment and other associated formalities including statutory advertising and filing relevant statutory notices
- Securing the insolvent's assets and placing insurance where appropriate
- Preparing and issuing annual progress reports to creditors (and members where applicable)
- Lodging periodic returns with the Registrar of Companies
- Complying with statutory duties in respect of the office holder's specific penalty bond
- Creation and update of case files on the firm's insolvency software
- Establishing and holding periodic meetings of any committee formed and associated filing formalities
- Review of books and records
- Pension regulatory reporting and auto-enrolment cancellation
- Completion and filing of the notice of the insolvency with HMRC
- Periodic case progression reviews (typically at the end of Month 1 and every 6 months thereafter)
- Opening, maintaining and managing the insolvent estate cashbook and bank account(s)
- Dealing with all post-appointment VAT and corporation tax compliance as applicable to the proceedings
- Closing the case and preparing and issuing the office holder(s) final account to prescribed parties

Realisation of assets

Cash Held on Appointment

The Joint Administrators are holding the sum of £193,294.15, which represents the credit balances held in the Company's bank accounts as of 8 July 2022 and 20 July 2022 respectively. These funds were held in the client account of CHBR and were subsequently transferred to a designated case bank account. The Joint Administrators do not anticipate any further realisations.

Book Debt

The Company paid a deposit of £500,000 to a contractor in respect of a bond against future works. As these will not be completed, the Joint Administrators have instructed their agent to seek recovery of these funds. It is understood that a commercial settlement may be required and as such, the estimate to realise position is currently uncertain.

HMRC Refund

It was understood that the Company was due a refund from HMRC at the date of the Joint Administrators appointment. However the quantum of HMRC claim is yet to be verified. As such, due to possible right of offset by HMRC, the estimate to realise value is uncertain.

Retentions

In the draft management financial accounts for the period ending 30 November 2021, the Company's retentions held had a book value of £1,646,418.

The Joint Administrators have instructed Andrew White of The Alderley Group Ltd ("AW") to assist with dealing with these in the most appropriate manner, in order to maximise realisations for the Administration estate. Following a review, it has been determined that the remaining collectable retentions have an estimated book value of £221,754.22 however of these, £171,743.98 are not due until February 2023. The Joint Administrators are therefore exploring the option of a re-assignment in return for a commission based agreement. Therefore, for the purposes of the EOS, the estimate to realise position is uncertain.

MID HOLDING CO UK LIMITED - IN ADMINISTRATION

Office Furniture and Equipment

In the draft management financial accounts for the period ending 30 November 2021, the Company's office furniture and equipment had a book value of £40,330.

The Joint Administrators instructed Jonathan Kay of Robson Kay Associates ("RKA"), who is a member of the National Association of Valuers and Auctioneers, to attend the Company's head office and complete an inventory and uplift of the Company's office furniture and equipment.

Upon review, it appears that this has depreciated significantly and RKA have estimated the book value to be £5,200 and the forced sale value to be £2,850, before any costs of sale. RKA will list these items at the next available auction, to seek offers and dispose.

Intercompany Loans

Mid Contracting and Consulting Ltd ("Mid C&C")

In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £47,794,503 due from Mid C&C. Mid C&C entered Administration on 10 August 2022, with Jason Elliott and Craig Johns of CHBR being appointed as Joint Administrators.

As such, the estimate to realise position is currently uncertain but it is unlikely the Company will see any return on this basis.

Mid Co Holdings Guernsey Limited ("MCHG")

In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £1,478,603 due from MCHG.

It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Mid Group (West) Limited ("MGW")

In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £6,849,636 due from MGW.

It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

Mid Group Services Limited ("MGS")

In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £14,109 due from MGS. MGS entered Liquidation on 8 August 2022, with Jason Elliott and Craig Johns of CHBR being appointed as Joint Liquidators.

As such, the estimate to realise position is currently uncertain but it is unlikely the Company will see any return on this basis.

Sterling MEP Services Limited ("SMEP")

In the draft management financial accounts for the period ending 30 November 2021, the Company had an outstanding loan of £4,187,293 due from SMEP.

It is understood this company has ceased to trade and as such, the estimate to realise position is currently uncertain.

MID HOLDING CO UK LIMITED - IN ADMINISTRATION

Work done by the office holders, their staff and any third parties engaged to assist the office holder in realising the insolvent's assets will, it is anticipated, provide a financial benefit to creditors. This may involve realising assets to facilitate a distribution to secured or preferential creditors only, or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the unsecured creditors. If there are no assets to be realised and the costs of the proceedings are to be met by way of a contribution from the directors or another third party, then there will be no direct financial benefit to creditors.

The Estimated Outcome Statement as attached to the Joint Administrators Proposals provides an illustration of what the outcome for creditors may be at this time, however this is subject to fluctuation during the proceedings, depending on actual realisations made, costs incurred and the eventual claims submitted by creditors, all of which cannot be predicted with any certainty at this stage.

Creditors will be updated on the anticipated outcome in future progress reports issued by the office holders.

Creditors (claims and distributions)

As joint office holders, we will deal with all secured, preferential and unsecured creditor correspondence and claims as received, including any claims of creditors under retention of title. Based on the estimated outcome statement, we currently think that after taking into consideration the costs of realising the assets and dealing with the statutory formalities of the insolvency process and the related costs and expenses, a distribution will become available to the secured and preferential creditors only. We will deal with the review and adjudication of creditors' claims as appropriate, if and when it is determined that a dividend is to be declared.

It should be noted that the above is based on the estimated statement of affairs and the projected realisable value of the assets which at this stage is unconfirmed, together with the anticipated costs of the proceedings. We will undertake appropriate investigations into and obtain valuations of the remaining assets and will update the likely return to creditors in my future progress reports.

Investigations

As joint office holders, we are required to conduct investigations into the conduct of the director(s) of the Company and transactions entered into prior to the Company's insolvency, as required by the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 2 (Investigations by Office Holders in Administrations and Insolvent Liquidations). This work will involve;

- Initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA) including the review of the insolvent's books and records and the identification of potential further asset realisations which may be pursued in the proceedings
- Submitting a statutory report to the Insolvency Service under the CDDA
- Review and investigations into the financial management of the Company and the status of the Intercompany loan accounts, as at the date of the Joint Administrators appointment

This work may not necessarily lead to any financial benefit to creditors yet is work we are required to undertake by statute. Our initial investigations may reveal that further recoveries could be available for the insolvent estate and if this proves to be the case and we consider that further work will be required to pursue these assets, we will refer back to creditors about the likely costs involved in pursuing such recoveries.

Office Holder's Expenses and the use of Subcontractors

Expenses are payments from an insolvent estate which are neither an office holder's remuneration nor a distribution to a creditor or shareholder. Some expenses can be paid without prior approval from creditors (**Category 1 expenses**) and other expenses which may have an element of shared costs or are proposed to be paid to an associate of the office holder, require approval before they can be paid (**Category 2 expenses**).

MID HOLDING CO UK LIMITED - IN ADMINISTRATION

Examples of expenses include agent's costs for assisting in the disposal and realisation of assets, legal costs, specialist pensions advice, tax services or other routine expenses associated with an insolvency appointment such as statutory advertising costs, the office holder's specific penalty bond and costs associated with storing books and records. Expenses also include disbursements which are payments that are first met by the office holder and then reimbursed at a later date from the estate, usually when realisations permit.

Further details of our firm's Category 2 expenses policy, which explains the basis on which any proposed expenses appearing in the relevant table below are being charged to the estate, is attached for creditors' information. Approval to pay any proposed Category 2 expenses will be sought from creditors at the same time as the basis of the office holder's remuneration is agreed.

Below is a summary of the Category 1 and Category 2 expenses it is considered will be, or are likely to be, incurred in this case. An update will be provided in my first progress report to creditors in due course and then in subsequent reports thereafter until the case is concluded.

Category 1 expenses

The following Category 1 expenses are currently anticipated on this assignment and do not require prior approval from creditors to be paid:

Expense	Basis of remuneration/cost	Provider	Service to be provided	Estimated cost £
Statutory advertising	Fixed cost, plus VAT	Gazette Direct Ltd	Statutory advertising in London Gazette (if other, state)	88.75 plus VAT
Specific Penalty Bond	Fixed cost	AUA Insolvency Risk Services Limited	Statutory bond required in all insolvency appointments for each office holder appointed	168.00
Agent's fees & expenses	Time costs, plus VAT	The Alderley Group Ltd	Consultancy and realisation work regarding retentions and book debts. Professional services/advice regarding dealing with suppliers, contractors and site issues, providing valuation advice and the disposal of any assets if applicable	20,000 plus VAT and expenses
Agent's fees & expenses	Percentage of realisations plus VAT	Robson Kay Associates	Attending and securing trading premises, providing valuation advice and the disposal of any assets if applicable	1,000 plus VAT and expenses
Legal fees & expenses	Time costs plus VAT and expenses	Beyond Corporate LLP	Ongoing legal advice and where appropriate, including additional matters regarding employees within the Company's group	8,000 plus VAT and expenses
Legal fees & expenses	Time costs plus VAT and expenses	Horwich Farrelly LLP	Ongoing legal advice and where appropriate	2,000 plus VAT and expenses
Insurance	Variable depending on duration of cover	AUA Insolvency Risk Services Limited	Open cover insurance policy	TBC
IT Software and Services	Fixed fee plus VAT and expenses	Carden I.T Services Limited and Carden Telecom Limited	Ongoing IT support for the Company, including cloud storage and software support	3,117.59 plus VAT and expenses

MID HOLDING CO UK LIMITED - IN ADMINISTRATION

Postage charges	£3 per creditor per circular	Allocated cost Postworks Limited	Cost based on (eg, cost of 1 st class large letter)	342.00 plus VAT
Bank charges	Fixed fee	Handelsbanken PLC	Charges incurred for operating the insolvent estate account(s)	15.00
External Storage of Books and Records	Fixed fee per box	Restore Limited	Storage of insolvent's books & records for statutory timescales	100.00 plus VAT

Category 2 expenses

The following Category 2 expenses are currently anticipated on this assignment and do require prior approval from creditors:

Expense	Basis of remuneration/ cost	Payment to Associate or shared/allocated cost	Service to be provided	Estimated cost £
Accountancy Fees	Time costs, plus VAT	Cowgill Holloway LLP	Review of accounting software (Xero) of the Company and providing full detailed report and management accounts	1,000.00

It should be noted the above payment is being made to an associated party. The Joint Administrators considered the matter carefully and in comparison to this work being contracted to external party, believe there would have been no difference in the financial cost to the estate.

Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

Subcontractor	What work does this relate to and why is a subcontractor being used?	Anticipated cost of the services to be provided £
ERA Solutions Limited	Employee claims support, assisting with the submission of ERA claims to the Redundancy Payments Service and agreement of employee claims with the office holder. This may also include the production of P45s for former employees where appropriate. This is a specialist claims area and we believe greater efficiencies will be created for the former employees and the estate if this sub-contractor works alongside the office holder to assist with the processing of claims, etc.	2,410 plus VAT
Antony Knapton	Providing professional services provided since the date of Administration, relating to all projects, including commercial and operational	7,500

MID HOLDING CO UK LIMITED - IN ADMINISTRATION

	issues, site security, health and safety matters, insurance issues, liaising with clients, subcontractors, suppliers and design professionals. Preliminary assessment of retention issues	
Gary Lambourne	Providing professional services provided since the date of Administration, relating to all projects, including commercial and operational issues, site security, health and safety matters, insurance issues, liaising with clients, subcontractors, suppliers and design professionals. Preliminary assessment of retention issues	7,500

Professional Advisors

On this assignment we have used, or are proposing to use, the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Beyond Corporate LLP (legal advice)	Time costs plus VAT and expenses
Horwich Farrelly LLP (legal advice)	Time costs plus VAT and expenses
Mottram Estates (valuation and disposal advice)	Time costs plus VAT and expenses
Robson Kay Associates (valuation and disposal advice)	Time costs plus VAT and expenses
AUA Insolvency Risk Services Limited (insurance and bond)	Fixed cost plus insurance premium tax

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Cowgill Holloway Business Recovery LLP's Charge-out rates and Category 2 disbursements policy

Attached to this document are details of our firm's current charge out rates and policy regarding the re-charge of Category 2 disbursements.

It should be noted that our firm's charge-out rates may increase periodically. If any such increases impact on the *fees estimate* for the assignment, creditors will be notified accordingly.

SCHEDULE OF CURRENT CHARGE OUT RATES & EXPENSES

The following charge out rates are currently effective:

Staff Grade	Per Hour (£)
Partner	395
Consultant	350
Director	350
Senior Manager	300
Manager	275
Assistant Manager	250
Senior Administrator	225
Administrator	175
Cashier / Support Staff	150
Junior Administrator	120

MID HOLDING CO UK LIMITED - IN ADMINISTRATION

The Office Holder reserves the right to increase these rates accordingly in line with inflation.

Recording Time Spent Dealing with the Case

The Office Holder is formally required to record time charged to the case. This obligation remains, even if he is seeking sanction to draw a fixed fee, or a fee based upon a percentage of realisations and/or distributions to be made. The Office Holder will clearly detail the legal basis upon which fees are to be sanctioned, prior to seeking approval of the same.

Category 1 Expenses

Category 1 Expenses do not require express approval by creditors.

Category 1 Expenses generally comprise charges from an external party, which are both necessary and specifically incurred on the case.

The costs and charges incurred are paid or recharged to the case estate at cost, without any profit element being taken by this practice.

Category 2 Expenses

Category 2 Expenses do require express approval by creditors.

These Expenses are categorised as either indirect costs, or those incapable of specific calculation and recharge at cost. It is not usual for this practice to request sanction for, or recover Category 2 Expenses.

In the rare circumstances in which it is deemed necessary to recover such Expenses, the Office Holder reserves the right to seek formal agreement from the appropriate authorising body.

Reporting Information

Kindly note under the provisions of the Statement of Insolvency Practice 9, full details of all fees and the separate category of Expenses incurred, will be provided in each statutory accounting report to creditors.

^(*) *The Office Holder is the general title for the Insolvency Practitioner who has been formally instructed to deal with the client's affairs.*

MID HOLDING CO UK LIMITED - IN ADMINISTRATION

Joint Office Holders' Fees Estimate

Below is our *fees estimate* for the assignment. The work the office holders anticipate undertaking in relation to this estimate has been outlined above. It is an estimate for the entire assignment. If we consider this estimate will be exceeded, we will advise creditors and seek approval for our revised *fees estimate* as appropriate.

	Partner	Director	Manager	Assistant Manager	Senior Administrator	Administrator	Junior Administrator	Cashier	Total hours	Total Cost £	Average Cost £
Administration (including Stat	45.00	5.00	10.00	40.00	80.00	35.30	50.00	15.00	280.30	64,702.50	230.83
Creditors (Claims and Distributions)	-	-	-	-	-	-	-	-	-	-	-
Investigations	20.00	-	2.50	35.00	50.00	5.00	5.00	-	117.50	30,062.50	255.85
Asset Realisation/Management	20.00	-	5.00	20.00	40.00	2.50	10.00	-	97.50	24,912.50	255.51
Total Hours	85.00	5.00	17.50	95.00	170.00	42.80	65.00	15.00	495.30	119,677.50	241.63
Current Chargeout Rates	395.00	350.00	275.00	250.00	225.00	175.00	120.00	150.00			

Appendix F

Estimated Outcome Statement as at 12 September 2022

	Notes	£
Assets subject to Fixed Charge		
Goodwill & Intellectual Property	1	Nil
Less: Coutts and Company ("Coutts")	2	(1,500,000)
Estimated Surplus / (Shortfall) to Coutts c/d		(1,500,000)
Assets Subject to a Floating Charge		
HMRC Refund	3	Uncertain
Book Debt	4	Uncertain
Retentions	5	Uncertain
Cash Held on Appointment	6	193,294
Office Furniture & Equipment	7	2,850
Intercompany Loans	8	Uncertain
		196,144
Less: Estimated costs of Administration	9	(184,701)
Estimated funds available for Preferential Creditors		11,443
Less: Estimated Secondary Preferential Creditors	10	(1)
Estimated Surplus / (Deficiency) to Preferential Creditors		11,442
Prescribed Part calculation c/d	11	(5,288)
Estimated funds available to floating charge creditor		6,153
Less: Debts secured by floating charge:		
Coutts and Company ("Coutts")		(1,500,000)
Estimated Surplus / (Shortfall) to floating charge creditor c/d		(1,493,847)
Add back Prescribed Part	11	(5,288)
Estimated available to unsecured creditors		5,288
Less: Unsecured Creditors:		
Intercompany Loan - Mid Contracting and Consulting Ltd	12	(16,459,024)
Intercompany Loan - Mid Group (West) Ltd	12	(113,587)
Trade & Expense Creditors	13	(7,473,146)
Total Unsecured Creditors		(24,045,757)
Estimated (Shortfall to Creditors)		(24,040,468)
Estimated (Shortfall) to Floating Charge Creditors		(1,493,847)
Estimated Total (Shortfall) to Creditors		(25,534,315)

Estimated Outcome Statement as at 12 September 2022

Notes

1. In the last set of filed accounts for the year ending 31 December 2020, goodwill had depreciated to Nil. In any event, it is unlikely this would have any value in the event of a winding-up scenario.
2. Coutts have the benefit of a fixed and floating charge via a cross guarantee, in respect of a Coronavirus Business Interruption Loan Scheme ("CBILS") loan obtained by a connected company, Mid Contracting and Consulting Ltd. Coutts have confirmed that £1,500,000 is currently outstanding.
3. It was understood that the Company was due a refund from HMRC at the date of the Joint Administrators appointment. However the quantum of HMRC claim is yet to be verified. As such, due to possible right of offset by HMRC, the estimate to realise value is uncertain.
4. The Company paid a deposit of £500,000 to a contractor in respect of a bond against future works. As these will not be completed, the Joint Administrators have instructed their agent to seek recovery of these funds. It is understood that a commercial settlement may be required and as such, the estimate to realise position is currently uncertain.
5. The Joint Administrators are currently liaising with their agent regarding the realisation strategy of retentions owed to the Company. It has been determined that the remaining collectable retentions have an estimated book value of £221,754.22 however of these, £171,743.98 are not due until February 2023. The Joint Administrators are exploring the option of a commission agreement to re-assign the retentions however at present the estimate to realise is uncertain due to potential counter-claims.
6. The Joint Administrators are holding the sum of £193,294.15, which represents the credit balances held in the Company's bank accounts as of 8 July 2022 and 20 July 2022 respectively.
7. The Office Furniture and Equipment has been professionally valued by Robson Kay Associates, who have advised the estimate to realise is £2,850.
8. The Company is owed sums in respect of several intercompany loans. These are; £47,794,503 from Mid Contracting and Consulting Ltd - in Administration, £1,478,603 from Mid Co Holdings Guernsey Limited, £6,849,636 from Mid Group (West) Limited, £14,109 from Mid Group Services Limited - in Liquidation and £4,187,293 from Sterling MEP Services Limited. It should be noted that these figures are estimates based on the draft financial management accounts dated 30 November 2021 but in any event, these companies have either entered a form of insolvency or have ceased to trade. Therefore, the estimate to realise position is currently uncertain.
9. See the below breakdown.
10. It is uncertain that HM Revenue & Customs will have a claim in the Administration in respect of VAT and CIS/PAYE however as the quantum of this is yet to be established and therefore for the purposes of this statement, have been listed as £1.
11. This is the estimated prescribed part calculation based on the Company's net property.
12. The Company has outstanding intercompany loans due however it should be noted these balances are estimates based on draft management financial accounts dated 30 November 2021.
13. The trade and expense creditors have been calculated using the figures contained in the Company's books and records and claims received to date.

Estimated costs of Administration

	£
Pre-Appointment Legal Fees	(2,669)
Post-Appointment Legal Fees	(10,000)
Post-Appointment Agent Fees	(21,000)
Post-Appointment Consultancy Fees	(15,000)
CHBR Pre-app Fees	(9,113)
CHBR Joint Administrators' Fees - Time costs expected to be circa £119,678	(119,678)
CHBR- Disbursements	(7,241)
	<u>(184,701)</u>