



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

<b>1</b> <b>Company details</b>	
Company number	0   0   5   1   0   2   8   5
Company name in full	00510285 Realisations Limited (Formerly Gissing & Lonsdale Limited)
<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals.	
<b>2</b> <b>Administrator's name</b>	
Full forename(s)	Craig
Surname	Johns
<b>3</b> <b>Administrator's address</b>	
Building name/number	Regency House
Street	
Post town	45-53 Chorley New Road
County/Region	Bolton
Postcode	B   L   1     4   Q   R
Country	
<b>4</b> <b>Administrator's name ①</b>	
Full forename(s)	Jason Mark
Surname	Elliott
<b>① Other administrator</b> Use this section to tell us about another administrator.	
<b>5</b> <b>Administrator's address ②</b>	
Building name/number	Regency House
Street	
Post town	45-53 Chorley New Road
County/Region	Bolton
Postcode	B   L   1     4   Q   R
Country	
<b>② Other administrator</b> Use this section to tell us about another administrator.	

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 3	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 2	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

### 7 Progress report

I attach a copy of the progress report

### 8 Sign and date

Administrator's signature

Signature

X



X

Signature date

<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
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# AM10

## Notice of administrator's progress report



### 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 **Ben Gray**

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
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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 the form.



### Important information

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



### Where to send

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

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



### Further information

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

00510285 Realisations Limited (Formerly Gissing & Lonsdale Limited)  
(In Administration)  
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 30/07/2021 To 29/01/2022 £	From 30/07/2021 To 29/01/2022 £
	FLOATING CHARGE RECEIPTS	
71,862.00	Book Debts	84,808.67
	Business Intellectual Property Rights	1.00
413,639.00	Cash at Bank	432,313.35
	Customer Contracts	1.00
	DVLA Refund	409.98
40,000.00	Freehold Land & Property	NIL
	Furlough	6,131.74
750.00	Furniture & Equipment	999.00
	Goodwill	1.00
	Licence Fee	6,000.00
28,000.00	Motor Vehicles	30,000.00
129,500.00	Plant & Machinery	150,000.00
	Refund of Aviva Health Policy	8,610.48
	Sellers Records	1.00
9,000.00	Stock	19,997.00
NIL	WIP	49,000.00
		788,274.22
		788,274.22
	FLOATING CHARGE PAYMENTS	
	Agents' Expenses - Pre Appt	410.40
	Agents' Fees - Pre Appt	18,125.00
	Assistance provided by the Director	1,106.00
	Bank Charges	15.00
	Insurance of Assets	150.00
	Insurance premium tax	18.00
	Joint Administrators' Post Appt Expenses	10.00
	Joint Administrators' Post Appt Fees	42,750.00
	Joint Administrators' Pre Appt Fees	21,184.00
	Legal Disbursements - Post Appt	18.00
	Legal Fees - Post Appt	2,000.00
	Legal Fees - Pre Appt	15,158.00
	Pension Consultancy Fees	420.00
	Postage	59.76
	Rent	2,000.00
	Specific Bond	660.00
	Statutory Advertising	170.00
		(104,254.16)
		(104,254.16)
	PREFERENTIAL CREDITORS	
(13,357.00)	Employee Claims-Wage Arrears & Hol Pay	NIL
		NIL
	SECONDARY PREFERENTIAL CREDITORS	
(10,571.00)	HM Revenue & Customs - PAYE/NIC	NIL
(8,585.00)	HM Revenue & Customs - VAT	NIL
		NIL
	UNSECURED CREDITORS	
(255,946.00)	Employee Claims-Redundancy & PILON	NIL
(1,697,000.00)	Pension Deficit	NIL
(18,254.00)	Trade & Expense Creditors	NIL
		NIL
	DISTRIBUTIONS	
(1,101.00)	Ordinary Shareholders	NIL
		NIL

(1,312,063.00)

REPRESENTED BY  
HB Bank 1 Current - Non-Interest Bearing  
VAT Control Account  
VAT Receivable

684,020.06

684,020.06

663,827.63

19,463.48

728.95

684,020.06

# **Joint Administrators' Progress Report**

**00510285 Realisations Limited (Formerly Gissing & Lonsdale Limited) - In Administration**

**For the Period from 06 August 2021 to 29 January 2022**

cowgills

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## THE JOINT ADMINISTRATORS' PROGRESS REPORT

### 1 Introduction

- 1.1 Craig Johns and Jason Mark Elliott were appointed Joint Administrators of 00510285 Realisations Limited (Formerly Gissing & Lonsdale Limited) ("**the Company**") on 30 July 2021. The appointment was made by the directors.
- 1.2 This Administration is being handled by Cowgill Holloway Business Recovery LLP ("**CHBR**") at Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR. The Joint Administrators' contact details are by phone on 0161 672 5767 or via email at Ben.Gray@cowgills.co.uk. The Administration is registered in the Business and Property Courts in Manchester, Insolvency and Companies List, reference number CR-2021-MAN-000442.
- 1.3 As Joint Administrators, we are required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 06 August 2021 to 29 January 2022 ("**the Period**") and should be read in conjunction with our earlier proposals report and any previous progress reports which have been issued.
- 1.4 Information about the way that we will use, and store personal data on insolvency appointments 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.
- 1.5 The trading address of the Company was Wellhouse Road, Barnoldswick, Colne, BB18 6DD. The Company traded under the name Gissing & Lonsdale Limited.
- 1.6 The registered office of the Company is Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR and its registered number 00510285.

### 2 Receipts and Payments

- 2.1 At Appendix A is our Receipts and Payments Account covering the Period from 06 August 2021 to 29 January 2022 along with our cumulative receipts and payments account covering the period 30 July 2021 to 29 January 2022.

### 3 Progress of the Administration

- 3.1 You may recall that the statutory objective being pursued in the Administration was 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). We consider that the statutory purpose has been achieved through the completion of the pre-packaged sale of the business and assets. This sale has maximised realisations by providing a higher return for the Company assets than if the assets were sold on a shut-down basis.
- 3.2 In addition, as a result of continuity of trade, we have been able to maximise recoveries through the collection of the book debts and the sale of the work in progress that would have held little or no value if the Company had ceased to trade and entered into Liquidation.

- 3.3 Furthermore, as a result of the pre-packaged sale, the employee contracts were transferred as part of the sale, and this has reduced the claims that would be attributed to the ordinary preferential creditors. Should the employees have been made redundant, the preferential claims would have been significant.
- 3.4 In addition to the pursuance of this statutory objective, the Joint Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 3.5 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.

***Administration (including statutory compliance & reporting)***

- 3.6 As noted above, the Joint Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that we anticipated would need to be done in this area was outlined in our initial fees estimate/information which was previously agreed by creditors.
- 3.7 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Administrators.
- 3.8 As noted in our initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

***Realisation of Assets***

**Pre-packaged Sale**

- 3.9 On 30 July 2021, a pre-packaged sale of the Company’s business and assets was concluded to Harrison’s Engineering (Lancashire) Limited (“**Harrison’s**”) in the sum of £250,000. The pre-packaged sale included plant and machinery, motor vehicles, stock, work in progress, and goodwill including the Company’s intellectual property, customer contracts and seller’s records. This sale included the transfer of the employee contracts but excluded the Company’s book debts, freehold garage building and cash held in the Company bank account.
- 3.10 The sales consideration was apportioned as follows:

<b>Asset</b>	<b>Amount Realised (£)</b>
Office Furniture & Equipment (Wellhouse Road Office)	999
Plant & Machinery (Wellhouse Works)	150,000
Unencumbered Motor Vehicles	30,000
Stock	19,997
Work in Progress	49,000
Sellers Records	1
Customer Contracts	1
Business Intellectual Property Rights	1
Goodwill	1

### **Freehold Land & Property**

- 3.11 The Company owns a garage located at Wellhouse Road, Barnoldswick (“**the Property**”). In addition to the pre-packaged sale, the Joint Administrators granted a Licence to Occupy (“**the Licence**”) to the purchaser for an initial period of six months which has been extended for a period of three months. Further details of concerning the Licence are provided below.
- 3.12 The Joint Administrators have also taken steps to sell the Property. Our agents Robson Kay Associates Ltd (“**RKA**”) have estimated that this property is valued in the region of £40,000.
- 3.13 Harrisons have recently submitted an offer for the Property for £40,000 which RKA have recommended for acceptance. Accordingly, the respective parties have instructed solicitors in order to progress the sale.
- 3.14 A further update in respect of the sale of the Property will be provided to creditors in due course.

### **Book Debts**

- 3.15 The Company’s outstanding debtor ledger totalled £143,724 and for the purpose of the proposals a write down provision of 25% was applied to account for any disputes and bad debts.
- 3.16 Following their appointment, the Joint Administrators sought to collect in the Company’s outstanding book debts. To date the sum of £84,808.67 has been realised in this regard.
- 3.17 A director of the Company has provided assistance to the Joint Administrators in bringing the Company’s debtor ledger up to date, in order to assist the Joint Administrators in maximising debtor realisations. The director has been remunerated for the assistance provided, and further details of this are provided in Appendix C of this report.
- 3.18 Collection of the Company’s outstanding book debts is ongoing and a further update will be provided in the Joint Administrators’ next progress report.

### **DVLA Refund**

- 3.19 Vehicle tax refunds have been received from the DVLA amounting to £409.98. No further realisations are anticipated in this regard.

### **Cash at Bank**

- 3.20 On appointment, the sum of £413,636 was held in the three bank accounts that the Company operated with Barclays Bank PLC (“**Barclays**”).
- 3.21 The sum of £432,313 was received from Barclays on 17 August 2021 in respect of the credit balance held in the Company’s bank accounts.

### **Refund of Aviva Health Policy**

- 3.22 The Company operated a private health care scheme with Aviva. Following the Joint Administrators’ appointment, notice was sent to Aviva to cancel the scheme and a premium refund of £8,610.48 has been received from Aviva.

3.23 No further realisations are anticipated in this regard.

**Licence to Occupy**

3.24 As detailed above, as part of the pre-packaged sale, Harrisons rented the garage premises located at Wellhouse Road under the terms of a Licence to Occupy. The Licence was for an initial period of six months and also incorporated the occupancy of an additional building that is not owned by the Company.

3.25 Under the terms of the Licence, Harrisons have agreed to pay the sum of £1,000 per calendar month in respect of the occupation. Of this amount, £500 per month is paid to the owner of the additional building in rental payments by the Joint Administrators. The sum of £6,000 has been received to date and rental payments of £2,000 have been discharged.

3.26 The Licence was recently extended by the Joint Administrators for a period of three months to 29 April 2022 and a further £3,000 is anticipated to be received from Harrisons before expiry of the Licence.

**Furlough**

3.27 Furlough funds relating to the Company's employees for July 2021 were outstanding as at the date of the Joint Administrators' appointment. The directors provided information in order to enable the Joint Administrators to apply to HM Revenue & Customs ("**HMRC**") to obtain the funds owed to the Company.

3.28 Following the submission of the application to HMRC the sum of £6,131.74 was received by the Joint Administrators.

3.29 No further realisations are anticipated in this regard.

3.30 It is anticipated that the work the Joint Administrators and their staff have undertaken to date will bring a financial benefit to creditors because it is anticipated that realisations will result in a distribution to the preferential and unsecured creditors of the Company.

***Creditors (claims and distributions)***

3.31 Joint Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

3.32 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.

3.33 Work undertaken by the Joint Administrators in dealing with a company's creditors may only 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.

3.34 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.

3.35 At this stage, we consider the following matters worth bringing to the attention of creditors:

- No preferential claims were anticipated when the Joint Administrators prepared their Proposals; however, following our enquiries, a preferential claim is anticipated to be received in respect of the unpaid pension contributions that were due to the workplace pension scheme from the final months of trading. The unpaid pension contributions have been reclaimed from the Department of Business Innovation and Skills (BEIS) and the claim is estimated to be in the sum of £2,618. Following receipt of confirmation that the pension claim has been processed a final claim will be requested.
- In addition, a claim has been received from HM Revenue & Customs which includes a secondary preferential element. Secondary preferential creditor claims received to date therefore total £34,513.
- Claims have been received from seven unsecured creditors to date totalling £9,184. The Joint Administrators' Proposals detailed estimated unsecured liabilities of £1,734,410.
- Estimated unsecured creditor liabilities include the sum of £1,679,000 which is understood to be owed to the Pension Protection Fund ("PPF"). However, this will be subject to assessment, and a claim is anticipated from the PPF in due course.

### **Investigations**

3.36 Some of the work the Joint Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("**CDDA 1986**") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Administrators can pursue for the benefit of creditors.

3.37 We can confirm that we have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, we are unable to disclose the contents.

3.38 Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting (where held) or as a response to my request to complete an investigation questionnaire. Our investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

### **What remains to be done in the Administration.**

3.39 The following matters remain to be done in the administration:

- Outstanding book debts are still owed to the Company. The Joint Administrators will continue in their attempts to collect in the Company's remaining outstanding debtors and seek professional advice if required.
- The Joint Administrators will seek to progress and conclude the sale of the Property and take receipt of any payments due under the terms of the Licence.
- A notice of intended dividend will be issued to ordinary and secondary preferential creditors following the finalising of preferential creditor claims. Following the issuing of the notice it is anticipated that a first and final dividend will be paid to ordinary and secondary preferential creditors prior to the conclusion of the administration.
- All outstanding VAT matters will be concluded this will include an application being made to deregister the Company for VAT and submit any outstanding pre and post appointment VAT returns to HMRC.

## **4 Estimated Outcome for Creditors**

4.1 Attached at Appendix E is an updated Estimated Outcome Statement as at 29 January 2022. This represents our estimate of the outcome of the Administration as at the end of the Period covered by this report.

4.2 At the present time, it is anticipated there will be sufficient funds available to make a distribution to creditors. The sections below provide details of the anticipated outcome for each class of creditor and further updates will be provided in the Joint Administrators' subsequent progress reports.

### ***Preferential Creditors***

4.3 It is understood that there was a residual balance owing to the Companies auto enrolment workplace pension scheme. A review of the scheme has confirmed that this deficit originated from the final few weeks of trade. Following our enquiries a claim has been submitted to the Department of Business Innovation and Skills (BEIS) for the deficit to be repaid.

4.4 As a result, there will be a small preferential claim in the Administration that is understood to be in the region of £2,617.56.

4.5 A final claim will be requested from the BEIS once we have received confirmation that the funds have been repaid to the Company's scheme. Following which a distribution will be paid to the preferential creditors in the sum of 100 pence in the pound.

### ***Secondary Preferential Creditors***

4.6 A summary of the secondary preferential claims and details of any distributions paid to date can be found below.

## 00510285 REALISATIONS LIMITED (FORMERLY GISSING & LONSDALE LIMITED) - IN ADMINISTRATION

Secondary preferential claims	Agreed Claim £	Liability in Joint Administrators Proposals £	Dividend paid p in the £1	Date dividend paid
VAT (HMRC)	18,712.21	8,585	No dividend paid to date	N/A
PAYE, Employee NIC & CIS deductions (HMRC)	15,800.64	10,571	No dividend paid to date	N/A

- 4.7 An interim claim has been received from HM Revenue & Customs, as detailed above.
- 4.8 A first and final dividend is anticipated to be paid to secondary preferential creditors prior to the conclusion of the Administration. Based on the value of the interim claim received to date, it is anticipated that the secondary preferential creditors will receive a distribution of 100 pence in the pound.
- 4.9 It is our intention to request HMRC to submit their final claim in this matter so that a distribution can be paid to the secondary preferential creditors in the coming months in the coming months.

### ***Unsecured Creditors***

- 4.10 We have received claims totalling £43,697 from seven creditors. We have yet to receive claims from 28 creditors whose debts total £1,700,225 as per the Joint Administrators' Proposals.
- 4.11 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**), which only applies to charges created after 15 September 2003.
- 4.12 We currently anticipate that a dividend will be available to the unsecured creditors other than from the Prescribed Part. As a result, unless it is more expedient to make an application to court to allow this to be distributed in the Administration, we anticipate that the Company will exit into Creditors' Voluntary Liquidation in due course to facilitate the payment of a dividend to the unsecured creditors.
- 4.13 Based on current estimations, it is anticipated that the unsecured creditors will receive a return of approximately 39.72 pence in the pound. Further details will be provided in due course; however, it should be noted that any potential distribution will be subject to the costs of the Liquidation.

## **5 Pre-administration Costs**

- 5.1 On 25 August 2021 the following amounts in respect of pre-administration costs were approved:

**00510285 REALISATIONS LIMITED (FORMERLY GISSING & LONSDALE LIMITED) - IN ADMINISTRATION**

Name of recipient	Brief description of services provided	Total amount approved (Plus VAT)
CHBR	Liaising with the Directors, PPF, Solicitors and agents regarding the options available, the proposed strategy, marketing of the company & negotiation of the sale to Harrisons. Discussing the appointment formalities with the solicitor.	£21,184
Robson Kay Associates Ltd	Valuation of Company's assets, marketing & negotiation of the sale to Harrisons	£18,125
KBL Solicitors LLP	Drafting the sale agreement and providing advice on the completion of the sale	£15,158

5.2 All pre appointment costs have been paid.

## 6 Joint Administrators' Remuneration

6.1 The basis of the Joint Administrators' fees has been fixed in the Administration by reference to the time properly spent by them and their staff in managing the Administration. Our fees estimate/information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to us at that time.

6.2 A copy of the approved fees estimate for the Administration is reproduced below:

	Partner	Director	Manager	Assistant Manager	Senior Administrator	Administrator	Junior Administrator	Cashier	Total hours	Total Cost £	Average Cost £
Administration (including Stat)	6.00	-	8.00	17.00	24.00	6.00	-	10.50	71.50	16,845.00	235.59
Creditor Claims (Claims and Distributions)	5.00	-	6.00	11.00	15.00	3.00	-	6.00	46.00	11,175.00	242.93
Investigations	8.00	-	6.00	12.00	18.00	-	-	-	44.00	11,860.00	269.55
Realisation of Assets	5.00	-	6.00	8.00	12.00	-	-	12.00	43.00	10,125.00	235.47
<b>Total Hours</b>	<b>24.00</b>	<b>-</b>	<b>26.00</b>	<b>48.00</b>	<b>69.00</b>	<b>9.00</b>	<b>-</b>	<b>28.50</b>	<b>204.50</b>	<b>50,005.00</b>	<b>244.52</b>
Current Chargeout Rates	395.00	350.00	275.00	250.00	225.00	175.00	120.00	150.00			
<b>Assumed time for dealing with each Unsecured Creditor (Units)</b>	<b>104</b>	<b>-</b>	<b>10</b>	<b>209</b>	<b>300</b>	<b>0.39</b>	<b>-</b>	<b>124</b>			
<b>Total Time for Dealing with the 23 Unsecured Creditors (units)</b>	<b>24.00</b>	<b>-</b>	<b>26.00</b>	<b>48.00</b>	<b>69.00</b>	<b>9.00</b>	<b>-</b>	<b>28.50</b>			
<b>Charge Out Rate £ per Hour</b>	<b>395.00</b>	<b>350.00</b>	<b>275.00</b>	<b>250.00</b>	<b>225.00</b>	<b>175.00</b>	<b>-</b>	<b>150.00</b>			

6.3 Following approval of the Joint Administrators' Proposals the Joint Administrators were contacted by the majority creditor, the PPF. It was apparent that the PPF had not received the Joint Administrators' Report and Statement of Proposals in sufficient time to submit their vote. Accordingly, the views of the PPF were sought by the Joint Administrators, and it was apparent that should the PPF have voted on the Proposals, they would have sought to reduce

the fee cap of the Joint Administrators. Taking into account the views of the majority creditor, it was therefore agreed that notwithstanding the approval to fees as detailed above, the Joint Administrators would cap their fees at £45,862. No increase in fee approval will therefore be sought.

- 6.4 Our time costs for the Period are £43,876. This represents 165 hours at an average rate of £266 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Administration.
- 6.5 Attached at Appendix C is our Cumulative Time Analysis for covering the date of our appointment 30 July 2021 to 29 January 2022. Our cumulative time costs amount to £62,754. This represents 229 hours at an average rate of £274 per hour. To date, the sum of £45,750 plus VAT has been paid on account of these costs.
- 6.6 At the date of this report, we would confirm that our fees estimate for the Administration remains unchanged and we currently anticipate that the total amount that will be paid to our firm in respect of the time costs incurred will be £45,862. Where this amount is less than our overall fees estimate, it may be that our fee recoveries will be restricted as a result of the funds available in the Administration, which will prevent our time costs being recovered in full.
- 6.7 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>.
- 6.8 Attached at Appendix D is additional information in relation to the Joint Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

## **7 Creditors' Rights**

- 7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Administrators remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this progress report, are excessive.

## **8 Ending the Administration**

- 8.1 Based on present information, if the Joint Administrators are of the opinion that a dividend will be paid to the unsecured creditors other than by virtue of the Prescribed Part. As a result, the Joint Administrators will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation ("CVL") to facilitate a distribution to unsecured creditors. It is proposed that the

Joint Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the CVL.

- 8.2 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect. However, as agreed the Joint Administrators will contact the PPF prior to filing a notice of move to CVL to seek confirmation that they have no objections to the discharge from liability.

**9 Next Report**

- 9.1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or they wish to extend it.

For and on behalf of  
00510285 Realisations Limited (Formerly Gissing & Lonsdale Limited)



**Craig Johns**  
**Joint Administrator**



Appendix B

Joint Administrators' Time Analysis for the Period from 06 August 2021 to 29 January 2022

	Partner - from 01/06/2021	Manager - from 01/06/2021	Assistant Manager - from 01/06/2021	Senior Administrator - from 01/06/2021	Administrator - from 01/06/2021	Cashier - from 01/06/2021	Total hours	Total Cost £	Average Cost £
Administration (including Stat Creditors (Claims and Distributions)	29.80	0.30	65.40	3.50	20.24	10.60	129.84	34,123.50	262.81
Investigations	9.50	-	-	-	-	-	9.50	3,752.50	395.00
Asset Realisation/Management	5.50	0.60	2.80	0.10	16.80	-	25.80	6,000.00	232.56
<b>Total Hours</b>	<b>44.80</b>	<b>0.90</b>	<b>68.20</b>	<b>3.60</b>	<b>37.04</b>	<b>10.60</b>	<b>165.14</b>	<b>43,876.00</b>	<b>265.69</b>
Current Chargeout Rates	395.00	275.00	250.00	225.00	175.00	150.00			

00510285 REALISATIONS LIMITED (FORMERLY GISSING & LONSDALE LIMITED) - IN ADMINISTRATION

Appendix C

Joint Administrators' Cumulative Time Analysis for the Period from 30 July 2021 to 29 January 2022.

	Partner - from 01/06/2021	Manager - from 01/06/2021	Assistant Manager - from 01/06/2021	Senior Administrator - from 01/06/2021	Administrator - from 01/06/2021	Cashier - from 01/06/2021	Total hours	Total Cost £	Average Cost £
Administration (including Stat Creditors (Claims and Distributions)	46.60	0.30	110.10	3.50	20.24	10.60	191.34	51,934.50	271.42
Investigations	9.50	-	-	-	-	-	9.50	3,752.50	395.00
Planning & Strategy	1.20	-	-	-	-	-	1.20	474.00	395.00
Asset Realisation/Management	7.00	0.60	2.80	0.10	16.80	-	27.30	6,592.50	241.48
<b>Total Hours</b>	<b>64.30</b>	<b>0.90</b>	<b>112.90</b>	<b>3.60</b>	<b>37.04</b>	<b>10.60</b>	<b>229.34</b>	<b>62,753.50</b>	<b>273.62</b>
Current Chargeout Rates	395.00	275.00	250.00	225.00	175.00	150.00			

**Additional Information in Relation to the Joint Administrators' Fees, Expenses & the use of Subcontractors**

**1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 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.
- 1.3 On this case we have utilised the services of the subcontractors noted below. It is considered that the cost of subcontracting this work to specialist contractors will be less than, or equivalent to, the cost of these services being undertaken by the office holder(s) or their staff and the outsourcing of this work will bring greater efficiency to this element of the work necessary in the Administration.

<b>Service</b>	<b>Provider</b>	<b>Work done/to be done</b>	<b>Basis of fee arrangement</b>	<b>Paid to date £ (Plus VAT where appropriate)</b>	<b>Anticipated total cost £ (Plus VAT where appropriate)</b>
Pension Advice	ERA Solutions Ltd	Review of the pension scheme and providing a pension brief report and submitting a pension reclaim to the BEIS	Fixed fee plus VAT	420.00	2,500.00

**2 Professional Advisors**

- 2.1 On this assignment we have used 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.

<b>Name of Professional Advisor</b>	<b>Basis of Fee Arrangement</b>
KBL Solicitors LLP (legal advice)	Time costs plus VAT and expenses
Robson Kay Associates Ltd (valuation and disposal advice)	Fixed fee of 7.25% of pre-pack realisations plus VAT and expenses.  Further anticipated fee in respect of the sale of the freehold land and property Estimated to be a fixed fee of 7.25% plus VAT of the sale price.

- 2.2 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.

### 3 Joint Administrators' Expenses

3.1 The estimate of expenses which were anticipated in the Administration was provided to creditors when the basis of my fees was approved. The table below compares the anticipated costs against those incurred to date.

#### **Category 1 Expenses**

3.2 These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include expenses which are payments first met by an office holder and then reimbursed from the estate.

<b>Expense</b>	<b>Estimated overall cost £ (Plus VAT where appropriate)</b>	<b>Paid in the period covered by this report £ (Plus VAT where appropriate)</b>	<b>Incurred but not paid to date £ (Plus VAT where appropriate)</b>
Post Appointment Agent's fees & expenses	3,000 plus VAT	-	-
Legal fees & expenses	5,000 plus VAT	2,000 plus VAT	-
Statutory advertising	170 plus VAT	170 plus VAT	-
Specific Penalty Bond	660	660	-
Insurance (inc premium tax)	168	168	-
Companies House fees	10	10	-
Pension consultancy fees	2,500 plus VAT	420 plus VAT	-
Rent	5,000 plus VAT	2,000 plus VAT	-
Assistance provided by director	1,106 plus VAT	1,106 plus VAT	-
Bank charges	15.00	15.00	-
Postage	300	59.76	-

3.3 The following Category 1 expenses included in the above table were not anticipated at the time the Joint Administrators' fee approval was obtained; however, were deemed to be necessary and were not considered to be adverse costs.

- Companies House Fees
- Rent
- Assistance provided by the director

#### **Category 2 Expenses**

3.4 These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 expenses charged by this firm (where appropriate)

were provided at the time the Administrator's fees were approved by creditors. We do not propose to charge any Category 2 disbursements in this matter.

**4 Charge-Out Rates**

4.1 Cowgill Holloway Business Recovery LLP's current charge-out rates effective from 1 June 2021 are detailed below:

4.2 Please note this firm records its time in minimum units of 6 minutes.

<b>Staff Grade</b>	<b>Per Hour (£)</b>
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

## Estimated Outcome Statement as at 29 January 2022

	NOTES	£
<b>Assets Not Specifically pledged</b>		
Funds Held	1	684,020
Licence Fee	2	3,000
Book Debts	3	22,984
Freehold Land & Property	4	40,000
		<u>750,004</u>
<b>Total assets available for preferential creditors</b>		<b>750,004</b>
Less: costs of Administration	5	<u>(10,592)</u>
<b>Net assets available to preferential creditors</b>		<b><u>739,412</u></b>
Preferential creditors (excluding claims arising upon cessation of trade)	6	(2,618)
Secondary Preferential Creditors	7	<u>(34,513)</u>
Estimated Surplus / (Deficiency) to preferential creditors		<u><b>702,282</b></u>
<b>Surplus available to Unsecured Creditors</b>		<b>702,282</b>
<b>Unsecured creditors</b>		
Trade and expense creditors	8	(64,922)
HM Revenue & Customs (PAYE/NIC)	8	(6,056)
Pension Deficit	8	<u>(1,697,000)</u>
<b>Total unsecured creditors</b>		<b><u>(1,767,978)</u></b>
<b>Total shortfall to unsecured creditors</b>		<b>(1,065,696)</b>
<b>Estimated dividend to Unsecured creditors (p in £)</b>	9	<u><b>39.72</b></u>
<b>NOTES</b>		
<p>1. The sum of £684,020 is currently held. This represents the cash held in the Administration case bank account in addition to any recoverable VAT.</p> <p>2. The Licence fee has recently been extended for a period of 3 months. During this period, the sum of £1,000 is anticipated to be received each month.</p> <p>3. Based on the estimated to realise value as listed in the Joint Administrators Proposals, it is anticipated that further recoveries in the region of £22,984 will be made.</p> <p>4. Following the expiry of the Licence to Occupy, a sale of the freehold land and property will be completed and the value scheduled represents the recent agents valuation and the current offer received.</p> <p>5. The anticipated costs of the Administration are listed below.</p> <p>6. Based on current estimations, there are preferential liabilities in the region of £2,618 and these are expected to be paid in full.</p> <p>7. The value of the secondary preferential creditors claims has been taken from the interim claim received from HMRC. A final claim has yet to be received. Based on current estimations, it is anticipated that the secondary preferential creditors will be repaid in full.</p> <p>8. The value of the unsecured creditors has been taken from the Company information and from the creditors claims received to date.</p> <p>9. It is understood that the unsecured creditors will receive a return of approximately 39.72p/£; however, the distribution is subject to the costs of the subsequent Liquidation.</p>		
<b>COSTS</b>		
		<b>(£)</b>
Joint Administrators' Fees - Post Appointment [Est.]		(112)
Agents Fees - Post Appointment [Est.]		(2,900)
Legal Fees - Post Appointment [Est.in dealing with the sale of the property]		(3,000)
Pension Agent [Est.]		(2,080)
Rental payment		(2,500)
<b>Total</b>		<b><u>(10,592)</u></b>