Rule 2.47 **Form 2.24B(CH)**

The Insolvency Act 1986

Administrator's progress report

Name of Company	Company number
Flynn Holdings Limited	04336125

In the	Court case number
Birmingham District Registry, Chancery Division	8338 of 2014

We

Christopher James Farrington
Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Dominic Lee Zoong Wong
Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

administrators of the above company attach a progress report for the period

From	To
22 November 2015	21 May 2016

Signed ____________________
Joint Administrator

Dated 10/6/16

Contact Details:

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

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DX Number

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Deloitte.

Flynn Holdings Limited (In Administration) ("the Company")

Court Case No 8338 of 2014
In the Birmingham District
Registry Chancery Division
Company Number 04336125

Registered Office: c/o Deloitte LLP, Four Brindleyplace, Birmingham, B1 2HZ

Progress report to creditors and court for the period 22 November 2015 to 21 May 2016 pursuant to Rule 2.47 and 2.112 of the Insolvency Rules 1986 (as amended)("the Rules").

Christopher James Farrington and Dominic Lee Zoong Wong were appointed Joint Administrators of Flynn Holdings Limited on 26 August 2014 by the Director of the Company The affairs, business and property of the Company are managed by the Joint Administrators The Joint Administrators act as agents of the Company and contract without personal liability All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte') are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended) ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally

Council Regulation (EC) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation

10 June 2016

Contacts

Joint Administrators of the Company

Christopher James Farrington

Dominic Lee Zoong Wong

Flynn Holdings Limited (In Administration)

c/o Deloitte LLP

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Birmingham

B1 2HZ

Contact details

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Website

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Key messages

	Commentary
Purpose of administration	• The purpose of the administration is to achieve a better result for the Company's creditors as a whole than a liquidation of the Company
Progress of administration	• Unsecured creditor claims are in the process of being agreed and a dividend will be declared shortly • There is an outstanding corporation tax liability for the year ending 31 January 2016 of £7,706 99 which will be settled shortly
Costs	• The Joint Administrators' remuneration incurred during the period of the report amounts to £29,838 85 • The Joint Administrators have not drawn any time costs during the period Further detail on the Joint Administrators' remuneration are set out in the analysis on page 9
Outstanding matters	• Complete the agreement of the unsecured creditors' claims and make distributions to the unsecured creditors • Obtain tax clearance
Dividend prospects	• The Secured Creditor has been repaid in full • Preferential creditors have been paid in full • There will be a dividend to unsecured creditors but we are unable to provide an estimate of the distribution (p in the £) until the value of unsecured creditor claims has been finalised
Extension to administration period	• The administration is due to end on 26 August 2016 but we will shortly request consent of the court to extend the period of the administration by a further 6 months to allow all outstanding matters to be concluded Further details are provided on page 7

Contents

Progress of the administration

Progress of the administration
Summary

Progress of the administration

A sale of the Property was concluded on 28 March 2015 for £380,000 and on agents' and solicitors' advice, an 'overage' provision relating to an 'overage deed' was negotiated as part of the sale agreement

The secured and preferential creditors have been paid in full and the unsecured creditor claims are now being agreed, a dividend will be declared shortly

Cost incurred but unpaid

The receipts and payments account on page 5 has been prepared on a cash basis and excludes further Joint Administrators' remuneration and expenses incurred but which have not yet been billed and paid Further information on these costs are provided on page 10

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of the statutory and compliance obligations and other tasks of an administrative nature

- Case management
- Statutory reporting
- Correspondence with creditors
- Case reviews
- Cashiering functions

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors

Estimated future realisations

The are no further assets that the Joint Administrators expect to realise, other than the recovery of input VAT

Progress of the administration

Receipts and payments

Joint Administrators' receipts and payments account
22 November 2015 to 21 May 2016

£	*SoA values*	*Notes*	Period	To date
Receipts				
Trading Surplus	-	*2*	-	5,657
Cash in hand		*1*	-	5 790
Sale of Tall Trees Garden Centre Bulcot			-	380 000
Book Debts			-	165
Bank Interest Gross			170	427
Stock and Sunday chattel asset	*7,750*		-	900
Total receipts	*7 750*		**170**	**392,940**
Payments				
Legal Fees			-	13,433
Legal Expenses			-	390
Security costs			-	750
Health and Safety Requirements			-	3,957
HSBC Loan Redemption			-	104,229
Preparation of S of A			-	750
Accountants fees			-	4 250
Post Appt Administrators' Fees			-	80,013
Post Administrators' Expenses			-	431
Pre Appointment Administrators Fees			-	20,957
Pre Appointment Administrators Expenses			-	56
Agents Fees			-	12 260
Website Charge			-	500
Postage & Redirection			-	713
Statutory Advertising			-	254
Insurance of Assets			-	2 121
Stock clearance supervision			-	1,890
Bank Charges			-	54
Preferential Creditors			1,958	10 935
Total payments			**1,958**	**257,942**
Balance				**134,998**
Made up of				
IB Deposit Account		*1*		134,998
Balance in hand				**134,998**

A receipts and payments account to 21 May 2016 is provided opposite, detailing the transactions in the Administration since the Administrators' appointment On the next page is a separate trading account

Notes to receipts and payments account

Note 1 – Cash in hand represents funds held at the Company's premises on the date of the Administration All funds held by the Administrators are banked in interest bearing accounts and are subject to corporation tax

Note 2 – No further funds have been received or paid in the period in respect of trading, nor are any more expected

The Company is registered for VAT and the receipts and payments are shown net of VAT

Information for creditors

Outcome 7

Information for creditors
Outcome

Secured creditors

The Joint Administrators have repaid the Secured Creditor in full

Corporation Tax

Following the sale of the Property and the finalisation of all the costs directly related to the sale, corporation tax computations have been submitted to HM Revenue & Customs for the period to 31 January 2016 showing a tax liability of £7,706 99 This tax liability will be settled shortly as an expense from the funds in the Administration estate

Preferential creditors

Preferential creditors have now been paid in full

Prescribed Part (PP) & Unsecured Creditors

As the Secured Creditor has been paid in full from the realisation of fixed charge assets the PP provision will not apply and after discharging the costs of the Administration, a dividend to the unsecured creditors of the Company will be paid

We are unable to provide an estimate of the distribution (p in the £) until the value of unsecured creditor claims has been finalised We are awaiting the final claim from HM Revenue & Customs but have received claims of £150, 695 87

Claims process

Unsecured creditors who have not already claimed are invited to submit their claims to the Joint Administrators by completing a proof of debt form which is available on the Administration website and which should be sent to the *address on page 1, marked for the attention of* Wendy Packwood

Extensions to the administration

The administration is currently due to end on 26 August 2016 but we will shortly request consent of the court to extend the period of the administration by a further 6 months to allow all outstanding matters to be concluded

Exit from Administration

Following the sale of the Property and distribution of the funds to creditors, the appropriate exit from Administration will be via a move to compulsory liquidation

The Administrators considered placing the Company into Creditors Voluntary Liquidation (CVL) in order to distribute funds to unsecured creditors However, in order to avoid the additional costs that would be incurred in placing the Company into CVL, the Administrators obtained an order from the Court (The High Court of Justice, Chancery Division, Birmingham District Registry) to extend the Administration and for permission to make a distribution to unsecured creditors in the Administration Thereafter, the Company will move into compulsory liquidation which will enable the Official Receiver to deal with any additional sales proceeds uplift from the property which may be received should the overage provision be activated as detailed in our previous reports

Remuneration and expenses

Remuneration and expenses

Joint Administrators' remuneration

Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www deloitte com/uk/flynnholdings

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost

Basis of remuneration and expenses

The basis of the Joint Administrators' remuneration was fixed on 3 November 2014 by the general body of creditors by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration calculated at the prevailing standard hourly charge out rates used by Deloitte (Deloitte LLP) at the time when the work is performed, plus VAT

Time costs incurred

Our time costs for the period are £29,838 85 made up of 81 89 of hours at an average charge out rate of £364 38 per hour across all grades of staff

Since the date of appointment to 21 May 2016, the Joint Administrators have incurred total time costs of £250,965 made up of 646 69 hours at an average charge out rate of £388 08 per hour across all grades of staff

The Joint Administrators have drawn remuneration of £80,013 00 to date, as shown in the receipts and payments account on page 5

Please note the Joint Administrators do not currently intend to draw the full amount of their time costs incurred The balance of any undrawn remuneration at the completion of the Administration will be written off

Remuneration and expenses Joint Administrators' time costs for the period 22 November 2015 to 21 May 2016

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system Time spent by secretarial staff working on the assignment has not been recorded or recovered The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	-	-	0 30	187 00	0 20	106 00	6 60	2,400 00	3 20	1,008 00	10 30	3,701 00	359 32
Case Management and Closure	-	-	2 70	1,350 00	-	-	6 20	2,131 00	9 39	2,130 60	18 29	5 611 60	306 81
General Reporting	1 00	695 00	0 75	375 00	-	-	7 90	2,646 50	9 00	2,025 00	18 65	5 741 50	307 86
	1 00	695 00	3.75	1,912.00	0 20	106 00	20 70	7,177 50	21 59	5,163 60	47 24	15,054 10	318 67
Investigations													
Investigations	-	-	0 25	125 00	-	-	-	-	-	-	0 25	125 00	500 00
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	0 10	21 50	0 10	21 50	215 00
	-	-	0 25	125 00	-	-	-	-	0 10	21 50	0 35	146 50	418 57
Trading													
Ongoing Trading	-	-	-	-	-	-	1 90	636 50	-	-	1 90	636 50	335 00
	-	-	-	-	-	-	1 90	636 50	-	-	1 90	636 50	335 00
Creditors													
Employees	-	-	-	-	-	-	2 60	871 00	-	-	2 60	871 00	335 00
Unsecured	-	-	-	-	-	-	1 50	502.50	-	-	1 50	502 50	335 00
	-	-	-	-	-	-	4.10	1,373 50	-	-	4 10	1,373 50	335.00
Case Specific Matters													
VAT	-	-	0 25	125 00	-	-	0 50	167 50	-	-	0 75	292 50	390 00
Tax	0 30	306 00	0 60	300 00	9 65	6,706 75	3 70	1,239 50	13 30	3,783 50	27 55	12,335 75	447 76
	0 30	306 00	0 85	425 00	9 65	6,706 75	4.20	1,407 00	13.30	3,783.50	28 30	12,628 25	446 23
TOTAL HOURS & COST	1 30	1,001 00	4.85	2,462.00	9 85	6,812.75	30 90	10,594.50	34.99	8,968.60	81 89	29,838 85	364.38
AVERAGE RATE/HOUR PER GRADE		£ 770 00		£ 507 63		£ 691 65		£ 342.86		£ 256 32			
FEES DRAWN												£ -	

Remuneration and expenses Joint Administrators' time costs for the period 26 August 2014 to 21 May 2016

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system Time spent by secretarial staff working on the assignment has not been recorded or recovered The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	1 00	725 00	0 70	429 50	4 20	2 125 00	23 00	8 591 50	8 50	2,483 00	37 40	14 354 00	383 80
Case Management and Closure	11 80	8 438 00	18 90	9 045 00	0 20	99 00	27 55	9 069 50	25 34	5 478 60	83 79	32 130 10	383 46
Initial Actions	0 50	322 50	1 00	475 00	8 50	3 400 00	1 00	317 50	4 50	915 00	15 50	5,430 00	350 32
General Reporting	8 00	5,347 50	29 90	14,221 25	-	-	25 20	8,182 50	26 70	5,565 00	89 80	33,316 25	371 01
	21 30	14,833 00	50 50	24,170 75	12 90	5,624.00	76 75	26,161 00	65 04	14,441 60	226 49	85,230 35	376 31
Investigations													
Investigations	-	-	5 75	2,737 50	-	-	0 70	224 00	-	-	6 45	2 961 50	459 15
Reports on Directors' Conduct	2 80	1,848 00	8 85	4 203 75	-	-	9 80	3 136 00	7 30	1,461 50	28 75	10,649 25	370 41
	2 80	1,848 00	14.60	6,941 25	-	-	10 50	3,360 00	7 30	1,461 50	35 20	13,610 75	386 67
Trading													
Day 1 Control of Trading	-	-	5 50	2,557 50	-	-	-	-	0 40	78 00	5 90	2 635 50	446 69
Ongoing Trading	0 90	594 00	14 00	6,600 00	-	-	3 40	1 116 50	1 10	218 00	19 40	8 528 50	439 61
Closure of Trade	-	-	14 50	6,887 50	-	-	-	-	-	-	14 50	6 887 50	475 00
	0 90	594.00	34.00	16,045 00	-	-	3 40	1,116 50	1 50	296 00	39 80	18,051 50	453 56
Realisation of Assets													
Other Assets (e g Stock)	1 50	990 00	1 00	475 00	-	-	-	-	4 40	880 00	6 90	2,345 00	339 86
Property - Freehold and Leasehold	14 50	9 570 00	109 75	51 976 25	-	-	-	-	18 90	3,760 00	143 15	65 306 25	456 21
Retention of Title	0 50	330 00	3 75	1,781 25	-	-	-	-	36 70	7,340 00	40 95	9,451 25	230 80
Sale of Business / Assets	0 50	330 00	4 50	2,137 50	-	-	-	-	1 00	200 00	6 00	2 667 50	444 58
	17 00	11,220.00	119 00	56,370.00	-	-	-	-	61 00	12,180 00	197 00	79,770 00	404 92
Creditors													
Employees	-	-	2 00	950 00	-	-	28 60	9 191 00	25 20	5 289 00	55 80	15,430 00	276 52
Preferential	-	-	-	-	-	-	1 00	320 00	-	-	1 00	320 00	320 00
Secured	-	-	7 25	3,443 75	-	-	-	-	-	-	7 25	3 443 75	475 00
Unsecured	-	-	0 50	237 50	-	-	7 00	2 257 50	6 70	1,340 00	14 20	3,835 00	270 07
	-	-	9 75	4,631 25	-	-	36 60	11,768 50	31 90	6,629 00	78 25	23,028 75	294.30
Case Specific Matters													
VAT	1 90	1 797 50	8 35	4 176 50	1 40	931 00	6 05	2,735 50	4 00	800 00	21 70	10 440 50	481 13
Tax	0 30	306 00	12 10	5 762 50	12 10	8,017 50	4 45	1,553 25	19 30	5 193 50	48 25	20,832 75	431 77
	2 20	2,103 50	20 45	9,939 00	13 50	8,948 50	10 50	4,288 75	23 30	5,993 50	69 95	31,273 25	447 08
TOTAL HOURS & COST	44.20	30,598.50	248 30	118,097 25	26 40	14,572 50	137 75	46,694.75	190 04	41,001 60	646 69	250,964 60	388 08
AVERAGE RATE/HOUR PER GRADE		£ 692.27		£ 475 62		£ 551 99		£ 338 98		£ 215 75			
FEES DRAWN												80,013 00	

Remuneration and expenses
Detailed information

Restructuring Services charge out rates (£/hour)

Grade	From 1 Sept 2012	From 1 Sept 2015
Partners & Directors	605 - 950	645 - 1,020
Assistant Directors	465 - 720	500 - 770
Managers	400 - 645	430 - 695
Assistant Managers	305 - 515	325 - 550
Assistants & Support	50 - 305	80 - 325

The average charge - out rates applicable to this case are provided above

The above bands are specific to the Restructuring Services department partners and staff In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Advisory or Deloitte Real Estate may be required on the case These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system Time spent by secretarial staff working on the assignment has not been recorded or recovered The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Charge out rates increased on 1 September 2015

Remuneration and expenses

Detailed information

Disbursements

Category 1

These are payments made by us direct to third parties and for which no approval is required

Category 2

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs These may also include shared or allocated costs Specific approval is required before these costs and expenses can to be drawn from the administration estate

Category 1 expenses incurred

£ (net)	Value	Paid	Unpaid
Parking	3	3	-
Company Website Update	75	75	-
Statutory Advertising	85	85	-
Key Cutting	4	4	-
Insurance	230	230	-
Postage/Couriers	363	363	-
Storage	3	-	3
Total expenses	**763**	**760**	**3**

Category 2 expenses incurred

£ (net)	Value	Paid	Unpaid
Mileage	405	349	56
Website set up	500	500	-
Total expenses	**905**	**849**	**56**

Expenses

The Joint Administrators' direct expenses and disbursements incurred to date (excluding VAT) are set out above

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request the Administrators to provide additional information regarding remuneration or expenses to that already supplied within this report Such requests must be made within 21 days of receipt of this report, in accordance with Rule 2 47(1)(fa) and 2 48A of the Rules

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 2 109(4) of the Rules), reducing the amount or the basis of remuneration which the Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 2 109 of the Rules

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports

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