

AM10

Notice of administrator's progress report



Companies House

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

1	Company details	
Company number	0 4 0 8 9 9 0 2	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Pembar Limited	
2	Administrator's name	
Full forename(s)	Lee	
Surname	Causer	
3	Administrator's address	
Building name/number	Two Snowhill	
Street	Snow Hill Queensway	
Post town	Birmingham	
County/Region		
Postcode	B 4 6 G A	
Country		
4	Administrator's name ^①	
Full forename(s)	Mark	① Other administrator Use this section to tell us about another administrator.
Surname	Thornton	
5	Administrator's address ^②	
Building name/number	Central Square	② Other administrator Use this section to tell us about another administrator.
Street	29 Wellington Street	
Post town	Leeds	
County/Region		
Postcode	L S 1 4 D L	
Country		

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 5	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3
To date	^d 1	^d 4	^m 1	^m 1	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 1	^d 4	^m 1	^m 2	^y 2	^y 0	^y 2	^y 3
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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 **Lee Causer**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **+44 (0) 1512 374 500**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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

Pembar Limited t/a Hatt Kitchens
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 15/05/2023 To 14/11/2023 £	From 15/05/2023 To 14/11/2023 £
	ASSET REALISATIONS		
4,610.06	Furnitures & Fittings	4,926.00	4,926.00
	Insurance Refund	266.16	266.16
	Interest Gross	554.82	554.82
32,000.00	Motor Vehicles	55,500.00	55,500.00
81.14	Petty Cash	83.98	83.98
63,389.94	Plant & Machinery	155,000.00	155,000.00
NIL	Pre-payments	498.73	498.73
NIL	Showrooms	NIL	NIL
NIL	Staff Loans	NIL	NIL
58,633.02	Stock	118,854.13	118,854.13
125,000.00	Trade Debtor/Retentions	NIL	NIL
NIL	Uncalled Share Capital	NIL	NIL
		<u>335,683.82</u>	<u>335,683.82</u>
	COST OF REALISATIONS		
	Agents' Expenses	36,081.78	36,081.78
	Agents' Fees	44,593.90	44,593.90
	Agents Fees - Lease Reviews	1,000.00	1,000.00
	Insurance	3,906.65	3,906.65
	IT Costs	1,255.00	1,255.00
	Legal Fees & Expenses	5,443.50	5,443.50
	Pre-Appointment Agent's Fees	6,250.00	6,250.00
	Printing & Postage	844.35	844.35
	Rents Payable	20,000.00	20,000.00
	Sundry Expenses	176.95	176.95
	Wages & Salaries	5,676.36	5,676.36
	Water Rates	92.52	92.52
		<u>(125,321.01)</u>	<u>(125,321.01)</u>
	PREFERENTIAL CREDITORS		
(119,923.65)	Employee Claims (Wages/Holiday)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	SECONDARY PREFERENTIAL CREDITORS		
(229,432.63)	HMRC	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FLOATING CHARGE CREDTS		
(629,886.27)	Lloyds Bank	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(763,996.98)	Connected Companies	NIL	NIL
(582,446.00)	HP Shortfall - Unsecured Claims	NIL	NIL
(1,711,598.67)	Trade & Expense Creditors	NIL	NIL
(940,403.02)	Unsecured Employees	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(939.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(4,694,912.06)		<u>210,362.81</u>	<u>210,362.81</u>
	REPRESENTED BY		
	Floating Current Account		280,037.29
	Input VAT		22,676.94

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(In Administration)
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Statement of Affairs £	From 15/05/2023 To 14/11/2023 £	From 15/05/2023 To 14/11/2023 £
REPRESENTED BY CONTINUED		
Output VAT		(62,405.60)
Trade Creditors		(30,395.98)
Vat Control Account		450.16
		<u>210,362.81</u>

Pembar Limited t/a Hatt Kitchens In Administration

Joint Administrators' progress report from
15 May 2023 to 14 November 2023

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Glossary of terms

Abbreviation or term	Meaning
'Act'	Insolvency Act 1986
'Aon'	Aon UK Limited
'BRPL'	Bristol Road Properties Limited
'CNC'	Computer numerical control
'ECL'	Enviro Compliant Limited
'ERA'	ERA Solutions Limited
'Gateley'	Gateley Legal LLP
'GB'	Gordon Brothers
'Hartlebury Property'	Unit 111, Hartlebury Trading Estate, Hartlebury Worcestershire, DY10 4JB
'Headland'	Headland Consultancy Limited
'HMRC'	HM Revenue & Customs
'Joint Administrators' or 'we'	Lee Causer and Mark Thornton
'Modus'	Modus Agency Limited
'Naismiths'	Naismiths Limited
'net property'	Floating charge realisations after costs and payment of preferential and secondary preferential creditors in full
'Period'	15 May 2023 to 14 November 2023
'preferential creditors'	Claims for unpaid wages earned in the four months prior to Administration up to £800, holiday pay and unpaid pension contributions in certain circumstances. Where a decision is being sought from preferential creditors these will include secondary preferential creditors
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'Proposals'	The Joint Administrators' statement of proposals for achieving the purpose of the Administration
'QFCH'	Qualifying Floating Charge Holder
'Rules'	Insolvency (England and Wales) Rules 2016
'Sch.B1 to the Act'	Schedule B1 to the Act

'secondary preferential creditors'	Where a company enters into Administration on or after 1 December 2020, claims for unpaid VAT, PAYE deductions, Employee National Insurance Contributions (NICs) deductions, student loan repayment deductions and amounts withheld under the construction industry scheme
'secured creditors'	Creditors whose debt is secured, in accordance with Section 248 of the Act
'SOA'	The Directors' Statement of Affairs
'Stourport Property'	Unit M Severnside Business Park, Sever Road, Stourport-on-Severn, DY13 9EX
'the Bank'	Lloyds Bank Plc
'the Company'	Pembar Limited t/a Hatt Kitchens
'the Report'	Prepared in accordance with Rules 18.3 and 18.6 of the Rules
'unsecured creditors'	Creditors who are neither secured nor preferential
'Watling'	Watling Real Estate Ltd
'Xponet'	Xponet Limited

Key information

Background

Lee Causer and Mark Thornton were appointed Joint Administrators of the Company on 15 May 2023.

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company and without personal liability.

Purpose of the Report

This is the six-month Report for the period from 15 May 2023 to 14 November 2023.

The main purpose of the Report is to provide you with an update on the progress of the Administration during the Period and to update you on the pursuit of the statutory purpose of the Administration.

The Report can be reviewed in conjunction with all other reports regarding this Administration, on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the anticipated outcome for creditors, based on our current understanding of the case. Please note these figures may be subject to change.

Class of creditor	Current estimate	Previous estimate
Secured creditors	Nil	Nil
Preferential creditors ¹	Uncertain	Uncertain
Secondary preferential creditors	Nil	Nil
Unsecured creditors ²	Nil	Nil

1. At present, it is anticipated that there will be sufficient funds to pay a small dividend to the preferential creditors. The dividend will be dependent on the level of asset realisations and the costs and expenses of the Administration. The amount and timing of the dividend is currently uncertain.
2. Based on current information, there are no funds available for distribution to the Bank in respect of its floating charge security. The Prescribed Part calculation will therefore not apply in this Administration. Consequently, there will be no funds available for distribution to the unsecured creditors.

What creditors need to do

The Joint Administrators are seeking decisions from the Company's secured creditor and preferential creditors in relation to the establishment of a creditors' committee, the approval of the basis of the Joint Administrators' remuneration and the approval of pre-Administration costs and category 2 expenses.

Notice of a decision by correspondence procedure is attached at Appendix G. To vote, please complete the following:

- Voting form - Appendix H; and
- Proof of debt form (if not previously submitted) - Appendix I.

Please return the above forms by post to Valeria Eugenio, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or via email to BRCMTNorthandScotland@bdo.co.uk on or before 11 January 2024, the Decision Date.

If you have any queries regarding the fees estimate or need any assistance in completing the voting form, please contact Valeria Eugenio on 0151 237 6632.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Valeria Eugenio
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: 0151 237 6632
Email: BRCMTNorthandScotland@bdo.co.uk
Reference: 00426986

Progress in the period

Asset realisations

The receipts and payments account attached at Appendix C details the asset realisations during the Period. Although these are largely self-explanatory, a summary of the asset realisations are as follows:

Plant & Machinery, Furniture & Fittings, Motor Vehicles & Stock

The Joint Administrators engaged GB to provide a valuation of the Company's unencumbered chattel assets, consisting of Plant & Machinery, Furniture & Fittings, Motor Vehicles, & Stock and provide their recommendations for marketing and disposal.

In accordance with the recommendations from GB, to maximise realisations for the benefit of creditors as a whole, certain assets were sold via private treaty with the remaining assets sold via an on-line auction held at the Hartlebury Property. These are summarised as follows:

Asset	SOA (£)	Realised (£)	Comments
Plant & Machinery	63,389.94	155,000.00	The Company's plant and machinery comprised of CNC and conventional woodworking plant and machinery, general warehouse equipment and ancillary equipment.
Furniture & Fittings	4,610.06	4,926.00	The Company's furniture and fittings comprised primarily of office equipment.
Motor Vehicles	32,000.00	55,500.00	The Company's unencumbered motor vehicles comprised of cars and commercial vehicles.
Stock	58,633.02	118,854.13	The Company's unencumbered stock consisted of finished and unfinished units, materials and showroom units. The showroom units were included in the SOA but no realisations were anticipated.

Following conclusion of the private treaty sales and on-line auction, no further realisations are anticipated in respect of the above assets.

Insurance Refund

Following our appointment, we engaged with the Company's former insurance broker to understand the Company's existing insurance cover and ongoing requirements. With the support of our insurance brokers, we secured a refund of £266 in the Period.

No further refunds are anticipated.

Petty Cash

Petty cash totalling £84 was recovered from the Company's trading premises immediately following the appointment.

Interest

Gross interest of £555 has been received in the Period.

Asset to be realised

Trade Debtors & Retentions

In accordance with the Company's books and records, outstanding debtors and retentions totalled £3,498,783.

Naismiths was engaged to undertake a detailed review of the Company's contract portfolio and assist with the collection process.

Based on advice from Naismiths, we understand that the Company's contracts include terms and conditions which allow the customers to set-off costs for delays, additional completion costs, remedial and outstanding warranties against outstanding debts due to the Company.

Furthermore, as the majority of the Company's client base is with housebuilders, the contracts include terms which allow the customers to consolidate accounts across all contracts.

Additionally, two of the Company's larger debtors (totalling £441,095) have entered insolvency proceedings during the Period. On the basis the Company's debt will represent an unsecured claim in the respective insolvency estates, it is currently uncertain whether the Company will receive a dividend(s) from the respective insolvent estates.

As a result of the above, realisations will be subject to the level of set-offs agreed with the respective customers. Naismiths is currently liaising with several customers in this regard and are hopeful that settlements can be reached with certain customers. At this stage, realisations are however uncertain.

RHI Claim

The Company owned and operated a biomass boiler which was located at the Hartlebury Property.

The Joint Administrators recently became aware of a potential refund from Ofgem in respect of an outstanding RHI submission for energy generated by the biomass boiler prior to the appointment.

Given the specialist nature of the claim, the Joint Administrators have engaged ECL, who have sector knowledge and previously worked with other Insolvency Practitioners to recover refunds due to insolvent companies, to assist us in preparing and filing final meter readings and supporting documentation to Ofgem.

Based on initial indications, ECL estimate the refund to be in the region of £39,000. This will however be subject to finalisation of the meter readings and may change.

This matter is currently ongoing.

DVLA Refunds

Please note that the pre-payments, detailed in the SOA, had an estimated to realise value of nil.

Notwithstanding the above, we have successfully recovered refunds from the DVLA in respect of six of the Company's vehicles, totalling £499.

No further refunds are anticipated.

Unrealised Assets

The Hartlebury Property and The Stourport Property

As previously reported, the Company traded from two lease properties.

We engaged Watling to review the Company's leases, noting that the Hartlebury Property lease had expired in 2022 and the Stourport Property lease was due to expire in 2024.

Based on the advice from Watling, it was determined that neither of the leases had any potential realisable value. As such, the Joint Administrators have requested both leases be surrendered.

Staff Loans

As advised in our previous Proposals, due to the nature and nominal value of the assets (£480 pursuant to the SOA), we have determined that it is not commercial to pursue these assets.

Uncalled Share Capital

As advised in our Proposals, it was determined that the uncalled share capital was £939.

As this represents a potential asset of the Company, we requested payment of the uncalled share capital from the shareholder. However, following a review of their response, and further investigations undertaken by us, we were satisfied that the shareholder was a non-trading entity with no assets to settle the uncalled share capital.

Given the above, we concluded that it was not commercial to pursue this further.

Investigations

We have a duty to investigate the affairs of the Company and conduct of the directors and former directors who were in office during the three years prior to the commencement of the Administration.

With respect to the investigation into the conduct of the directors, we are required to submit a confidential statutory report to the disqualification unit of the Department for Business, Energy & Industrial Strategy. We can confirm that this report has been submitted.

We have also completed a review of the Company's affairs in the period prior to our appointment to determine if there are any actions that should be investigated for the benefit of creditors. Based on our investigations, we have concluded that there are no actions to pursue.

Distributions to creditors

Secured creditors

The secured creditor in the Administration is the Bank, which holds multiple fixed and floating charges which are detailed below.

Charge Holder	Type of Security	Date of Creation	Date Registered
Lloyds Bank PLC	Fixed and floating charge	2 March 2009	5 March 2009
Lloyds Bank PLC	Fixed and floating charge	17 December 2014	24 December 2014
Lloyds Bank PLC	Fixed charge	17 December 2014	24 December 2014
Lloyds Bank PLC	Fixed charge	20 January 2021	20 January 2021

According to the Company's books and records, the Bank was owed £629,886 at the date of appointment.

Based on current information, although it is not envisaged that there will be any funds available to distribute to the Bank from this Administration, we understand that it is likely that the Bank will be repaid in full via a cross guarantee with an associated company, BRPL.

Preferential creditors

Based on current information, preferential creditor claims are estimated to be £110,420.

As detailed in the return to creditors section of the Report, it is anticipated that a dividend will be paid to preferential creditors. The amount and timing of any dividend is currently uncertain and will be dependent on the level of asset realisations and the costs and expenses of the Administration.

Secondary preferential creditor

HMRC have a secondary preferential claim in respect of unpaid PAYE/Tax deductions which is summarised as follows:

Type of claim	Value (£)	Comments
Secondary preferential	£152,452.49	Direct taxes - Unpaid VAT, PAYE and CIS deductions
Unsecured	£58,064.56	Indirect taxes - Employer NIC, penalties and interest

As detailed in the return to creditors section of the Report, it is not anticipated that a dividend will be paid to the secondary preferential creditor.

Prescribed Part

At present, a distribution under the floating charge is not anticipated. Consequently, the Prescribed Part calculation will not apply in this Administration.

Unsecured creditors

During the Period, the Joint Administrators have received unsecured creditor claims totalling £2,804,349. However, these claims have not been adjudicated upon as based upon current information there will be insufficient realisations to enable a dividend to be paid to unsecured creditors.

Other matters

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Administrators in this Administration.

Pre-Administration costs

The Proposals detailed unpaid pre-Administration costs of £76,570. However, the Joint Administrators are requesting creditor approval of costs totalling £68,454.90 which are set out below.

	Incurred £	Paid £	Requested	Unpaid costs £
Fees charged by the Joint Administrators				
1. Pre-appointment fees	57,600.90	Nil	49,605.90	49,605.90
Expenses incurred by the Joint Administrators				
2. Legal fees and disbursements	11,496.50	Nil	11,496.50	11,496.50
3. Agents fees	6,250.00	6,250.00	6,250.00	Nil
4. Headlands	1,102.50	1,102.50	1,102.50	Nil
Total	76,449.90	7,352.50	68,454.90	61,102.40

Joint Administrators' remuneration

During the Period, time costs of £196,723 have been incurred over 669 hours at an average rate of £294 per hour.

A detailed report of the time incurred by the Joint Administrators and a narrative of the work done during the Period is attached in Appendix D.

Joint Administrators' expenses

Expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

Approval of pre-Administration costs, Joint Administrators' remuneration and category 2 expenses

It is proposed that the remuneration of the Joint Administrators is approved on a time costs basis in accordance with the fees estimate totalling £325,242.50 attached at Appendix F. However, please note that at present it is not anticipated that the Joint Administrators will be able to draw this amount in full due to the uncertainty surrounding the outstanding assets and the need to ringfence funds to be available for distribution to the preferential creditors.

It is also proposed that the Joint Administrators be authorised to draw mileage based on the scale approved by HM Revenue & Customs, currently 45p per mile, as an expense of the Administration.

As the Company has insufficient property to enable a distribution to be made to unsecured creditors, other than by virtue of the Prescribed Part, approval of the pre-Administration costs and expenses, the basis of the remuneration of the Joint Administrators and that the above expenses ('category 2 expenses') be drawn from the Administration estate will be sought from the secured creditor and the preferential creditors.

If a creditors' committee is established, it will be for a role of the creditors' committee to approve the above.

Future actions

Extension of the Administration

The Administration is due to end on 14 May 2024.

At present, it is anticipated that a 12-month extension to the Administration will be required to allow additional time for the Company's outstanding assets to be realised. The extension to the Administration will require approval from the secured creditor and preferential creditors.

Joint Administrators' discharge from liability

Approval will be sought prior to closure from the secured creditor and preferential creditors that the Joint Administrators be discharged from liability on the registration of the notice to move from Administration and the final progress report with the registrar of companies.

Remaining matters

A summary, although not exhaustive, of the ongoing matters which will need to be completed as part of the ongoing progression and subsequent closure of the Administration, is as follows:

- Realise the remaining assets (book debts/retentions and the RHI claim);
 - Ongoing correspondence with Naismiths regarding the collection of the book debts and retentions;
 - Preparing and filing the Company's post appointment VAT returns;
 - Preparing and filing the Company's post appointment corporation tax returns;
 - Ongoing cashiering functions, i.e. liaising with the bank, recording receipts, processing payments, completing bank reconciliations etc;
 - Liaising with ERA and the RPS to establish the RPS's claim;
 - Reviewing and agreeing the preferential creditor claims and calculating and paying a dividend to the preferential creditors;
 - Preparing the relevant notices to the respective creditors seeking approval to extend the Administration and dealing with all statutory matters in connection with the extension;
 - Complying with BDO LLP's internal policies and procedures, six-month case file reviews and monitoring/clearing diary lines;
 - Complying with our statutory obligations as Administrators of the Company (ie preparing and filing our six-month progress reports to creditors etc);
 - Reviewing and paying any costs and expenses of the Administration from funds held in the estate (legal fees, agents fees, Administrators remuneration etc);
 - Respond to ad hoc queries from creditors and third-parties;
 - Completing our closure procedures and obtaining clearances from our agents/solicitors and HMRC; and
 - Preparing our final report to creditors and Companies House etc prior to closing the Administration.
-

Appendix A

Statutory information

Information

Company name	Pembar Limited t/a Hatt Kitchens
Company registration number	04089902
Registered office	C/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Court name and reference	High Court of Justice, Business and Property Courts of England and Wales - CR-2023-002220
Date of appointment	15 May 2023
Appointor	The director pursuant to Paragraph 22 of Sch.B1 to the Act /XX a QFCH pursuant to Paragraph 14 of Sch.B1 to the Act
Joint Administrators	Lee Causer Mark Thornton
	Under the provisions of paragraph 100(2) of Sch.B1 to the Act the Joint Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.
Joint Administrators' address	BDO LLP, Two Snowhill, Snow Hill Queensway, Birmingham, B4 6GA
Data Control and GDPR	Lee Causer and Mark Thornton are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales in the UK. The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Administration of Pembar Limited. Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notice/insolvencies

Appendix B

Creditors' rights

Within 21 days of receipt of the Report (1) a secured creditor, (2) an unsecured creditor with the concurrence of at least 5% in value (including the creditor in question) of the unsecured creditors; or (3) any unsecured creditor with the permission of the court, may request in writing that the Joint Administrators provide further information about their remuneration or expenses which are itemised in the Report.

Within 14 days of receipt of the request, the Joint Administrators must provide all of the information asked for, unless they think that:

- the time or cost in preparing the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the Administration or might reasonably be expected to lead to violence against any person, or
- the Joint Administrators are subject to confidentiality obligations in respect of the information.

The Joint Administrators must give reasons for not providing all of the requested information.

Any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors may, within eight weeks of receipt of the Report, make an application to court that the basis fixed for the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred by the Joint Administrators, as set out in the Report, are excessive.

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Administrators' Fees' and information on the rights, duties and functions of a creditors' committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Administration. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

Appendix C

Receipts and payments account

Pembar Limited t/a Hatt Kitchens
(In Administration)
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	SECONDARY PREFERENTIAL CREDITORS		
(229,432.63)	HMRC	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FLOATING CHARGE CREDS		
(629,886.27)	Lloyds Bank	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(763,996.98)	Connected Companies	NIL	NIL
(582,446.00)	HP Shortfall - Unsecured Claims	NIL	NIL
(1,711,598.67)	Trade & Expense Creditors	NIL	NIL
(940,403.02)	Unsecured Employees	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(939.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(4,694,912.06)		<u>210,362.81</u>	<u>210,362.81</u>
	REPRESENTED BY		
	Floating Current Account		280,037.29
	Input VAT		22,676.94

Pembar Limited t/a Hatt Kitchens
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 15/05/2023 To 14/11/2023 £	From 15/05/2023 To 14/11/2023 £
REPRESENTED BY CONTINUED		
Output VAT		(62,405.60)
Trade Creditors		(30,395.98)
Vat Control Account		450.16
		<u>210,362.81</u>

Appendix D

Joint Administrators' remuneration

Time costs of £196,723 have been incurred during the Period and a breakdown is detailed below together with details of the work undertaken.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs £	Av. Rate £
Steps on appointment	0.60	-	17.10	70.25	24.55	4.55	117.05	32,581.70	278.36
Planning and strategy	5.15	-	9.50	36.50	3.70	-	54.85	19,694.90	359.07
Statutory reporting and decisions	2.05	-	7.40	17.45	6.05	-	32.95	10,984.20	333.36
General administration	1.85	0.20	7.10	22.40	39.05	16.60	87.20	20,375.90	233.67
Assets	2.40	6.70	26.90	100.25	16.90	6.85	160.00	57,133.10	357.08
Investigations	0.25	-	-	11.30	7.05	-	18.60	5,566.00	299.25
Employees and pensions	1.80	-	3.95	39.35	12.60	2.50	60.20	18,579.85	308.64
Creditors	0.80	-	7.05	26.45	70.00	8.65	112.95	24,172.00	214.01
Post appointment taxation	0.30	-	2.30	9.75	12.70	0.10	25.15	7,635.35	303.59
TOTAL	15.20	6.90	81.30	333.70	192.60	39.25	668.95	196,723.00	294.08

Steps on appointment

- Case set-up and setting-up internal files;
- Initial statutory notifications and advertisements;
- Initial correspondence with directors with requests for information and statement of affairs;
- Information gathering;
- Liaising with the Company's former professional advisors and bankers;
- Attending the Hartlebury Property, addressing employees on site and collating information for the proposed appointment. This included several additional site visits with agents to collect information/consider third-party assets/HP/Lease agreements etc;
- Reviewing and planning for the collection of the Company books and records and any storage requirements;
- Liaising with the directors in relation to the Statement of Affairs preparation;
- Taking steps to identify, gather in and protect assets;
- Liaising with potential ROT creditors to request information regarding assets;
- Meeting with the insurance provider on site to conduct a site inspection;
- Liaising with solicitors in respect of the validity of appointment;
- Assessing the security of the Hartlebury premises;
- Liaising with remaining employees in respect of the Company's electronic records;
- Arranging and overseeing collection of the Company's physical books and records;

- Liaising with the Company's IT providers to secure the electronic data;
- Initial meetings/discussions with directors; and
- Instructing solicitors to review validity of appointment.

Planning and strategy

- Completing internal six-month case reviews in accordance with BDO LLP policies;
- Internal meetings and discussions to understand and distribute tasks to relevant BDO staff to progress;
- Internal meeting relating to various matters including payroll, P45 production, IT matters, ROT claims, third party assets, site occupation and asset disposal;
- Internal calls to discuss the AMA process post appointment and agree the strategy;
- Discussions with members of the team regarding site attendance and action points;
- Internal discussions surrounding the asset disposal strategy; and
- Preparation and review of strategy documents including file notes and estimated outcome statements.

Statutory reporting and decisions

- Preparation of the Joint Administrators' proposals and supporting appendices;
- Obtaining approval of the Joint Administrators' proposals and notifying creditors;
- Preparation of the Joint Administrators progress report and appendices; and
- Preparation of the fees and expenses estimate.

General administration

- Setting-up and ongoing maintenance and reconciliation of the Administration bank account and other cashiering functions including, processing of cheques, payments, receipts and journals;
- Dealing with general queries, saving emails/documents to BDO document management system and dealing with any correspondence received following the appointment;
- Ongoing maintenance of case files in accordance with BDO LLP policies;
- Ongoing maintenance/updating of case diary lines in accordance with BDO LLP policies;
- Calculating and paying wages;
- Liaising with HMRC in respect of correspondence received;
- Reviewing documents and details of costings received from third-parties and estimating future costs;
- General ad hoc matters not categorised elsewhere; and
- Dealing with Press enquiries and PR matters.

Assets

- Obtaining open cover insurance and liaising with our insurers with regards to ongoing cover the Company's assets;
 - Liaising with GB and Naismiths with regards to securing the Company's assets, collating information with regards to the debtor/retention contracts etc;
-

- Liaising with GB with regards to the recommendations and marketing/disposal of the Company's unencumbered chattel assets;
- Attending meetings with GB at the Hartlebury Property to understand third-party assets (including HP/Lease agreements);
- Reviewing Company records upon appointment to establish the asset position;
- Liaising with and reviewing information provided by creditors in connection with third-party assets;
- Liaising with the shareholder in respect of unpaid share capital and producing both internal and external documents;
- Liaising with Ofgem and agents in respect of the potential RHI claim;
- Liaising with the directors in respect of the potential RHI claim;
- Internal discussions regarding unrealisable assets strategy;
- Liaising with agents with regards to attending site to recover third-party assets;
- Liaising with and reviewing 13 ROT claims submitted by certain creditors. Liaising with our agents as regards to site attendance to undertake inspections and reviewing supporting documentation provided by the creditors in support their ROT claim. Where appropriate, liaising with the creditors and our agents regarding collection of valid ROT claims;
- Liaising with the Company's landlord with regards to the Hartlebury Property;
- Meetings and discussions with the landlord of the Hartlebury property following a break in, conducting additional site inspections to access the damage and liaising with our insurers regarding the same.
- Discussions with the Company's landlords to agree costs and the strategy to exit the Hartlebury property;
- Meeting with the Company's landlords to inspect the Hartlebury property prior to vacation;
- Drafting documentation in respect of both the Stourport and Hartlebury properties;
- Corresponding with interested parties regarding the Company's assets and sharing with GB; and
- Regular calls/emails with GB and Naismiths regarding the strategy and recommendations for realising the Company's remaining assets and updates on progress made to date.

Investigations

- Review work pursuant to the Statement of Insolvency Practice 2 including review of the Company's bank statements, books and records and the creditors' and directors' questionnaires; and
- Preparing and filing our confidential statutory report to the disqualification unit of the Department for Business, Energy & Industrial Strategy.

Employees and pensions

- Collating information and sending initial notification of the Administration appointment to employees;
 - Responding to calls/emails from employees requesting updates on the AMA process;
 - Liaising with ERA and Gateley regarding employee queries and the treatment of certain claims in the Administration;
-

- Considering the proposed strategy for the employees immediately following the appointment and the proposed redundancy process when it became clear a sale of the business and assets was unlikely;
- Preparing relevant redundancy letters and supporting packs to issue to employees and attending site with representatives from ERA on 24 May 2023 to address employees and provide support with regards to submitting claims to the RPS;
- Reviewing correspondence from employees in relation to employment tribunal claims and liaising with ERA regarding the same;
- Liaising directly with former employees and their representatives in respect of employment tribunal claims;
- Drafting and issuing correspondence to the Court in relation to employee tribunal issues;
- Liaising with and arranging the preparation/issuing of P45's etc to the employees;
- Sending notification to the Pensions Regulator; and

Creditors

- Liaising with the secured creditor;
- Obtaining legal advice on the validity of security or in relation to contentious claims;
- Processing of creditors' claim forms and entering onto IPS. Saving supporting documents to BDO's document management system;
- Reviewing and responding to queries from creditors with regards to the appointment;
- Responding to warranty claims from customers and recording potential contingent creditor claims against the Company;
- Liaising with the directors in relation to warranty claims from customers;
- Liaising with creditors in respect of potential ROT claims;
- Reviewing and completing confirmation of debt forms received from certain creditors. Reviewing the Company's books and records and, where necessary, liaising with management/retained employees with regards to the above; and
- Reviewing and requesting additional supporting evidence with regards to ownership of third-party assets.

Post appointment taxation

- Preparation of internal documents relating to the Company's tax position;
 - Preparation of internal documents relating to the Company's VAT position;
 - Preparation and filing of the Company's post appointment VAT returns; and
 - Reviewing and responding to queries from HMRC.
-

The current charge out rates per hour of staff within the firm who may be involved in working on the Administration are as follows:

Grade	£
Partner	745
Director	417-834
Senior Manager	347-694
Manager	190-507
Senior Executive	152-354
Executive	93-186
BDO LLP tax department (max)	1,304

Appendix E

Joint Administrators' expenses

The Joint Administrators' expenses incurred and paid are detailed below.

	Incurring in Period 15/05/2023 to 14/11/2023 £	Total Incurred 15/05/2023 to 14/11/2023 £	Total Paid 15/05/2023 to 14/11/2023 £
Category 1			
Pre-Appointment Agent's Fees ¹	6,250.00	6,250.00	6,250.00
Agents Fees - Lease Reviews ²	1,000.00	1,000.00	1,000.00
Agents' Fees ²	44,593.90	44,593.90	44,593.90
Agents' Expenses	36,081.78	36,081.78	36,081.78
Legal Fees ³	5,443.50	5,443.50	5,443.50
Printing & Postage	844.35	844.35	844.35
Sundry Expenses	176.95	176.95	176.95
Insurance	3,906.65	3,906.65	3,906.65
Wages & Salaries	5,676.36	5,676.36	5,676.36
IT Costs	1,255.00	1,255.00	1,255.00
Rent	20,000.00	20,000.00	20,000.00
Water Rates	92.52	92.52	92.52
*Statutory Advertisement	95.00	95.00	0.00
*Bonding	200.00	200.00	0.00
*Legal Fees - HCR ³	2,500.00	2,500.00	0.00
*Pre-Appointment Legal Fees ³	11,496.50	11,496.50	0.00

Category 2

No category 2 disbursements have been incurred or paid in the Period.

*included within disbursements but not yet paid from the case.

1 Pre-Appointment Agents Fees

GB was instructed to provide a valuation of the Company's assets for the AMA process. GB fees were agreed on a time costs basis relating to the time incurred in reviewing the Company's assets and conducting a site visit.

2 Agents Fees

Watling has been instructed to conduct a review of the Company's two property leases. Watling was selected due to their knowledge and expertise in this field. Watling has been paid £1,000 in the Period. No further costs are anticipated.

ERA has been instructed to provide assistance to the employees and the Joint Administrators in the submission of claims to the RPS. ERA has been paid £4,165 in the Period. Further costs will be incurred by ERA with regards to supporting us in agreeing and paying the preferential dividend and submitting RTI to HMRC.

Headland was engaged to assist BDO and the proposed Administrators with any press/media related matters in both the lead up to the appointment and after the appointment of Administrators. Headland has been paid £1,103 in the Period. No further costs are anticipated.

Naismiths has been instructed to reviewing the Company's outstanding debts and retentions and assist in their collection. Naismiths was selected due to knowledge and expertise working in the construction sector and their prior knowledge of the Company.

Naismiths has been paid £9,500 in the Period for reviewing and preparing the debtor report. Further costs will be incurred and paid. These costs are however based upon a percentage of debtor/retention recoveries. As such, future costs are currently uncertain.

GB was instructed to attend the Hartlebury Property to assist in securing the site and assets immediately following the appointment, provide a valuation of the unencumbered assets, provide recommendations for marketing and disposal of the Company's assets and overseeing the private treaty sales and on-line auction.

GB has also assisted us in returning third-party assets, progressing ROT claims and clearing the Hartlebury Property.

GB has been paid £29,826 in the Period which are based on a percentage of realisations from both private treaty and auction sales.

In addition, GB has also incurred and been repaid for out-of-pocket expenses, sales costs, site clearance costs, labour charges and costs associated with assisting with ROT claims totalling £36,012.

3 Legal Fees

Gateley was engaged to assist with the following matters prior to the Joint Administrators appointment:

- Provide legal advice with regards to the prospective appointment of the Joint Administrators;
- Prepare the documentation required to place the Company into Administration;
- Provide legal advice with regards to employee claims and the treatment of sub-contractor claims in the Administration; and
- Liaise with various stakeholders regarding the proposed appointment.

Gateley pre-appointment fees were agreed on a time cost bases relating to the time incurred in completing the above work.

Gateley was engaged to assist with the following matters following the Joint Administrators appointment:

- Provide legal advice with regards to employee claims and the treatment of sub-contractor claims in the Administration;
- Provide assistance relating to the outstanding book debts and retentions; and
- Liaise with various stakeholders regarding the proposed appointment.

Gateley post-appointment fees were agreed on a time cost bases relating to the time incurred in completing the above work.

HCR was instructed to review the validity of the Joint Administrators appointment. The costs associated with HCR's work were estimated to total £2,500.

The other expenses shown are self-explanatory however we would specifically comment on the following expenses which were incurred and paid in the Period:

Sundry Expenses

These costs relate to ongoing maintenance of the internet connection that was required during the period of occupation to facilitate both the information gather process and assets disposal process. A total of £177 has been paid. No further costs are anticipated.

Insurance

Aon was instructed by the Joint Administrators to carry out a review of the Company's existing insurance policies and provide appropriate cover for the Administration. This included cover for the Hartlebury Property while the Company remained in occupation as well as the Company's in-situ assets pending disposal.

Aon has been paid £3,907 in full and final settlement of their costs. No further costs are anticipated.

Wages & Salaries

The Joint Administrators required the assistance of two former employees in the weeks following appointment to assist with information gathering and, the collation and identification of assets.

The former employees' costs were agreed on both a daily and hourly rate which were comparable to their respective salaries for services provided in the Administration.

During the Period costs totalling £5,676 have been paid, with a further £1,297 due to be paid in respect of tax, National Insurance and pension contributions.

IT Costs

Xponet was engaged to provide a back-up on the Company's IT records pursuant to our statutory obligations. Xponet has been paid £1,135 in the Period. No further costs are anticipated.

Modus was engaged to assist with updating the Company's website following the appointment. Modus has been paid £120 in the Period. No further costs are anticipated.

Rent, Water Rates

Following the appointment, the Company continued to occupy the Hartlebury Property to 25 August 2023, at which point the Company vacated the site.

During this period, as the Hartlebury Property was being used for the benefit of the Administration, namely storing the Company's assets, the associated holdings costs (ie business rates and utilities) will be paid as an expense of the Administration. We have also reached an agreement with the landlord, who was supportive of the AMA process and subsequent disposal strategy, to pay £20,000 plus VAT in respect of rent for the Company's occupation from 15 May 2023 to 25 August 2023.

In addition we have also paid an amount of £92.52 in respect of the water rates for the period of occupation and are awaiting details of any other amounts due in respect of any other rates or utilities.

Appendix F

Fees and expenses estimate as at 14 November 2023

1	Joint Administrators' remuneration	Total hours	Average rate £	Estimated time costs £	Incurred to date £
	Steps on appointment	117.05	278.36	32,581.70	32,581.70
	Planning and strategy	72.85	373.95	27,242.40	19,694.90
	Statutory reporting and decisions	67.95	317.89	21,600.70	10,984.20
	General administration	169.70	256.59	43,543.90	20,375.90
	Assets	226.00	377.71	85,361.60	57,133.10
	Investigations	18.60	299.25	5,566.00	5,566.00
	Employees and pensions	85.70	320.94	27,504.85	18,579.85
	Creditors	185.45	243.60	45,176.00	24,172.00
	Post appointment taxation	71.65	281.60	20,176.85	7,635.35
	Closure	48.75	338.23	16,488.50	0.00
	TOTAL	1,063.70	305.77	325,242.50	196,723.00

2	Joint Administrators' category 1 expenses	Estimated £	Incurred to date £
2.1	Agents' fees and expenses	104,685.68	83,760.68
2.2	Agents' fees - ERA Solutions	6,250.00	4,165.00
2.3	Legal fees and expenses	19,440.00	5,443.50
2.4	Other expenses	-	-
	Rent, rates and utilities	34,774.55	20,092.52
	IT costs	1,255.00	1,255.00
	Wages	6,973.25	5,676.36
	Sundry expenses	176.95	176.95
	Storage	5,000.00	-

Bonding	200.00	200.00
Advertising	190.00	95.00
Insurance	3,906.65	3,906.65
Printing and postage	994.35	844.35
ICO registration fee	80.00	80.00

1 Joint Administrators' remuneration

The above fees (remuneration) estimate is based on the information currently available. Assuming that there are no major unanticipated factors, we would expect that the Joint Administrators' remuneration may be lower than the estimate. Where applicable, all remuneration and expenses will be subject to VAT at the prevailing rate.

The current hourly charge out rates are detailed in Appendix D.

In addition to the work detailed in Appendix D, the following work is expected to be undertaken.

Planning and strategy

- Completing six-month case reviews
- Internal meetings and discussions to distribute tasks to relevant BDO staff to progress;
- Preparation and review of strategy documents including estimated outcome statements; and
- Updating and monitoring of an estimated outcome statement.

Statutory reporting and decisions

- Requesting approval of the pre-Administration costs, and Joint Administrators' remuneration and expenses from the relevant class of creditor(s);
- Complying with our statutory obligations as Administrators of the Company (i.e. preparing and filing our six-month progress report to creditors etc); and
- Obtaining consent from the relevant classes of creditors to extend the Administration.

The fees estimate has been prepared on the basis that a creditors' committee is not established. If a creditors' committee is established there will be additional reporting and it may be necessary to seek further fee approval.

In estimating costs in respect of reporting we have formed a view of the duration of the case and estimated how many reports will be required. These activities do not contribute to the financial outcome for creditors, they are statutory duties imposed by the relevant legislation. However, they do contribute to the creditors' understanding of the work being undertaken on their behalf.

General administration

- Dealing with general queries, saving emails/documents to BDO document management system and dealing with any ad hoc matters following the appointment;

- Completing on-going cashiering functions - recording receipts/payments in the Administration and completing monthly bank reconciliations;
- Ongoing maintenance of case files in accordance with BDO LLP policies; and
- Comply with BDO LLP's internal policies and procedures, six-month case reviews and monitoring/clearing diary lines in connection with the Administration.

Assets

- Liaising with the Company's landlord with regards to the Hartlebury Property;
- Liaising with Naismiths to obtain updated in relation to the collection of the outstanding debts/retentions and reviewing periodic reports from Naismiths;
- Locating any supporting documentation required by Naismiths regarding the outstanding debts/retentions;
- Liaising with the utility providers in relation to the period of occupation at the Hartlebury property; and
- Liaising with ECL to request updates in relation to the progress of the RHI rebate.

Employees and pensions

- Dealing with employee tribunal matters;
- Liaising with ERA in respect of pension matters and the winding up of the scheme;
- Reviewing and submitting document in relation to the pension scheme; and
- Liaising with ERA in relation to the claim received from the RPS, requesting ERA review and confirm the outstanding amounts with employees prior to a preferential distribution being calculated and paid.

Where employees submit claims to the Industrial Tribunal, especially where it is necessary to arrange representation at the Tribunal and engage a solicitor, this will increase costs.

To estimate costs in respect of administering employee matters we generally consider the known number of employees. In this case we understand employees total 91.

Creditors

- Liaising with the secured creditor;
- Processing of creditors' claim forms and entering onto IPS. Saving supporting documents to BDO's document management system;
- Reviewing and responding to general queries from creditors;
- Reviewing and responding to update requests from creditors;
- Responding to warranty claims from creditors;
- Review and adjudication of preferential creditor claims; and
- Calculation, declaration and payment of a preferential dividend.

Based on current information, there will be a return to preferential creditors.

To estimate costs in respect of administering creditor claims we consider the volume of known creditors and the nature of the Company's business. We understand from available records that there are 62 preferential creditors with residual claims in addition to the RPS.

No provision has been made to deal with any applications to Court brought by creditors in respect of their claims. If we are required to deal with these, it may be necessary to seek further fee approval.

Post appointment taxation

- Completing our review of the Company's pre-appointment tax position to determine whether there are any potential realisations in the estate by BDO LLP's tax department;
- Preparing and filing the Company's VAT returns in Administration;
- Preparing and filing the Company's corporation tax return(s) in the Administration;
- Calculation of capital gains tax by BDO LLP's tax department (if applicable); and
- Obtaining tax clearance from HMRC.

Closure

- Completion of all statutory matters following the appointment;
- Complete closure planning in accordance with BDO LLP policies. This will include obtaining clearance from my solicitors, agents and tax clearance from HMRC etc that all outstanding matters have been completed;
- Preparing and uploading our final account and appendices to the creditor portal;
- Obtain approval from the Company's creditors for the Joint Administrators' discharge from liability; and
- Prepare my final report and final account seeking the Joint Administrators release from office and filing with the creditors and Companies House.

2 Joint Administrators' category 1 expenses

These are expenses relating directly to the case incurred by an independent third party.

Creditor approval is not required to pay these expenses which will be charged to the case at cost.

2.1 Agents' fees and expenses

GB

GB was instructed to attend the Hartlebury Property to assist in securing the site and assets immediately following the appointment, provide a valuation of the unencumbered assets, provide recommendations for marketing and disposal of the Company's assets and overseeing the private treaty sales and on-line auction. GB has also assisted us in returning third-party assets, progressing ROT claims and clearing the Hartlebury Property.

Naismiths

Naismiths was instructed to review the Company's outstanding debts and retentions and assist in their collection. Naismiths were selected due to knowledge and expertise working in the construction sector and their prior knowledge of the Company. Naismiths' work remains ongoing and any future costs will be based upon a percentage of debtor/retention recoveries.

Watling has been instructed to conduct a review of the Company's two property leases. Watling was selected due to their knowledge and expertise in this field. Watling has been paid £1,000 in the Period. No further costs are anticipated.

ERA has been instructed to provide assistance to the employees and the Joint Administrators in the submission of claims to the RPS. ERA has been paid £4,165 in the Period. Further costs will be incurred by

ERA with regards to supporting us in agreeing and paying the preferential dividend and submitting RTI to HMRC.

Headlands was engaged to assist BDO and the proposed Administrators with any press/media related matters in both the lead up to the appointment and after the appointment of Administrators. Headland has been paid £1,103 in the Period. No further costs are anticipated.

2.2 Agents' fees - employee claims

For cost effectiveness, ERA work is sub-contracted to ERA who are experienced specialists in this area.

The following work has been undertaken:

- Liaising with the Company personnel to obtain employee information;
- Providing employees with the relevant forms, guidance notes and booklet;
- Liaising with employees regarding any queries they may have relating to their employment;
- Liaising with the Insolvency Service regarding employee claims and providing all the statutory information necessary;
- Assisting with post-appointment tribunal cases;
- Assisting with the agreement of preferential creditor claims; and
- Filing the Company's RTI to the HMRC.

It is estimated that the fee will be £6,250.

2.3 Legal fees and expenses

Gateley LLP was engaged to assist with the following matters:

- Provide legal advice with regards to the prospective appointment of the Joint Administrators;
- Prepare the documentation required to place the Company into Administration;
- Provide legal advice with regards to employee claims and the treatment of sub-contractor claims in the Administration; and
- Liaise with various stakeholders regarding the proposed appointment.

Gateley's pre-appointment fees were agreed on a time cost bases relating to the time incurred in completing the above work.

Gateley has also provided assistance relating to the outstanding books debts and retentions.

HCR was instructed to review the validity of the Joint Administrators appointment. The costs associated with HCR's work were estimated to total £2,500.

2.4 Other expenses

In addition to professional fees and expenses other expenses may include items such as bonding, advertising, insurance, external printing costs, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents and storage of the Company's records.

Printing and postage of circulars may be sub-contracted to external printers who have the capacity to deal with large circulars to a volume of creditors in a timely manner.

Rent, Rates and Utilities

Following the appointment, the Company continued to occupy the Hartlebury Property to 25 August 2023, at which point the Company vacated the site.

During this period, as the Hartlebury Property was being used for the benefit of the Administration, namely storing the Company's assets, the associated holdings costs (ie business rates and utilities) will be paid as an expense of the Administration. We have also reached an agreement with the landlord, who was supportive of the AMA process and subsequent disposal strategy, to pay £20,000 plus VAT in respect of rent for the Company's occupation from 15 May 2023 to 25 August 2023.

It is currently estimated that the total costs associated with the post-appointment occupation will be in the region of £35k plus VAT (including the rent referred above). Please note, this figure is based on estimates and may be subject to change.

3 Joint Administrators' category 2 expenses

These are expenses relating directly to the case that have been incurred by an associated party or which have an element of shared costs.

Creditor approval is required to pay category 2 expenses.

BDO LLP

14 December 2023

Appendix G

Notice of a decision by correspondence procedure Rule - 15.8

Pembar Limited t/a Hatt Kitchens - In Administration ('the Company')

In the High Court of Justice, Business and Property Courts of England and Wales - CR-2023-002220

Company registration number: 04089902

NOTICE IS GIVEN that I am proposing that the following decisions ('the Proposed Decisions') be considered by preferential creditors of the Company ('the Preferential Creditors') by a decision by correspondence procedure:

1. That a creditors' committee be established if sufficient creditors are willing to be members.
2. That the Joint Administrators' remuneration be approved on a time costs basis in accordance with the fees estimate totalling £325,242.50.
3. That the Joint Administrators be authorised to draw category 2 disbursements based on the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors, as an expense of the Administration.
4. That the paid and unpaid pre-Administration costs totalling £68,454.90 be approved for payment as an expense of the Administration.

Decision Date: 11 January 2024

To vote on the Proposed Decisions please complete and return the attached voting form together with a proof of debt form (unless previously submitted) to me at the contact details below. If your voting form and completed proof of debt form are not received by me by the Decision Date your vote will not be counted.

You may also request that a physical meeting be held to consider the Proposed Decisions. If, by no later than five business days of delivery of this notice, either (i) 10% or more in value of creditors, (ii) 10% or more in number of creditors or (iii) 10 or more creditors who are entitled to vote in a decision procedure request a physical meeting in writing and provide a proof of debt form (unless previously submitted) the decision by correspondence procedure will terminate and a physical meeting convened.

I must also receive any nominations for members to the creditors' committee together with a proof of debt form (unless previously submitted) by the Decision Date. Your nomination for membership to the committee will only be accepted if I am satisfied you are eligible to be a member in accordance with Rule 17.4 of the Insolvency (England and Wales) Rules 2016.

If your debt is treated as a small debt (less than £1,000), or you have opted out of receiving notices, you must provide a proof of debt form (unless previously submitted) if voting on the Proposed Decisions, requesting a physical meeting or nominating a member for the committee.

You may apply to the Court to appeal any decision within 21 days of the Decision Date in accordance with Rule 15.35 of the Insolvency (England and Wales) Rules 2016.



Lee Causer
Joint Administrator and Convener

Date: 14 December 2023

Contact: Valeria Eugenio
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH

Tel: 0151 237 6632

Email: BRCMTNorthandScotland@bdo.co.uk

Reference: 00426986

Appendix H

Voting form

Voting form

Pembar Limited t/a Hatt Kitchens - In Administration ('the Company')
 In the High Court of Justice, Business and Property Courts of England and Wales - CR-2023-002220
 Company registration number: 04089902
 Decision Date: 11 January 2024

Name of Creditor

Address

Email

PROPOSED DECISIONS - I WISH TO VOTE AS INDICATED BELOW:

***Delete as applicable**

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 1. That a creditors' committee be established if sufficient creditors are willing to be members. | For / Against* |
| 2. That the Joint Administrators' remuneration be approved on a time costs basis in accordance with the fees estimate totalling £325,242.50. | For / Against* |
| 3. That the Joint Administrators be authorised to draw category 2 disbursements based on the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors, as an expense of the Administration. | For / Against* |
| 4. That the paid and unpaid pre-Administration costs and expenses totalling £68,454.90 be approved for payment as an expense of the Administration. | For / Against* |

COMPLETE THIS SECTION ONLY IF YOU ARE SEEKING A CREDITORS' COMMITTEE BE ESTABLISHED AND CONSENT TO BE A MEMBER OF THE COMMITTEE.

***Delete as applicable**

I consent to being a member of the creditors' committee. Yes / No*

I wish to nominate _____ ** (insert name) to act as my representative.

***A body corporate may be a member of a committee, but it cannot act otherwise by a representative*

Signature

Name (BLOCK CAPITALS)

Authority**Dated**

Please complete and return this form together with a proof of debt form (unless previously submitted) to Valeria Eugenio, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTNorthandScotland@bdo.co.uk to be received no later than 11 January 2024.

Notes:

A committee member may not be represented by:

- Another member of the committee
- A person who is at the same time representing another committee member
- A body corporate
- An undischarged bankrupt
- A person whose estate has been sequestrated and who has not been discharged
- A person to whom a moratorium period under a debt relief order applies
- A person who is subject to a company directors' disqualification order or a company directors' disqualification undertaking
- A person who is subject to a bankruptcy restrictions order (including an interim order), a bankruptcy restrictions undertaking, a debt relief restrictions order (including an interim order) or a debt relief restrictions undertaking.

Please also note that the Joint Administrators cannot act as a committee member's representative.

A creditors' committee must have at least three members and no more than five members.

Appendix I

Proof of debt form

Proof of debt form

Pembar Limited t/a Hatt Kitchens - In Administration ('the Company')

Company registration number: 04089902

Date the Company entered Administration: 15 May 2023

Name of Creditor

(If a company please also give company registration number and where registered)

Address of Creditor

including email address for correspondence

Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the Company entered Administration. £

Note: Any trade or other discounts (except discount for immediate or early settlement) which would have been available to the Company but for the insolvency proceedings should be deducted from the above claim where relevant. Where any payment is made in relation to the claim or set-off applied after date of Administration, this should be deducted.

If amount in 3 above includes outstanding uncapitalised interest please state amount. £

Particulars of how and when debt incurred

(If you need more space append a continuation sheet to this form).

Particulars of any security held, the value of the security, and the date it was given.

Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.

Details of attached documents by reference to which the debt can be substantiated.

Signature of creditor

or person authorised to act on his behalf

Name (BLOCK CAPITALS)

Dated

Position with or in relation to creditor

Address of person signing

(if different from 2 above)

Please complete and return this form to Valeria Eugenio, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTNorthandScotland@bdo.co.uk.

