

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 04306680

Company name in full Kildyne Limited t/a Browns Lane Bar & Restaurant

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Courts
in Birmingham, Insolvency and Companies List

Court number 0005182019

3 Administrator's name

Full forename(s) Dean Anthony

Surname Nelson

4 Administrator's address

Building name/number Prospect House

Street 1 Prospect Place

Post town Millennium Way


County/Region Derby

Postcode DE248HG

Country

AM23

Notice of move from administration to dissolution

5		Administrator's name ①	
Full forename(s)	Nicholas Charles Osborn		
Surname	Lee		
		① Other administrator Use this section to tell us about another administrator.	
6		Administrator's address ②	
Building name/number	158 Edmund Street		
Street			
Post town	Birmingham		
County/Region			
Postcode	B 3 2 H B		
Country			
		② Other administrator Use this section to tell us about another administrator.	
7		Final progress report	
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8		Sign and date	
Administrator's signature	Signature X  X		
Signature date	d 2 2 m 1 2 y 2 0 y 2 2		

**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 **Emily Oliver**

Company name **PKF Smith Cooper**

Address **1 Prospect House**

Pride Park

Post town **Derby**

County/Region

Postcode **D E 2 4 8 H G**

Country

DX

Telephone **01332 332021**

**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**

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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

Kildyne Limited t/a Browns Lane Bar & Restaurant
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 04/07/2022 To 03/01/2023 £	From 04/07/2019 To 03/01/2023 £
POST APPOINTMENT SALES		
Event Sales	NIL	19,585.00
Cash Sales	NIL	7,103.09
Credit Card Sales	NIL	27,979.04
	NIL	54,667.13
PURCHASES		
Food Purchases	NIL	14,005.69
Drinks Purchases	NIL	4,213.35
Dry Good Consumables	NIL	613.74
	NIL	(18,832.78)
OTHER DIRECT COSTS		
Self Employed Staff	NIL	200.00
Direct Labour	NIL	28,956.46
Pension Contributions	NIL	503.05
	NIL	(29,659.51)
TRADING EXPENDITURE		
Rates	NIL	1,317.25
Heat & Light	NIL	6,104.41
Bank Charges	NIL	124.13
Hire of Equipment	NIL	2,147.24
Repairs & Maintenance	NIL	931.71
Cleaning	NIL	453.30
Vehicle Repairs	NIL	356.60
IT Support	NIL	515.00
Stationery	NIL	53.95
Postages	NIL	7.84
Credit Card Charges	NIL	1,853.98
Equipment Replacement	NIL	55.81
Managing Agents Fees - LS	NIL	16,559.32
Managing Agents Disbs - LS	NIL	23.00
Wages	NIL	5,188.33
HMRC PAYE / NIC	54.20	2,879.08
Pension	NIL	93.91
	(54.20)	(38,664.86)
TRADING SURPLUS/(DEFICIT)	(54.20)	(32,490.02)

Kildyne Limited t/a Browns Lane Bar & Restaurant
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 04/07/2022 To 03/01/2023 £	From 04/07/2019 To 03/01/2023 £
450,000.00	SECURED ASSETS		
	Freehold Property	NIL	335,000.00
	Goodwill	NIL	12,000.00
	Intellectual Property	NIL	2,000.00
		NIL	349,000.00
	COSTS OF REALISATION		
	Solicitors Post-app fees - SM	NIL	2,500.00
	Agents Fees - Savills	NIL	7,150.00
	Legal Disbursements	NIL	478.80
		NIL	(10,128.80)
(310,921.00)	SECURED CREDITORS		
	NatWest Bank Plc	NIL	299,438.11
		NIL	(299,438.11)
	HIRE PURCHASE		
6,000.00	Plant and Machinery	714.29	1,767.24
500.00	Computer Equipment	NIL	NIL
NIL	Fixtures & Fittings	NIL	NIL
(138,792.00)	HM Revenue & Customs: Walk-in Pos	(1,767.24)	(1,767.24)
		(1,052.95)	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	37.62	105.34
2,450.00	Book Debts	NIL	2,450.00
284.00	Cash at Bank and in Hand	NIL	1,760.00
	FIT - Solar Panel Income	NIL	4,973.72
	Fixtures and Fittings	1,428.58	7,534.48
	Insurance Refund	NIL	140.88
1,950.00	Motor Vehicles	NIL	NIL
	Rates Refund	NIL	122.34
	Settlement of Directors Loan Account	NIL	13,000.00
2,889.00	Stock	NIL	NIL
	Tenancy at Will	10,714.28	48,915.24
	Trading Surplus/(Deficit)	(54.20)	(32,490.02)
		12,126.28	46,511.98
	COST OF REALISATIONS		
	Accountants Fees	3,000.00	3,000.00
	Agents Disbursements - JLL	NIL	568.00
	Agents Fees - JLL	1,059.15	1,059.15
	Agents Fees - Savills	640.83	640.83
	Fire Risk Assessment Fees	NIL	1,125.00
	H & S Audit Fees	NIL	750.00
	HMRC - CT	6,733.03	8,553.99
	HMRC Charges	333.54	333.54
	Insurance of Assets	NIL	19,539.06
	Joint Administrators post app fees	17,602.86	17,602.86
	Payroll Costs	NIL	250.00
	Pension Advisors	NIL	900.00
	Repairs & Maintenance	NIL	1,162.50
	Smith Coopers pre-app disbs	NIL	37.80
	Smith Cooper's pre-app fees	8,297.00	8,297.00
	Solicitors Fees - SM - Extension	NIL	2,130.00
	Solicitors post-app Disbursements - S	(56.67)	183.53
	Solicitors post-app fees - Knights	NIL	4,000.00

Kildyne Limited t/a Browns Lane Bar & Restaurant
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 04/07/2022 To 03/01/2023 £	From 04/07/2019 To 03/01/2023 £
	Solicitors post-app fees - SM	3,120.27	7,320.27
	Solicitors post-app fees - SP	NIL	1,635.00
	Solicitors pre-app disbs	NIL	56.67
	Solicitors pre-app fees - SM	NIL	5,502.00
	Specific Bond	NIL	480.00
	Stationery & Postage	50.56	207.51
	Statutory Advertising	NIL	73.55
	Storage Costs	238.13	514.31
	Travel	NIL	22.50
		(41,018.70)	(85,945.07)
	PREFERENTIAL CREDITORS		
(6,930.00)	Employees Arrears of Pay (16)	NIL	NIL
(2,233.00)	Employees Holiday Pay (16)	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(23,000.00)	Accrued Income	NIL	NIL
(106,565.00)	Connected Party Creditors	NIL	NIL
(1,872.00)	Deposit Creditors (26)	NIL	NIL
(5,662.00)	Employees Arrears of Pay (16)	NIL	NIL
(5,562.00)	Employees Redundancy Pay / PILON (NIL	NIL
(29,233.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(5.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(166,702.00)		(29,945.37)	0.00
	REPRESENTED BY		
			NIL

Note:

The amounts stated are net of VAT.

Funds are held in an interest bearing account.

A dividend distribution of 100p in the £ was paid to the secured creditor on 31 March 2021.



Dean Anthony Nelson
Joint Administrator

In the High Court of Justice, Business and Property Courts in Birmingham, Insolvency and
Companies List Reference No. 000518

Kildyne Limited t/a Browns Lane Bar & Restaurant
(In Administration)

The Joint **Administrators' Final Progress Report to 3 January 2023**

Dean Anthony Nelson

PKF Smith Cooper
St Helen's House, King Street, Derby, DE1 3EE
01332 332021
dean.nelson@pkfsmithcooper.com

and

Nicholas Charles Osborn Lee

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Dean Anthony Nelson and Nicholas Charles Osborn Lee were appointed Joint Administrators of Kildyne Limited t/a Browns Lane Bar & Restaurant on 4 July 2019. 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.

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency Rules 1986 or Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event)
The Joint Administrators	Dean Anthony Nelson and Nicholas Charles Osborn Lee of Smith Cooper
The Company	Kildyne Limited t/a Browns Lane Bar & Restaurant - in Administration
The Court	High Court of Justice, Business and Property Courts in Birmingham, Insolvency and Companies List
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 4 July 2022 to 3 January 2023
Whole Period	Period covered by the report from 4 July 2019 to 3 January 2023
SPA	Sale & Purchase Agreement
JEAL	James Edward Associates Limited (the Purchaser)
RPS	The Redundancy Payments Service
HMRC	HM Revenue & Customs
EOS	Estimated Outcome Statement
R&P	Receipts and Payments Account
SOA	Statement of Affairs as at 4 July 2019
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
WIP	Work in Progress
SM	Shakespeare Martineau LLP
SP	Smith Partnership Solicitors
KS	Knights Solicitors LLP
JLL	Jones Lang LaSalle IP Inc
LS	Licensed Solutions Limited
CC	Clumber Consultancy Limited
HF	Horwich Farrelly

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 - V. Charge-out Rates and Bases of Expenses
 - VI. Details of Work Undertaken
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1. EXECUTIVE SUMMARY

This report describes the progress during the Review Period and Whole Period.

A summary of key information in this report is detailed below.

1.1 Asset Realisations

Asset	Estimated to Realise per SOA (£)	Total Realisations (£)
Net Surplus from Freehold Property	139,079	35,562
Goodwill	-	12,000
Intellectual Property	-	2,000
Plant and Machinery**	6,000	1,767
Computer Equipment	500	-
Fixtures and Fittings	-	7,534
Motor Vehicles	1,950	-
Stock	2,889	-
Book Debts	2,450	2,450
Tenancy at Will (net)	-	48,915
Insurance Refund	-	141
Cash at Bank and in Hand	284	1,760
Bank Interest Gross	-	105
Rates Refund	-	122
Settlement of Directors Loan Account	-	13,000
FIT – Solar Panel Income	-	4,974
Total	153,152	137,276

Note: The amounts stated have been rounded to the nearest £.

** These assets were subject to a walk-in possession by HMRC.

1.2 Expenses

Expense	Estimated per Proposal's EOS (£)	Expense/Fees Incurred (£)	Total Expense / Fees Paid (£)
Joint Administrators' Pre-Appointment Fees	8,297	8,297	8,297
Joint Administrators' Post-Appointment Fees	115,535	150,723	17,603
Joint Administrators' Pre-Appointment Disbursements	38	38	38
Solicitors Pre-Appointment Fees - SM	5,502	5,502	5,502
Solicitors Pre-Appointment Disbursements - SM	55	57	57
Solicitors Post Appointment Fees - SP	1,000	1,635	1,635
Solicitors Post Appointment Fees - KS	5,000	4,000	4,000
Solicitors Post Appointment Fees - SM	14,000	37,650	7,320

Solicitors Post-Appointment Disbursements - SM	200	184	184
Solicitors Post Appointment Fees – SM – Extension	-	2,130	2,130
Solicitors Post Appointment Fees – SM – Sale of property	-	2,500	2,500
Solicitors Post Appointment Disbursements – SM – Sale of Property	-	479	479
Agents Post Appointment Fees - JLL	14,100	4,760	1,059
Agents Disbursements JLL	568	568	568
Agents Post Appointment Fees – Savills	-	2,880	641
Agents – Post Appointment Fees – Savills – Sale of Property	-	7,150	7,150
Agents Post Appointment Fees – JPS	500	-	-
Pension Advisors	1,500	900	900
Payroll Costs	600	250	250
Insurance Costs	3,900	19,539	19,539
Health and Safety Audit Fees	750	750	750
Fire Risk Assessment Fees	995	1,125	1,125
Repairs and Maintenance	-	1,163	1,163
Accountants Fees	2,000	3,484	3,000
HMRC - CT	-	8,554	8,554
HMRC – Charges	-	334	334
Estimated Trading Loss / (Profit)	17,935	32,490	32,490
Storage Costs	500	514	514
Statutory Advertising	74	74	74
Specific Bond	312	480	480
Stationery & Postage	-	208	208
Travel	-	23	23
Total	193,361	298,441	128,567

Note: Amounts have been rounded to the nearest £.

1.3 Dividend Prospects

Creditor Class	Distribution / Dividend paid to Date
Secured creditor (fixed charge)	100p in the £
Secured creditor (floating charge)	N/A
Preferential creditors	-
Unsecured creditors	-

An extension to the period of Administration of 12 months was granted by the relevant creditors on 28 May 2020 and the Administration was scheduled to end on 3 July 2021. A further extension to the period of Administration of 12 months was granted by the Court on 18 May 2021 and again on 27 May 2022 and thus the Administration is now scheduled to end on 3 January 2023.

1.1 Outcome of the Administration

It had been envisaged that the second Administration objective would be achieved, namely that there would be a better result for creditors as a whole than would be likely if the Company were wound up (without first being in Administration). This report explains how this Administration objective was achieved.

2. THE PROGRESS OF THE ADMINISTRATION

2.1 The **Joint Administrators'** final R&P

Attached at Appendix III is an R&P covering the Review Period and Whole Period.

In this section, we have summarised the main asset realisations during the Review Period and in the Administration as a whole, together with details of the associated costs incurred. For a detailed list of work undertaken by the Joint Administrators as a whole, see Appendix VI.

2.2 Administration (including statutory reporting)

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Considering which exit route from Administration is appropriate and drafting this final report;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
- Completing periodic tax returns.

2.3 Trading

Trading commenced on 4 July 2019 and continued until 28 August 2019, when the business and assets of the Company were eventually sold.

The Joint Administrators engaged LS to manage trade and ensure the correct licensing requirements were implemented. Attached at Appendix III, and forming part of the Joint Administrators R&P, is the Joint Administrators trading account. This document shows that a loss of c.£32.5k was made during the period of trading, which was higher than first envisaged.

Although a loss was made during the trading period, it was necessary that the business could be maintained as a trading entity on Administration, as it improved the likelihood that significantly enhanced realisations could be achieved for the business and assets, thus furthering the second objective of achieving a better result for creditors as a whole than would be likely if the Company were wound up.

As a result of trade, a going concern offer was received which would have mitigated the trading loss incurred had payments been received in full and in a timely manner. Further information in respect of this is detailed later on in this report.

2.4 Realisation of assets

Sale of Business and Assets

The business and assets, which consisted of the following, freehold property, stock, fixtures and fittings, equipment and goodwill were marketed as widely as possible. The Joint Administrators and their agents, JLL both undertook a marketing strategy in order to maximise interest in the business.

Marketing was undertaken for a period of 25 days, with best and final offers being requested by 5 August 2019. This timescale was decided upon in view of the issues of keeping the business trading and erosion of goodwill. The Joint Administrators were however satisfied that this length of marketing achieved the best available outcome for creditors as a whole in the specific circumstances of the case.

An offer was received for the freehold property but this was not accepted by the agents, JLL as this did not meet their valuation.

A second offer was received in respect of the Company's business and some of its assets and this was recommended to be accepted by JPS and JLL. As such the business and assets were agreed to be sold to JEAL, subject to agreeing the terms of sale, to enable them to trade the business whilst the Administrators seek a purchaser for the freehold property.

The Purchaser then requested that they wanted an option agreement to purchase the freehold property. An option agreement was therefore drafted and accepted. The option granted the Seller the rights to acquire the Property in return for payment of £520,000, the option ending on the earlier of; 9 months from and including the 28 August 2019 and the determination of the TAW.

For the business and assets, a total consideration of £50k was agreed, to be paid by 6 equal monthly instalments of c.£8.3k starting on 31 November 2019, for the following;

- Plant and Equipment
- Fixtures and Fittings
- Goodwill
- Intellectual Property

The Company permitted the Purchaser to occupy the Premises on the terms and conditions set out in a TAW agreement. The sum of £35k plus VAT was payable per annum. Therefore £3.8k per month over a period of 9 months. The TAW payments were due at the end of each month, starting on 30 September 2019.

Unfortunately, the Purchaser did not make the scheduled payments but did make ad-hoc payments as and when cash flow permitted them to do so, following the sale.

This position was exacerbated in March 2020 with the Covid-19 pandemic, which had a significant impact on the restaurant and its inability to generate any income for substantial periods of time during the subsequent lockdowns.

In light of these issues, significant correspondence was entered into with JEAL. The Administrators negotiated and agreed the following:-

- a new TAW was prepared and agreed in June 2020 for a period of occupation to July 2020;
-

- The option to purchase the property to be terminated and the Joint Administrators would commence marketing the property for sale;
- The Joint Administrators accepted £14k for full and final settlement of the historic rent arrears;
- The Joint Administrators accepted £18.5k in respect of the balance of the SPA;
- The Director of JEAL agreed to provide a personal guarantee in respect of the above sums.

Whilst some payments were made in respect of the revised TAW and SPA, payments soon fell behind and as a result, the Administrators issued a stat demand against the Director of JEAL under his personal guarantee.

The Director of JEAL, via solicitors, applied to set aside the Statutory Demand and a hearing was listed for August 2022.

The Joint Administrators and their solicitors prepared an application to dismiss the set aside application and this was filed in Court in March 2022.

The Court ordered a hearing to be held on 7 July 2022.

Prior to the hearing, a settlement offer was negotiated and agreed between both parties with £15k to be paid over 3 months.

This was received in full with the final payment being received on 15 September 2022.

Freehold Property

After the termination of the Option to Purchase with JEAL, Savills commenced marketing the property in June 2020. Interest remained slow with a total of 15 enquiries for further information on the property, leading to one formal viewing. The interest received were mainly from potential buyers looking at the building for alternative use rather than continued use as a restaurant. Savills advised the Joint Administrators to consider placing the property at auction given the little interest and the lack of offers. Furthermore, at the time there was ongoing and continued uncertainty due to Covid-19 restrictions, and its effect on the hospitality sector which could negatively impact the property market conditions and hence the pricing of the property.

The Joint Administrator sought and obtained the Banks approval to the auction subject to their fixed charge security.

The property was sold at auction on 2 March 2021 for £335k. The sale of the property was completed on 30 March 2021.

Plant and Machinery (Subject to Walk-in Possession)

Some of the Company's plant and machinery was subject to a walk-in possession order obtained by HMRC. Legal advice was received and confirmed that the order was valid. As such, once the final monies were received from the SPA and apportioned to the plant and machinery subject to the Walk-in Possession, a payment of c.£1.8k was paid to HMRC during the Review Period.

Book Debts

The Company had two book debts outstanding at the date of appointment amounting to c.£2.6k. The Joint Administrators recovered c.£2.5k and had to write off the small balance as it was uneconomical to pursue further.

Cash at Bank and in Hand

Cash was held at the premises to assist with trading, the cash held on site of c.£1.7k was collected by LS and transferred to the Administration bank account.

FIT – Solar Panel Income

Funds of £5k were received from EON in respect of surplus energy generated from Solar Panels located at the freehold property, prior to its sale.

Insurance Refund

A claim was made under the insurance for damage at the freehold property due to a faulty air conditioning unit. The claim was successful and c.£141 was paid to the Joint Administrators.

Rates Refund

A Rates Refund of c.£0.1k was received due to an overpayment on the rates bill for the trading period 4 July 2019 to 28 August 2019.

Settlement of Directors Loan Account

HF proposed an offer on behalf of their clients to purchase any rights of action that the Company may have had as part of their investigations. The offer consisted of an initial contribution of £1 with an agreement that 10% of any realisations as a result of pursuing any claims identified would be paid to the Administrators. The Joint Administrators sought legal advice on the proposal put forward. The proposed offer was rejected by the Joint Administrators as it did not cover potential legal fees and the time anticipated by the Joint Administrators in agreeing the terms of the agreement. HF were keen to pursue this claim and were willing to put forward a higher offer.

During the course of the Administration, the Joint Administrators obtained legal advice on issues identified as part of their investigations, with the advice being that these potential claims lacked sufficient merit. Furthermore, whilst the Joint Administrators were aware of an overdrawn DLA, it was clear that the Director did not have the means to repay his DLA nor any significant proportion thereof and, from a commercial perspective, the Joint Administrators were advised that there would be little point pursuing this debt.

As such, the Joint Administrators were content to sell these claims as this would result in additional realisations into the estate which would not otherwise have been received. As this potential assignment could have had a bearing on the Directors' position due to his overdrawn DLA, he was informed of the potential assignment. After discussing with his family, the Director reverted to advise that his family would be willing to put forward a full and final settlement of all claims against him to prevent the assignment of his DLA.

Both parties was therefore requested to put forward a 'best and final offer' with a requirement of it needing to be a one-off payment with no more than 28 days between agreement and settlement.

A full and final settlement was accepted from the Director of £13k as this was likely to result in a better realisation than the offer from the connected party.

2.6 Costs incurred but remaining unpaid

The following table summarises the costs incurred during the Review Period, but which as yet remain unpaid:

Cost Description	Amount (£)
Legal Fees	30,330

Agents Fees – JLL	3,701
Agents Fees – Savills	2,239
Agents Fees – JPS	500
Accountants Fees	434
TOTAL	37,204

Realisations have been insufficient to discharge these costs.

During the Review Period, the Joint Administrators have also incurred time costs and direct expenses, not all of which have been discharged. Further details of these costs are set out in section 6 below.

3. CREDITORS: CLAIMS AND DISTRIBUTIONS

3.1 Secured creditors

The Company's Bank debt at the date of the appointment of the Joint Administrators, and as set out in the SOA, can be summarised as follows:

Loan No.	Amount (£)
Loan 1	271,951
Loan 2	38,971
Total	310,922

The Company was indebted to NatWest Bank Plc due to loans having previously been provided.

The Company granted a fixed and floating charge debenture to NatWest Bank Plc, which was created on 20 December 2001 and delivered on 22 December 2001.

As the Bank had a fixed charge over the property, following the sale of the property, the Bank was discharged in full, having agreed to reduce their claim to c.£299k to enable further funds to be available for professional costs incurred.

3.2 Preferential creditors

Preferential claims relating to unpaid holiday pay and pension contributions were estimated at c.£2.2k in the Director's Estimated SOA. The employees either left the Company of their own accord, or TUPE'd over to JEAL and as such, no preferential claims were anticipated nor have been received.

3.4 Prescribed Part

The Company had not granted a floating charge to any creditor after 15 September 2003 and consequently there was no prescribed part in this Administration.

3.4 Unsecured creditors

Unsecured claims were estimated at c.£171.9k in the Director's Estimated SOA. To date, claims of c.£374.4k have been received. There were insufficient asset realisations to pay a dividend to unsecured creditors.

4. INVESTIGATIONS

4.1 Investigations

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Director was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 2 October 2019.

4.2 Initial Assessment of Potential Recoveries

As part of the Joint Administrators duties, an initial assessment was conducted shortly after appointment of all the information available to determine whether there were any matters which may have led to any recoveries for the benefit of creditors.

After detailed and lengthy investigations, the Joint Administrators identified transactions that required further scrutiny. The Joint Administrators sought legal advice from SP and was advised that there was insufficient evidence to pursue the matters identified further.

Furthermore, the Director had an overdrawn Director's loan account of c.£104.4k, however, having been provided with his statement of means, he did not appear to have any recoverable assets, nor surplus income, in which to make any repayments. SP advised that it would not be beneficial to pursue this matter further.

Notwithstanding this, a full and final settlement was entered into with the Director in respect of any claims against him, as detailed at section 2.4.

5. ETHICS

Please also be advised that the Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

General ethical considerations

In the Review Period, no new threats to compliance with the Code of Ethics have been identified.

Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Administrators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm regularly reviews the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.

6. THE JOINT ADMINISTRATORS' FEES AND EXPENSES

6.1 Pre-Administration Costs

Included within the Joint Administrators' Proposals was a Statement of Pre-Administration Costs. These costs were approved as detailed below:

Party Instructed	Amount Approved (£)	Date Approved
PKF Smith Cooper – Time Costs	8,297	17 September 2019
PKF Smith Cooper – Disbursements	38	17 September 2019
SM – Time Costs	5,502	17 September 2019
SM - Disbursements	55	17 September 2019
Total	13,892	

The pre-appointment costs for SM have been paid during the Whole Period and the pre-appointment costs for PKF Smith Cooper have been paid during the Review Period.

6.2 The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 17 September 2019 by a resolution of creditors as follows:

"The time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Smith Cooper at the time the work is performed (plus VAT)."

Further fees in excess of the fees estimate were approved by a resolution of creditors on 17 February 2020 and on 17 February 2021.

A breakdown of the time costs incurred during the Review Period and for the Administration as a whole is provided at Appendix IV and further information regarding the charge-out rates of the Joint Administrators and their staff is provided at Appendix V.

The Joint Administrators have drawn c.£17.6k plus VAT during the Review Period and Whole Period. The remaining time costs are to be written off due to a paucity of funds in the case.

6.3 Expenses

An amended Statement of Insolvency Practice (SIP), SIP 9, was issued on 1 April 2021. The amended SIP 9 has changed some of the terminology and introduced additional disclosure requirements. The information below may therefore not reflect the information previously provided.

The expenses, which include disbursements, that have been incurred and not yet paid during the period are detailed below. Also below is a comparison of the expenses likely to be incurred in the Administration as a whole with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

The category 1 expenses paid for in the period are detailed on the R&P account at Appendix III and represent payments to parties not associated with the firm, who have provided services or goods for the administration of the assignment.

No category 2 expenses have been incurred or paid during the Review Period. Category 2 expenses incurred and paid during the Whole Period are detailed on the R&P account at Appendix III. The basis of calculation of this category of expense was disclosed to creditors prior to their approval, which was given on 17 September 2019 and are also detailed below.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees' may be found at <https://www.r3.org.uk/technical-library/england-wales/technical->

[guidance/fees/more/29113/page/1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees/](#). A hard copy of both the Creditors' Guide and the firm's charge-out rate and expenses policy may be obtained on request.

6.4 Other professional costs

6.4.1 Legal fees – SM

SM were instructed as legal advisors in relation to the sale of the business and assets, the sale of the property, preparation of the required legal documentation, applications to Court to extend the Administration and pursuing JEAL in respect of outstanding SPA and TAW payments. They have not incurred any fees during the Review Period.

The solicitors' total time costs for the Whole Period amount to c.£39.8k plus VAT and they have been paid c.£7.3k plus VAT during the Review Period and Whole Period.

The remaining outstanding time costs will not be paid due to a paucity of funds held in the estate.

6.4.2 Legal fees - SP

SP, a firm of solicitors with the appropriate expertise and experience in dealing with these types of Administrations were instructed to deal with a specific investigation matter identified in the Joint Administrators investigations. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. During the Whole Period, SP's time costs amount to c.£1.6k plus VAT and they have been paid in full.

6.4.3 Legal Fees – Knights

Knights, were instructed to review and provide legal advice on the investigation matters identified. Their costs were agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. During the Whole Period, Knight's time costs amount to £4.7k plus VAT. Of this, £4k plus VAT has been paid as a full and final amount due to the paucity of assets in the Administration.

6.4.4 Agents and Valuers – JPS

JPS, a firm of chattel agents, were instructed by the Joint Administrators to undertake a desktop valuation of the Plant and Equipment, Computer Equipment, and Fixtures and Fittings. The agents also advised on the best method of disposal of those assets. Their costs have been agreed on a fixed fee basis plus VAT. JPS's fees for the Whole Period amount to c.£0.5k plus VAT. No fees have been paid to date.

6.4.5 Agents – LS

LS, turnaround specialists to the leisure sector were instructed by the Joint Administrators, to assist in trading the business and to obtain the appropriate licenses. Their costs have been agreed on a fixed fee basis plus VAT and disbursements plus VAT. LS's fees for the Whole Period amount to c.£16.6k plus VAT and disbursements of £23 plus VAT and they have been paid in full.

6.4.6 Agents and Valuers - JLL

JLL, a financial and professional services specialising in real estate were instructed to provide a valuation of the freehold property and to assist in marketing the freehold and business. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. During the Whole Period, JLL's time costs amount to c.£4.8k plus VAT and disbursements of c.£0.6k plus VAT. The disbursements incurred have been paid in full during the Whole Period.

During the Review Period c.£1k has been paid in respect of their outstanding time costs. The remaining balance will be written off accordingly due to a paucity of funds.

6.4.7 Agents and Valuers – Savills

Savills, a firm of property agents were instructed to assist in marketing the freehold and business and selling the property at auction. Their costs have been agreed on the basis of their standard sales commission rate of 2% of the property sale and on a time cost basis plus VAT and disbursements plus VAT.

During the Whole Period, the commission on the sale of the property was paid amounting to c.£6.7k plus VAT, together with marketing expenses of £0.45k plus VAT. The total time costs incurred during the Whole Period amount to c.£2.8k of which c.£0.6k was paid during the Review Period. The remaining balance will be written off accordingly due to a paucity of funds.

6.4.8 Payroll Costs – Aspire

Aspire PBS Limited were instructed to prepare the monthly payroll, P45's and pension submissions for the employees during the trading period. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. Their costs during the Whole Period amount to c.£0.25k plus VAT and they have been paid in full.

6.4.9 Pension Fees – CC

CC were instructed to ensure that the beneficiaries of the Company pension schemes receive their pension entitlements. Their costs have been agreed on a fixed fee basis. CC's fees for the Whole Period amount to c.£0.9k plus VAT and they have been paid in full.

6.4.10 Accountants Fees – PKF Smith Cooper

Whilst the Administrators were going to engage the Company's accountants to bring the accounts up to date, one of the shareholders requested that they would prefer Smith Cooper's internal accounts team to be instructed in this regard to ensure that a completely independent party be instructed. Therefore, the PKF Smith Cooper management accountants' team were instructed to bring the Company's Sage up to date in order to assist the Joint Administrators investigations. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT and approved by creditors on 17 September 2019. PKF PKF Smith Coopers' fees during the Whole Period amount to c.£3.5k plus VAT and during the Review Period they have been paid £3k plus VAT with the balance being written off.

6.5 Comparison of estimates

The Joint Administrators' time costs incurred to date (whether or not they have been charged to the Administration estate) are compared with the adjusted fees estimate as follows:

Work category	Adjusted fees estimate			Actual time costs incurred during the Review Period			Actual time costs incurred during the Whole Period		
	No. of hours	Blended hourly rate £ per hour	Total fees £	No. of hours	Average hourly rate £ per hour	Total time costs £	No. of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	248	188	44,955	45	168	7,478	609	150	91,140

	Adjusted fees estimate			Actual time costs incurred during the Review Period			Actual time costs incurred during the Whole Period		
Work category	No. of hours	Blended hourly rate £ per hour	Total fees £	No. of hours	Average hourly rate £ per hour	Total time costs £	No. of hours	Average hourly rate £ per hour	Total time costs £
Realisation of assets	156	229	35,755	-	210	63	116	260	30,143
Creditors (claims and distribution)	55	178	9,715	3	256	731	59	196	11,511
Investigations	84	189	15,870	-	-	-	61	191	11,570
Trading	48	193	9,240	-	-	-	26	246	6,360
Total	591	196	115,535	48	172	8,272	871	173	150,724

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Category 1	58,366	9,177	109,779	
Legal Fees – SM	12,000	-	37,650	Significant delays have been encountered for the sale of the business and assets and considerable negotiations required, additional chasing by SM and correspondence with the Purchaser and his solicitors. SM completed the notice to the Court to extend the Administration to 3.7.22 and subsequently to 3.1.23. This was not originally anticipated.
Legal Fees – SP	1,000	-	1,635	SP's undertook more work than initially anticipated as they needed to review further correspondence.
Legal Fees – KS	5,000	-	4,000	
Agents Fees – JPS	500	-	-	
Agents Fees – JLL	14,100	-	4,760	
Agents Fees and disbursements – Savills	-	-	10,030	The agents working on the case at JLL moved to Savills. This was not anticipated.
Agents Fees - LS	12,069	-	16,559	A second marketing campaign was carried out which extended the trading period.
Legal Disbursements – SM	255	-	663	Additional disbursements have been incurred due to extending the Administration twice via Court approval. This was not anticipated from the outset.
Agents Disbursements – LS	3,243	-	23	

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Agents Disbursements – JLL	1,568	-	568	
Payroll Costs	600	-	250	
Pension Fees	1,500	-	900	
Advertising	74	-	74	
Bonding	312	-	480	
Storage Costs	500	238	514	The case has been kept open longer than anticipated and as such books and records have been retained for an extended period of time not anticipated from the outset.
Insurance	3,900	-	19,539	The insurance premium was higher than anticipated due to unforeseen issues with the property and we traded the business for longer than anticipated.
Fire Risk Assessment Fees	750	-	750	
HMRC Liabilities	-	8,888	8,888	A CT liability was not anticipated from the outset due to the losses incurred. However, this liability was confirmed by our CT department following the sale of the business and assets.
Repairs and Maintenance	-	-	1,163	The freehold property had to be repaired due to an issue with the Air Conditioning unit. This was not anticipated from the outset.
Health & Safety Audit Fees	995	-	1,125	The health and safety consultants fee was higher than anticipated.
Postage	-	51	208	PKF Smith Cooper started to use an external postage provider after the initial expenses estimate. This has enabled us to charge postage to individual cases in accordance with SIP 9.
Category 2	2,038	-	3,506	
Accounting Fees	2,000	-	3,483	The company's accounting software required more work than anticipated to bring it up to date.
Mileage	38	-	23	

The bases on which the expenses defined as Category 2 expenses are calculated are explained in Appendix IV.

As can be seen above:

- the adjusted fees estimate has been exceeded; and
- the original expenses estimate has been exceeded for the reasons given above.

The main reason why the fees estimate has been exceeded is because of complications following the sale of the business and assets, exacerbated by Covid-19. This has delayed the closure of the case and increased the costs of administering the estate. However, given the limited realisations in this case, the Joint Administrators have not sought to draw fees in excess of the fees estimate.

6.6 Payment of the Joint Administrators' unpaid fees and costs

Asset realisations have been insufficient to discharge the Joint Administrators' fees and costs in full.

6.7 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 permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

6.8 Creditors' right to challenge fees and/or expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

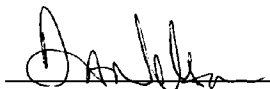
7. THE OUTCOME OF THE ADMINISTRATION

7.1 Comparison of the outcome with the Joint Administrators' Proposals

Attached at Appendix II is a summary of the Joint Administrators' Proposals as approved.

It had been envisaged that the second Administration objective would be achieved, namely that there would be a better result for creditors as a whole than would be likely if the Company were wound up (without first being in Administration). As described above, it can be seen that this Administration objective was achieved.

If you require any further information please contact Emily Oliver on 01332 332021.



D A Nelson
Joint Administrator

STATUTORY INFORMATION

Company Name	Kildyne Limited t/a Browns Lane Bar & Restaurant
Previous Names	
Proceedings	In Administration
Court	High Court of Justice, Business and Property Courts in Birmingham, Insolvency and Companies List
Court Reference	000518
Date of Appointment	4 July 2019
Joint Administrators	Dean Anthony Nelson Nicholas Charles Osborn Lee PKF Smith Cooper 1 Prospect House, Pride Park, Derby, DE24 8HG 158 Edmund Street, Birmingham, B3 2HB
Registered office Address	1 Prospect House, Pride Park, Derby, DE24 8HG
Company Number	04306680
Appointment by	The Director of the Company

THE JOINT ADMINISTRATORS' PROPOSALS, AS APPROVED

Summary of the Joint Administrators' Proposals

1. The Statement of Proposals is summarised below.
2. In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:
 - the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they sell the Company's remaining assets at such time(s) and on such terms as they consider appropriate.
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - (iii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
 - the Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
 - the Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time;
 - (i) In the event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Dean Anthony Nelson and Nicholas Charles Osborn Lee will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 8; or
 - (ii) However, in the unlikely event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or

- (iii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Dean Anthony Nelson and Nicholas Charles Osborn Lee may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator.

THE JOINT **ADMINISTRATORS' FINAL RECEIPTS AND** PAYMENTS ACCOUNT

Kildyne Limited t/a Browns Lane Bar & Restaurant
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 04/07/2022 To 03/01/2023 £	From 04/07/2019 To 03/01/2023 £
POST APPOINTMENT SALES		
Event Sales	NIL	19,585.00
Cash Sales	NIL	7,103.09
Credit Card Sales	NIL	27,979.04
	NIL	54,667.13
PURCHASES		
Food Purchases	NIL	14,005.69
Drinks Purchases	NIL	4,213.35
Dry Good Consumables	NIL	613.74
	NIL	(18,832.78)
OTHER DIRECT COSTS		
Self Employed Staff	NIL	200.00
Direct Labour	NIL	28,956.46
Pension Contributions	NIL	503.05
	NIL	(29,659.51)
TRADING EXPENDITURE		
Rates	NIL	1,317.25
Heat & Light	NIL	6,104.41
Bank Charges	NIL	124.13
Hire of Equipment	NIL	2,147.24
Repairs & Maintenance	NIL	931.71
Cleaning	NIL	453.30
Vehicle Repairs	NIL	356.60
IT Support	NIL	515.00
Stationery	NIL	53.95
Postages	NIL	7.84
Credit Card Charges	NIL	1,853.98
Equipment Replacement	NIL	55.81
Managing Agents Fees - LS	NIL	16,559.32
Managing Agents Disbs - LS	NIL	23.00
Wages	NIL	5,188.33
HMRC PAYE / NIC	54.20	2,879.08
Pension	NIL	93.91
	(54.20)	(38,664.86)
TRADING SURPLUS/(DEFICIT)	(54.20)	(32,490.02)

Kildyne Limited t/a Browns Lane Bar & Restaurant
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 04/07/2022 To 03/01/2023 £	From 04/07/2019 To 03/01/2023 £
	SECURED ASSETS		
450,000.00	Freehold Property	NIL	335,000.00
	Goodwill	NIL	12,000.00
	Intellectual Property	NIL	2,000.00
		NIL	349,000.00
	COSTS OF REALISATION		
	Solicitors Post-app fees - SM	NIL	2,500.00
	Agents Fees - Savills	NIL	7,150.00
	Legal Disbursements	NIL	478.80
		NIL	(10,128.80)
	SECURED CREDITORS		
(310,921.00)	NatWest Bank Plc	NIL	299,438.11
		NIL	(299,438.11)
	HIRE PURCHASE		
6,000.00	Plant and Machinery	714.29	1,767.24
500.00	Computer Equipment	NIL	NIL
NIL	Fixtures & Fittings	NIL	NIL
(138,792.00)	HM Revenue & Customs: Walk-in Pos	(1,767.24)	(1,767.24)
		(1,052.95)	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	37.62	105.34
2,450.00	Book Debts	NIL	2,450.00
284.00	Cash at Bank and in Hand	NIL	1,760.00
	FIT - Solar Panel Income	NIL	4,973.72
	Fixtures and Fittings	1,428.58	7,534.48
	Insurance Refund	NIL	140.88
1,950.00	Motor Vehicles	NIL	NIL
	Rates Refund	NIL	122.34
	Settlement of Directors Loan Account	NIL	13,000.00
2,889.00	Stock	NIL	NIL
	Tenancy at Will	10,714.28	48,915.24
	Trading Surplus/(Deficit)	(54.20)	(32,490.02)
		12,126.28	46,511.98
	COST OF REALISATIONS		
	Accountants Fees	3,000.00	3,000.00
	Agents Disbursements - JLL	NIL	568.00
	Agents Fees - JLL	1,059.15	1,059.15
	Agents Fees - Savills	640.83	640.83
	Fire Risk Assessment Fees	NIL	1,125.00
	H & S Audit Fees	NIL	750.00
	HMRC - CT	6,733.03	8,553.99
	HMRC Charges	333.54	333.54
	Insurance of Assets	NIL	19,539.06
	Joint Administrators post app fees	17,602.86	17,602.86
	Payroll Costs	NIL	250.00
	Pension Advisors	NIL	900.00
	Repairs & Maintenance	NIL	1,162.50
	Smith Coopers pre-app disbs	NIL	37.80
	Smith Cooper's pre-app fees	8,297.00	8,297.00
	Solicitors Fees - SM - Extension	NIL	2,130.00
	Solicitors post-app Disbursements - S	(56.67)	183.53
	Solicitors post-app fees - Knights	NIL	4,000.00

Kildyne Limited t/a Browns Lane Bar & Restaurant
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 04/07/2022 To 03/01/2023 £	From 04/07/2019 To 03/01/2023 £
	Solicitors post-app fees - SM	3,120.27	7,320.27
	Solicitors post-app fees - SP	NIL	1,635.00
	Solicitors pre-app disbs	NIL	56.67
	Solicitors pre-app fees - SM	NIL	5,502.00
	Specific Bond	NIL	480.00
	Stationery & Postage	50.56	207.51
	Statutory Advertising	NIL	73.55
	Storage Costs	238.13	514.31
	Travel	NIL	22.50
		(41,018.70)	(85,945.07)
	PREFERENTIAL CREDITORS		
(6,930.00)	Employees Arrears of Pay (16)	NIL	NIL
(2,233.00)	Employees Holiday Pay (16)	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(23,000.00)	Accrued Income	NIL	NIL
(106,565.00)	Connected Party Creditors	NIL	NIL
(1,872.00)	Deposit Creditors (26)	NIL	NIL
(5,662.00)	Employees Arrears of Pay (16)	NIL	NIL
(5,562.00)	Employees Redundancy Pay / PILON (NIL	NIL
(29,233.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(5.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(166,702.00)		(29,945.37)	0.00
	REPRESENTED BY		
			NIL

Note:

The amounts stated are net of VAT.

Funds are held in an interest bearing account.

A dividend distribution of 100p in the £ was paid to the secured creditor on 31 March 2021.



Dean Anthony Nelson
Joint Administrator

THE JOINT ADMINISTRATORS' TIME COSTS

CASE NAME
KILDYNE LIMITED
CASE CODE
XXKI03
CASE TYPE
ADMINISTRATION
TIME COST SUMMARY FOR THE WHOLE PERIOD

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Assistant Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (includes; Cashiering, Statutory Reporting, Special Projects and Case Specific Matters)	24.85	5.00	133.80	1.50	303.30	34.68	21.50	50.35	33.93	608.92	91,139.85	149.68
Creditors (Includes Employees)	11.60	1.70	16.15	0.20	26.40	-	-	-	2.70	58.75	11,510.50	195.92
Investigations	9.60	-	25.95	-	23.00	-	2.00	-	-	60.55	11,569.50	191.07
Realisation of assets	53.25	0.20	43.50	0.50	18.60	-	-	-	-	116.05	30,143.25	259.74
Trading	8.90	-	16.50	-	0.50	-	-	-	-	25.90	6,359.50	245.54
Total	108.20	6.90	235.90	2.20	371.80	34.68	23.50	50.35	36.63	870.17	150,722.60	173.21
Total Charge	38,414.00	1,734.50	45,228.00	316.00	52,120.00	2,883.50	2,145.25	4,562.25	3,319.10	150,722.60		

CASE NAME: KILDYNE LIMITED
CASE CODE: XXKI03
CASE TYPE: ADMINISTRATION
TIME COST SUMMARY FOR THE REVIEW PERIOD

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Assistant Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (includes; Cashiering, Statutory Reporting, Special Projects and Case Specific Matters)	2.20	-	16.20	0.40	9.40	0.75	6.05	5.25	4.25	44.50	7,477.76	168.04
Creditors (Includes Employees)	0.80	-	2.05	-	-	-	-	-	-	2.85	730.50	256.32
Investigations	-	-	-	-	-	-	-	-	-	-	-	-
Realisation of assets	-	-	0.30	-	-	-	-	-	-	0.30	63.00	210.00
Trading	-	-	-	-	-	-	-	-	-	-	-	-
Total	3.00	-	18.55	0.40	9.40	0.75	6.05	5.25	4.25	47.65	8,271.26	173.58
Total Charge	1,125.00	-	3,895.50	76.00	1,645.00	52.50	574.75	498.75	403.76	8,271.26		

**THE JOINT ADMINISTRATORS' CHARGE-OUT RATES AND BASES OF CATEGORY 2
EXPENSES**

General Description	Includes
Administration and planning	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending case files to storage On-site visit to storage container Correspondence with storage container landlord.
Creditor reports	Preparing proposal, six monthly progress reports Seeking extension via creditors Reporting to secured creditor on a fortnightly basis Proposing further fee approval (where the fees estimate is not for the administration of the case to conclusion)
Creditors' decisions	Preparation of decision notices, proxies/voting forms Collate and examine proofs and proxies/votes to establish decisions Consider objections received and requests for physical meeting or other decision procedure Responding to queries and questions following decisions Issuing notice of result of decision process
Investigations	
SIP 2 Review	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reviewing company's books and records Reviewing the company's storage container Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken Correspondence with a connected party
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with the Insolvency Service Submission of report to the Insolvency Service
Litigation / Recoveries	Strategy with solicitors regarding litigation Correspondence with a connected party's solicitor Correspondence with the Director Instructing solicitor for legal advice Liaising with parties with regards to the sale of potential antecedent transactions / outstanding debts
Realisation of Assets	

General Description	Includes
Sale of Business as a Going Concern	<p>Instructing and liaising with agents</p> <p>Preparing an information memorandum (data room)</p> <p>Liaising with potential purchasers</p> <p>Agreeing licences to occupy / tenancies at will</p> <p>Assessment and review of offers received</p> <p>Negotiating with intended purchaser</p> <p>Liaising with secured creditors on a fortnightly basis</p> <p>Exchanges with solicitors to agree sale and purchase agreement</p> <p>Exchanges with solicitors to agree the license to occupy</p> <p>Exchanges with solicitors regarding the option agreement</p> <p>Correspondence with purchaser</p> <p>Extending sale date</p> <p>Correspondence with the purchaser re tenancy at will and sale and purchase agreement payments</p> <p>Monitoring receipts from the purchaser</p> <p>Liaising with the purchaser re payment proposal plan</p> <p>Liaising with solicitors re payment proposal plan</p> <p>Negotiations with the purchaser's payment proposal plan</p> <p>Liaising with solicitors re availability of government grants for businesses affected by Covid-19</p> <p>Reviewing statutory demands</p> <p>Reconciliation of the SPA and TAW</p> <p>Liaising with solicitors in relation to correspondence received JEAL's solicitors.</p> <p>Reviewing draft applications</p> <p>Liaising with solicitors in relation to the offer from the JEAL</p> <p>Proposing a counter offer</p> <p>Reviewing draft consent orders</p> <p>Monitoring receipt of payments</p>
Plant and machinery; office furniture and equipment	<p>Liaising with valuers, auctioneers and interested parties</p> <p>Reviewing asset listings</p> <p>Reviewing walk-in possession order</p> <p>Writing to HMRC re walk-in possession order payments and subsequent chasers</p> <p>Making a payment in respect of HMRC liability under Walk-in possession</p>
Freehold Property	<p>Liaising with valuers and agents on marketing strategy and offers received</p> <p>Revising and agreeing marketing strategy</p> <p>Liaising with solicitors re option purchase agreement</p> <p>Agreeing a value for the option agreement</p> <p>Negotiations with the potential purchaser</p> <p>Preparing an estimated outcome statement for the administration based on the sale of the property</p> <p>Liaising with agents for their recommendations</p> <p>Liaising with the secured creditor for approval of property price</p> <p>Reviewing Draft Heads of Terms documents</p>
Debtors and retentions	<p>Collecting supporting documentation</p> <p>Correspondence with debtors</p> <p>Dealing with disputes, including communicating with directors/former staff</p> <p>Negotiations with the debtors</p> <p>Monitoring receipt</p>
Stock	<p>Reviewing stock values</p> <p>Liaising with agents and potential purchasers</p>
Solar Panel FIT Income	<p>Liaising with EON</p> <p>Signing documents for EON</p> <p>Requesting transfer of the FIIT account</p> <p>Monitoring receipt of repayment</p>
Other assets: intangibles, intellectual property	<p>Liaising with agents to agree disposal strategy</p> <p>Dealing with potential purchasers</p> <p>Negotiating sales</p> <p>Liaising with solicitors to agree sales</p>

General Description	Includes
	Collecting sales consideration Monitoring sales consideration
Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers Arranging with insurers for health and safety inspections Arranging with insurers for fire risk inspection Re-arrangement of health and safety inspections Correspondence with the insurers re strategy following the inspection
Business Interruption Insurance Claim	Liaising with the insurers regarding potential Business Interruption cover Reviewing technical advice of Business Interruption cover Collating and preparing information for a Business Interruption claim Confirming position with insurer
Trading	
Management of operations	Negotiating with ransom creditors Writing to utility providers Establishing new accounts with utility providers Ensuring security of premises, computer system, equipment and stock Liaising with customers to confirm orders Liaising with management and staff Site Supervision Liaising with Licensed Solutions Authorising receipt vouchers Authorising payment vouchers Liaising with pension advisors re submissions to HMRC Reviewing and authorising payroll Liaising with Pensions regulator regarding auto-enrolment Liaising with Pension advisors
Accounting for trading	Reviewing company's budgets and financial statements Preparing weekly cash flows and financial reports Finalising trading profit or loss Trading strategy review VAT returns Chasing HMRC for VAT Returns Reflecting transactions by Licensed Solutions Chasing HMRC for VAT Returns Preparing TAW invoices for the Purchaser to reclaim VAT
Ongoing employee issues	Liaising with employees Review of staffing requirements for trading period Dealing with employees who claim they have not been paid correctly Dealing with SARS requests Instructing payroll providers to prepare additional payments Reviewing timesheets Preparing and submitting RP14 and RP14A Providing advice to employees
Creditors (claims and distribution)	
Creditor communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt ('POD')	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend

General Description	Includes
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims Correspondence with solicitor re validity of claim
Distribution procedures	Agreeing allocation of realisations and costs between fixed and floating charges Paying distribution to secured creditors and seeking confirmation of discharged claims Preparation of correspondence to creditors advising of intention to declare distribution Advertisement of notice of intended distribution Preparation of distribution calculation Preparation of correspondence to creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Seeking unique tax reference from HMRC, submitting information on PAYE/NI deductions from employee distributions and paying over to HMRC Dealing with unclaimed dividends
Cashiering	
Forms	Preparing Journals, Cheque Requisitions, Deposit Vouchers, Daily Bank Posting
	Filing
	Bordereau

DETAILED LIST OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS

Information for creditors in relation to fees, expenses and disbursements as of 1 April 2022

General information for creditors regarding insolvency matters

Creditors wishing to understand or find out more information in relation to this or any other type of insolvency process may visit the website here:

<http://www.creditorinsolvencyguide.co.uk/>

This website is a step-by-step guide designed to help creditors navigate their way through an insolvency process and has been produced by R3, the UK insolvency trade body.

A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

If any party is unable to obtain a copy of either of the above guides, please contact the individual referred to below who will furnish you with a copy, free of charge:

- Contact – Anita Godson
- Telephone – 01332 332021
- Email – creditor.correspondence@pkfsmithcooper.com
- Post – St Helen's House, King Street, Derby, DE1 3EE

Dean Anthony Nelson, Nicholas Charles Osborn Lee, Andrew Paul Stevens and Michael Paul Roome are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. They are all bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment, which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them. Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities. When taking appointments, the firm's licensed Insolvency Practitioners are Data Controllers of personal data as defined by the Data Protection Act 1998 and the General Data Protection Regulations 2018. PKF Smith Cooper will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the appointments which they take. For further details see the firm's privacy policy which can be accessed on our website using the following link <https://www.pkfsmithcooper.com/bri-privacy-notice/>

Information specific to PKF Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	375
Director	270
Senior Manager	210
Manager	200
Assistant Manager	190
Senior Insolvency Administrator	175
Administrator	140
Junior Administrator	95
Cashier	95
Other	65

Time costs are calculated using 6-minute units.

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

Expenses

In accordance with Statement of Insolvency Practice 9 (SIP9) expenses are any payments from the estate outside of the office holder's remuneration or distributions to creditors or members.

Expenses are divided into two categories:-

- Category 1 expenses are payments to an independent third party for costs which are directly referable to the engagement. Category 1 expenses can be paid without prior approval. Examples may include statutory advertising, specific bond insurance, external room hire and storage costs.
- Category 2 expenses are payments to associates or which have an element of shared costs. Category 2 expenses may be drawn if they have been approved in the same manner as office holder's remuneration. This includes mileage which is charged at 45p per mile.

Expenses also include disbursements, which are costs paid for by the office holder's firm initially but subsequently recharged to the estate, with the office holder's firm being reimbursed.

Information for creditors in relation to fees, expenses and disbursements as of 1 April 2021

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Grade	Charge out rate (£ per hour)
Partner	355
Director	255
Senior Manager/Manager	190
Assistant Manager	190
Senior Insolvency Administrator	165
Administrator	130
Junior Administrator	90
Cashier	90
Other	60

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INFORMATION FOR CREDITORS IN RELATION TO FEES AND DISBURSEMENTS

W	smithcooper.co.uk
F	01332 650290

VAT	123354934
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INFORMATION RELEVANT AT 1 APRIL 2017

General information to creditors regarding insolvency matters

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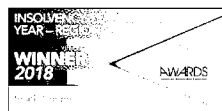
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- Contact – Emily Oliver
- Telephone – 01332 332021
- Email – creditor.correspondence@smithcooper.co.uk
- Post – St Helen's House, King Street, Derby, DE1 3EE

Sent from: Smith Cooper, St Helen's House, King Street, Derby DE1 3EE

Smith Cooper is the trading name of SC Advisory Services Limited, a company Registered in England
Registered number: 7678255
Registered Office: St Helen's House, King Street, Derby DE1 3EE
A list of directors is available for inspection at the above address.



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Time costs are calculated using 6 minute units.	

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Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1, being expenses directly referable to a third party, eg statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and Company Search fees, or Category 2, being expenses incurred by the firm and recharged to the estate, which may include a profit element, eg postage, stationery and storage.

Category 1 disbursements are recoverable in full from the estate without the prior approval of creditors. Category 2 disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance.

Category 2 disbursements are proposed to be recovered, subject to obtaining the requisite approval, as follows:-

Postage	Charged at actual cost (first class)
Photocopying	Recharged at 17p per sheet
Storage	Charged at cost
Room Hire	£50 per meeting held Smith Cooper offices
Archiving case files & closure	Recharged at £42.70 per box
Archiving records & closure	Recharged at £9.55 per box
Mileage	45p per mile