

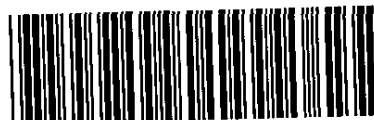
WU07

Notice of progress report in a winding-up by the court



Companies House

FRIDAY



A11 *A79LJ85G* #361
06/07/2018
COMPANIES HOUSE

1 Company details

Company number 0 9 3 2 0 4 7 5

Company name in full Retail Acquisitions Limited

→ Filing in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Molly

Surname Monks

3 Liquidator's address

Building name/number The Old Bank

Street 187a Ashley Road

Post town Hale

County/Region Cheshire

Postcode W A 1 5 9 S Q

Country

4 Liquidator's name ^①

Full forename(s) Darren

Surname Brookes

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ^②

Building name/number The Old Bank

Street 187a Ashley Road

Post town Hale

County/Region Cheshire


Postcode W A 1 5 9 S Q

Country

② Other liquidator
Use this section to tell us about
another liquidator.

WU07

Notice of progress report in a winding-up by the court

6	Period of progress report								
From date	^d 0	^d 1	^m 0	^m 6	^y 2	^y 0	^y 1	^y 7	
To date	^d 3	^d 1	^m 0	^m 5	^y 2	^y 0	^y 1	^y 8	
7	Progress report								
	<input type="checkbox"/> The progress report is attached								
8	Sign and date								
Liquidator's signature	Signature X  X								
Signature date	^d 0	^d 5	^m 0	^m 7	^y 2	^y 0	^y 1	^y 8	

WU07

Notice of progress report in a winding-up by the court

 **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 **Molly Monks**

Company name **Milner Boardman & Partners**

Address **The Old Bank**
187a Ashley Road

Post town **Hale**

County/Region **Cheshire**

Postcode **W A 1 5 9 S Q**

Country

DX

Telephone **0161 927 7788**

 **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.

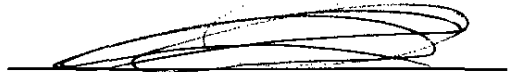
 **Further information**

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

Retail Acquisitions Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 01/06/2017 To 31/05/2018 £	From 01/06/2017 To 31/05/2018 £
COST OF REALISATIONS		
Sec of State Fees	11,000.00	11,000.00
Bank Charges	88.00	88.00
	<u>(11,088.00)</u>	<u>(11,088.00)</u>
	<u>(11,088.00)</u>	<u>(11,088.00)</u>
 REPRESENTED BY ISA NIB		 <u>(11,088.00)</u>
		<u>(11,088.00)</u>


 Molly Monks
 Joint Liquidator



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

**RETAIL ACQUISITIONS LIMITED-
IN LIQUIDATION**

**In the High Court of Justice
No. 5520 of 2016**

Joint Liquidators' Progress Report

Covering the Period
1 June 2017 to 31 May 2018

5 July 2018

Produced by
Milner Boardman and Partners
The Old Bank
187A Ashley Road
Hale
Cheshire
WA15 9SQ

Our Ref: DTB/MM/2588/24

Joint Liquidators'
Progress Report



CONTENTS

1. Statutory Information
2. Executive Summary
3. Receipts and Payments
4. Joint Liquidators Actions Since Appointment
5. Assets and Investigations
6. Liabilities
7. Dividend
8. Joint Liquidators' Remuneration
9. Joint Liquidators' Disbursements
10. Further Information
11. Summary

APPENDICES

- | | |
|--------------|---|
| Appendix I | Receipts and Payments Account |
| Appendix II | Proof of Debt Form |
| Appendix III | Milner Boardman and Partners' Time Analysis, Practice Fee Recovery Policy & Provision of Services Summary |
| Appendix IV | Duff & Phelps' Time Analysis |



1. Statutory Information

Company Name: Retail Acquisitions Limited (“the Company”)

Previous Name: Swiss Rock Ventures Limited

Company No: 09320475

Registered Office: c/o Milner Boardman & Partners (“MBP”)
The Old Bank
187a Ashley Road
Hale
Cheshire
WA15 9SQ

Former Registered Office: c/o Calder & Co
16 Charles II Street
London
SW1Y 4NW

Principal Trading Activity: Holding Company

Joint Liquidators: Darren Brookes and Molly Monks of MBP
Philip Duffy of Duff & Phelps Limited (“D&P”)

Joint Liquidators’ Addresses: MBP
The Old Bank
187a Ashley Road
Hale
Cheshire
WA15 9SQ

D&P
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Previous Liquidator: Gary Corbett of MBP

Please note that Gary Corbett has now retired from MBP. It was therefore necessary to make an application to Court to transfer all of his appointments. On 25 September 2017, a Court Order was made removing Gary Corbett as Joint Liquidator of the Company and appointing Molly Monks of MBP as Joint Liquidator.



Date of Appointment: 1 June 2017

Court Name: High Court of Justice, Chancery Division, Companies Court

Court Number: 5520 of 2016

2. Executive Summary

- 2.1 The primary business activity of the Company was a holding company to act as a special purpose vehicle to acquire BHS Group Limited (“BHSG”) and any other objects stated in the memorandum of association of the Company. It also claimed that it provided management services to BHSG.
- 2.2 On 7 September 2016, a winding up petition was presented to Court by BHSG c/o Philip Duffy and Benjamin Wiles of Duff & Phelps, The Shard, 32 London Bridge Street, London, SE1 9SQ against the Company. On 3 May 2017, a winding up order was issued by the Court and the Company was placed into Liquidation
- 2.3 Information provided by the Official Receiver, did not provide any details of any assets belonging to the Company that may be realised for the benefit of the Liquidation.
- 2.4 The Liquidation remains open as the investigation into the Company’s affairs remains ongoing. Further information is provided at Sections 5 and 7. Until these investigations are concluded, the prospect of a dividend to creditors is unknown.
- 2.5 The Joint Liquidators are licenced to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association and, as Insolvency Practitioners, when carrying out all professional work relating to an insolvency appointment we are bound by the Insolvency Code of Ethics, as well as by the regulations of our professional body. We confirm that we have not identified any threats to the ethical fundamental principles in respect of this case.
- 2.6 To comply with the Provision of Services Regulations, some general information about MBP, including about our complaints policy and Professional Indemnity Insurance, can be found at Appendix III. For information in relation to DP, please contact David.Martin@duffandphelps.com.

3. Receipts and Payments

- 3.1 A receipts and payments account for the period 1 June 2017 to 31 May 2018 is enclosed with this report at appendix I. This has been reconciled with the Insolvency Service Account (“ISA”).
- 3.2 There have been no receipts during the period of this report.



-
- 3.3 The only payments made have been in respect of a Secretary of State charge in the sum of £11,000 and ISA bank charges in the sum of £88. There is a debit balance of £11,088 in the ISA.
- 3.4 The petitioning costs in this matter are £91,359.90 plus VAT and Counsel's costs are £27,733.33 plus VAT.
- 3.5 This is an interest-bearing account.

4. Joint Liquidators' Actions Since Appointment

- 4.1 In addition to the investigation work carried out since appointment, as detailed at Section 5, there is certain work we are required by the insolvency legislation to undertake in connection with the Liquidation which provides no financial benefit of the creditors, as detailed at Section 8.

5. Assets and Investigation

- 5.1 As previously advised, the last set of filed accounts for the period ended 30 December 2014 are abbreviated and illustrate that the Company's only asset was £1,000 cash in hand.
- 5.2 The Petition contained management accounts as at 31 October 2015 which were thought to be provided by an ex-director of the Company, we have been unable to verify its contents but this remains an ongoing matter.
- 5.3 Whilst the Statement of Affairs provided by the Official Receiver did not include any assets, it was brought to our attention that there were a number of transactions that require further investigation. The Joint Liquidators' investigations into the Company's affairs, including loans, disposal of assets and other transactions, are still ongoing. The investigation in respect of these transactions is wide ranging and complex by nature and has required us to interact with a large number of different individuals and corporate entities. Whilst considering the investigation requirements, public interest, potential recoveries, financial means available to fund the investigation and the likely costs involved have all been considered.
- 5.4 The Joint Liquidators cannot, at this stage, disclose progression made in the investigations to avoid prejudicing any actions that may be required or any potential recoveries.
- 5.5 The Joint Liquidators will keep the creditors informed of any significant developments, as pursuing such claims can be timely and expensive, sometimes resulting in little return to the creditors.



6. Liabilities

6.1 Secured Claims

6.1.1 There are no charges registered over the assets of the Company filed at Companies House.

6.2 Prescribed Part

6.2.1 There are provisions of the insolvency legislation that require a Liquidator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property" ("prescribed part"). A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. Any costs of the liquidation that are payable before the Liquidator has reached a position to make a distribution to the floating charge holder have to be deducted from floating charge realisations before arriving at an amount for the "net property" of the Company. As a result, the costs associated with realising floating charge assets, paying preferential claims in full, the general costs of winding up and the costs of confirming the validity of the floating charge will have to be deducted before the "net property" is calculated. The "prescribed part" that the Liquidator then has to set aside for unsecured creditors is:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;
- up to a maximum of £600,000.

6.2.2 As there are no registered charges, the prescribed part provisions do not apply in this case.

6.3 Preferential Creditors

6.3.1 It is understood that the Company was not a principal employer and therefore there are no preferential liabilities anticipated.

6.4 Unsecured Creditors

6.4.1 Information provided by the Official Receiver confirmed three non-preferential unsecured creditors with an estimated total liability of £10,449,332, being: -

Arcadia Group Limited	£3,500,000
BHSG	£5,981,872
"Payroll"*	£967,460

*believed to be the Pensions Regulator ("the PR")

6.4.2 The following claims have been received totalling £19,390,574: -

Arcadia Group Limited	£9,650,892
H M Revenue & Customs	£14,697
The Pension Protection Fund	£9,592,985



Ruby London	£132,000
BHSG	£5,981,872

- 6.4.3 The above claims will be adjudicated upon by the Joint Liquidators once they are in a position to pay a dividend.

7. Dividend

- 7.1 It is unknown whether or not a dividend will be paid to the unsecured creditors at this stage. It will depend on the outcome of the investigation and any claims that the Company may have. Due to the complex nature of the Liquidation, it may be some considerable time before investigation is concluded and the potential realisations are known.
- 7.2 A proof of debt is enclosed at appendix II, and if you have not already lodged one you should now complete and return it to me, together with evidence in support of your claim.

8. Joint Liquidators' Remuneration

- 8.1 On 1 August 2017 creditors approved the Joint Liquidators' remuneration on a time cost basis as follows:-

MBP's fees will be charged by reference to the time properly spent by them and their staff in dealing with the matters relating to the Liquidation, subject to a discount of 10%, based on a fee estimate of £84,675.

D&P's fees will be charged by reference to the time properly spent by them and their staff in dealing with the matters relating to the Liquidation, subject to a discount of 15%, based on a fee estimate of £64,810 for the first year.

- 8.2 The fee estimation acts as a cap and we cannot draw remuneration in excess of that amount without first seeking creditor approval.
- 8.3 As you can see from the attached summary at appendix III, the time costs to 31 May 2018 incurred by MBP are £53,507 representing 179.40 hours at an average charge out rate of £298.26. The actual blended charge out rate is less than the estimated charge out rate of £294.01 in my fee estimate. No fees have been drawn to date.
- 8.4 As you can see from the attached summary at appendix IV, the time costs to 31 May 2018 incurred by D&P are £31,595.75 representing 89.3 hours at an average charge out rate of £353.82. The actual blended charge out rate is less than the estimated charge out rate of £397.61 in D&P's fee estimate. No fees have been drawn to date. On the basis that the time costs incurred by D&P for the first year are below the fee estimate indicated for the first year of the Liquidation, no further estimate will be submitted for subsequent years at this stage.



- 8.5 Based on current information it is anticipated that MBP's and D&P's costs for the whole Liquidation will remain within the fee estimate previously provided, however this will be subject to review dependant on the progress and outcome of the investigation.
- 8.6 Further information about creditors' rights can be found by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at www.creditorinsolvencyguide.co.uk. A copy of a Creditors' Guide to fees can be found at www.milnerboardman.com, click on "Useful Links" and then "Creditor's Guide to Liquidators fees". Please refer to version 3 "Guide to Liquidator's Fees" issued in October 2015, plus version 4 issued in April 2017, or alternatively a hard copy may be requested from this office. Please note that we have also provided further details in the Practice Fee Recovery Sheet at Appendix III. Please be advised that the charge out rates of the MBP changed on 1 June 2017 as included in the Practice Fee Recovery Sheet. The only change relates to the introduction of an 'appointment taker' rate of £295 which is included in the 'manager' category.
- 8.7 The areas where time costs have been incurred are 'Administration and Planning', 'Investigations', 'Realisation of Assets' and 'Creditors' which are discussed in more detail below:
- 8.8 Administration and Planning**
- 8.8.1 A total of £55,112.75 has been spent on administration and planning of which £47,494.50 has been spent by MBP and £7,618.25 by D&P. Work includes time spent on carrying out the following tasks:
- Case planning – internal strategic discussions and meetings and completing case reviews.
 - Complying with anti-money laundering, bribery act and ethical checks.
 - Attending meetings and sharing information between the Joint Liquidators.
 - Setting up the case on internal systems and on the creditors' portal website.
 - Issuing the statutory notifications to creditors and other required on appointment as Joint Liquidators, including gazetting the Joint Liquidators' appointment and filing the relevant notices at Companies House.
 - Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
 - Reviewing the adequacy of the specific penalty bond on a quarterly basis.
 - Convening and holding a decision procedure.
 - Dealing with all routine correspondence and emails relating to the case.
 - Maintaining and managing the Joint Liquidators' ISA and cashbook.
 - Undertaking regular reconciliations of the bank account.
 - Undertaking periodic reviews of the progress of the case.



- Overseeing and controlling the work done on the case by case administrators.
- Preparing and filing VAT returns.
- Preparing and filing CT returns.
- Requesting the surrender of the physical and electronic books and records of the Company.
- Recovering the books and records for the case.
- Listing the books and records recovered.
- Various searches, including but not limited to Registrar of Companies and Land Registry searches, for additional documentation to assist with the investigation.
- Completion of Statutory Reporting

8.2 Investigations

8.2.1 A total of £23,882.50 has been spent on dealing with investigations of which £1,799.50 has been spent by MBP and £22,083 by D&P. Provided below are further details of the work carried out:-

- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.
- Reviewing books and records to identify any transactions or actions the Joint Liquidators may take against a third party in order to recover funds for the benefit of creditors.
- Gathering information for the solicitors and Counsel instructed in this matter.
- Liaising with the Company's bankers to request historic bank statements for the Company.
- Review of bank statements.
- Investigation of any potential claims with regard to antecedent transactions.
- Logging and reviewing any creditor complaints and concerns regarding director conduct.
- Internet and social media searches.

8.2.2 The Joint Liquidators are aware that there are specific matters to be investigated but cannot at this stage provide further detail of the work to be undertaken as it may hamper any further action that may be required.

8.3 Realisations of Assets

8.3.1 A total of £51 has been spent on dealing with the realisation of assets all of which has been incurred by MBP. We liaised with the Company's bank regarding the closure of the accounts, there was no credit balance available.

8.4 Creditors

8.4.1 A total of £6,056.50 has been spent on dealing with creditors of which £4,162 has been incurred by MBP and £1,894.50 by D&P. Time spent includes:-

- Dealing with creditor correspondence, emails and telephone conversations regarding claims in the Liquidation.
- Maintaining up to date creditor information on the case management system.
- Reviewing and lodging proofs of debt received from creditors.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
- Reviewing the findings by the PR.
- Making the relevant arrangements with the Company's pension scheme provider.

8.5 It should be noted that MBP raised an invoice to BHSG in the sum of £17,000 plus VAT in relation to work that MBP has carried out in relation to the Liquidation. This has been paid in full.

9. Joint Liquidators' Disbursements

9.1 With regard to disbursements, specific expenditure relating to the administration of the insolvent's estate and payable to an independent third party is recoverable without creditor approval. Payments made in respect of the above are defined as "Category 1 disbursements". We can confirm that Category 1 disbursements incurred in this case total £72,911.04 since appointment.

9.2 Neither MBP nor D&P have drawn any Category 1 disbursements in this case to date.

9.3

Type of expense	Previously Provided Estimated Expenses (£)	Amount incurred in reporting period (£)	Amount still to be paid in reporting period (£)
Bond (MBP)	44	44	44
Bond (DP)	225	225	225
Storage (DP)	200	0	0
Statutory Advertising	74.25	74.25	74.25
Land Registry Fees	11	11	11
Legal Fees	20,000	72,423	72,423
Legal Disbursements	300	51.23	51.23
Legal Disbursements (Court Application for Transfer)	0	82.56	82.56



- 9.4 As previously advised, I anticipate that there will be further statutory advertising costs of £74.25 plus VAT for advertising the meeting by correspondence within the London Gazette and dependent on whether there is a dividend to creditors, the 'Notice of Intended Dividend' may also need to be filed within the London Gazette. The cost of the statutory advertising has increased to £76.59 plus VAT.
- 9.5 Expenditure incidental to the administration of the insolvent's estate, which by its nature includes an element of shared or allocated costs, are recoverable with creditors' approval. Payments in respect of this type of expense are referred to as "Category 2 disbursements". Category 2 disbursements include staff mileage costs. MBP have not charged Category 2 disbursements. D&P estimated that £100 would be incurred for mileage. Creditors approved that D&P be permitted to recover their Category 2 disbursements, but nothing has been incurred to date.
- 9.6 The Company was registered for VAT purposes, therefore VAT is recoverable for the benefit of the insolvent's estate. However, there is no VAT to be reclaimed to date.
- 9.7 We have used the following agents or professional advisors in this reporting period:

Agent/Professional Advisor	Nature of work	Basis of fees
DLA Piper ("DLA")	Solicitor	Time costs
N J Goodman & Co ("NJG")	Solicitor (Court Application for Transfer)	Fixed fee

- 9.8 The professional advisors were selected on a basis of our perception of their experience and ability to perform this type of work and nature and complexity of the assignment and the basis of our fee arrangement with them. The fees charged are yet to be reviewed and determined upon as to whether they are reasonable in the circumstances.
- 9.9 As detailed above, we have instructed DLA, to provide their advice in respect of the ongoing investigation and to establish whether the Joint Liquidators could recover any funds for the benefit of creditors. DLA are continuing to advise the Joint Liquidators in this matter.
- 9.10 The legal fees of £82.56 incurred by NJG relate to the application for the block transfer order replacing Gary Corbett with Molly Monks as Joint Liquidator. The Court ordered that the fee for dealing with the block transfer order could be apportioned equally between all cases.
- 9.11 The legal fees have exceeded the initial estimation due to the previous costs estimate included conducting preliminary work in the Liquidation; including securing RAL's books and records, conducting an initial review of the books and records to consider the assets of the Company and any potential claims. DLA were faced with a lack of co-operation from various parties in obtaining the books and records of the Company, which contributed towards an increase in time costs. DLA have also undertaken additional work, which includes:



- Correspondence with the Company's advisors and others to obtain a complete set of books and records and advising the Liquidators in relation to the same;
- Corresponding with The Pension Regulator and Secretary of State;
- Drafting instructions to Counsel to advise on the prospects of potential claims;
- Considering evidence of challengeable transactions and excessive payments and writing to various parties to request information in relation to the same; and
- Advising the Liquidators in relation to potential claims.

9.12 With the exception of legal fees, as you can see from the information provided in this report, the expenses we have incurred in this matter have not exceeded the total expenses we estimated.

9.13 As previously reported, the petitioning costs in this matter are £91,359.90 plus VAT and Counsel's costs are £27,733.33 plus VAT.

10. Further Information

10.1 An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Liquidators' remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

10.2 An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

11. Summary

11.1 This concludes the Joint Liquidators' progress report for the year ended 31 May 2018. The Liquidation will remain open until the investigation has been fully resolved, and it is known whether any recoveries will be made in this matter. Should recoveries be made, we will look to pay a dividend to creditors accordingly. Once this matter has been resolved, the Liquidation will be finalised, and the files closed. If the Liquidation has not been finalised, the next report is due within 2 months of the next year's anniversary, i.e. before 31 July 2019.



11.2 If creditors have any queries regarding the conduct of the Liquidation, they should contact Molly Monks by email at mollym@milnerboardman.co.uk or by phone on 0161 927 7788.

Yours faithfully
For and on behalf of
Retail Acquisitions Limited



Molly Monks
Joint Liquidator



Appendix I

Receipts and Payments


**Retail Acquisitions Limited
(In Liquidation)**

**Joint Liquidators' Summary of Receipts and Payments
To 31 May 2018**

RECEIPTS	Statement of Affairs (£)	Total (£)
		0.00
PAYMENTS		
Sec of State Fees		11,000.00
Bank Charges		88.00
		11,088.00
Net Receipts/(Payments)		(11,088.00)

MADE UP AS FOLLOWS

ISA NIB	(11,088.00)
	<u>(11,088.00)</u>


Molly Monks
Joint Liquidator



Appendix II Proof of Debt Form

PROOF OF DEBT
Under Rule 14.4 The Insolvency (England and Wales) Rules 2016

Retail Acquisitions Limited - In Compulsory Liquidation
In the High Court of Justice Number 5520 of 2016
Company Number 09320475

Date of liquidation 7 September 2016

1	Name of creditor:	
2	Address of creditor:	
3	Claim, including VAT, as at date of Liquidation: Less: any payments made after that date in relation to the claim; any deduction for discounts (except a discount for immediate or early settlement) which would have been available but for the insolvency proceedings; and any adjustment as a result of set-off Total claim, including VAT	£ £ £
4	The amount of any uncapitalised interest that is include in the claim, if any.	£
5	Particulars of how and when the debt was incurred	
6	Please provide details of any documents by which debt can be substantiated: <i>(Notes - copies need not be supplied unless specifically requested by the office holder)</i>	

7	Particulars and value of any security held and the date it was given:	
8	Signature of creditor or authorised person: NAME, IN BLOCK LETTERS: Creditor's reference:	
9	Position or relationship with creditor: <i>(eg, director, accountant, credit controller etc)</i>	

Guidance notes re preferential debts:

For claims arising in insolvencies commencing on or after 15 September 2003 the categories of preferential debts under section 386(1) of the Insolvency Act 1986, are as follows:

- (a) pension scheme contributions;
- (b) remuneration etc of employees;
- (c) levies on coal and steel production.

VAT bad debt relief

The provisions of the Finance Act 1990, came into effect on 26 July 1990, and introduced changes in the way that VAT on bad debts is recovered.

Your claim overleaf must be quoted inclusive of VAT. You may claim relief on your VAT return when the debt is at least six months old and has been written off. This system can also be applied to debts for any supplies made between 1 April 1989, and 25 July 1990, and such debts must be claimed gross overleaf. Any dividend you receive in respect of this claim will include payment in respect of the VAT element of your debt and you will be responsible for declaring such VAT to HM Revenue & Customs.



Appendix III
Milner Boardman & Partners' Time Analysis,
Practice Fee Recovery Policy and Provision
of Services Summary

From 1 Jun 2017 to 31 May 2018

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	46.10	110.20	0.00	2.70	159.00	47,494.50	298.71
Investigations	0.00	6.10	0.00	0.00	6.10	1,799.50	295.00
Realisation of Assets	0.00	0.20	0.00	0.00	0.20	51.00	255.00
Creditors	2.70	11.40	0.00	0.00	14.10	4,162.00	295.18
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	18,056.00	34,978.50	0.00	472.50		53,507.00	
Total Hours	48.80	127.90	0.00	2.70	179.40		
Average Rate	370.00	273.48	0.00	175.00			

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR MILNER BOARDMAN & PARTNERS

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

Licensing Body

Darren Brookes and Molly Monks are licensed to act as Insolvency Practitioners in the United Kingdom by the Insolvency Practitioners Association ("IPA").

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences Darren Brookes and Molly Monks of Milner Boardman & Partners can be found at - <http://www.insolvency-practitioners.org.uk>. In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

Complaints

In the first instance, you should contact the Insolvency Practitioner ("IP") acting as office holder. Please note that within Milner Boardman & Partners there are two Licensed Insolvency Practitioners; Darren Brookes and Molly Monks.

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer Molly Monks. However, if your complaint is regarding Molly Monks then please contact Darren Brookes.

We will lodge your complaint and open a file, this will be done immediately. We will then investigate your complaint and report to you as soon as possible, usually within five business days.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gsi.gov.uk; or you may phone 0300 678 0015. Information on the call charges that apply is available at <https://www.gov.uk/call-charges>.

Professional Indemnity Insurance

Milner Boardman & Partners' Professional Indemnity Insurance is provided by Nexus Underwriting Limited of 150 Leadenhall Street, London EC3V 4QT.

VAT

Milner Boardman & Partners is registered for VAT under registration no 693 3180 22.

PRACTICE FEE RECOVERY POLICY FOR MILNER BOARDMAN & PARTNERS

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (RB) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.insolvency-practitioners.org.uk. Alternatively a hard copy may be requested from Milner Boardman & Partners. Please note, however, that the guides have not yet been updated for the revised legislation, so we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Charge Out Rates

Grade of staff	Current charge-out rate per hour, effective from 1 June 2017 £	Previous charge-out rate per hour, effective from 1 April 2015 £	Previous charge-out rate per hour, effective from 1 November 2008 £
Director	370	370	295 to 370
Appointment Taker	295	N/A	N/A
Senior Manager	255	255	N/A
Manager	215	215	215
Case Administrator	175	175	175
Support Staff	175	175	175

These charge-out rates charged are reviewed each year and may be adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning
- Investigations
- Realisation of Assets
- Creditors
- Trading
- Case specific matters

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we now only seek time costs for the following categories, where applicable:

- Investigations
- Distributions
- Trading

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' Voluntary Liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to Members' Voluntary Liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

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

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 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 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Milner Boardman & Partners; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements incurred in administering the case will be charged as follows:

Room Hire	£30 per hour
Mileage	0.45p per mile (in accordance with HMRC approved rates)
Photocopying	10p per sheet (circulars to creditors only)



Appendix IV Duff & Phelps' Time Analysis

80564 RETAIL ACQUISITIONS LIMITED

ANALYSIS OF LIQUIDATORS TIME COSTS FOR THE PERIOD 01/06/2017 to 31/05/2018

CML-Compulsory Liquidation

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	0.00	0.00	0.30	0.00	0.00	0.30	96.00	320.00
General admin	0.00	0.00	0.00	13.05	0.00	13.05	2,246.75	172.16
General correspondence	0.00	0.00	2.20	0.70	0.00	2.90	753.00	259.66
IPS set up & maintenance	0.00	0.00	0.00	1.60	0.00	1.60	190.50	119.06
Statutory matters (Meetings & Reports & Notices)	0.00	0.00	6.70	0.00	0.00	6.70	1,909.50	285.00
Strategy planning & control	0.00	0.00	8.50	0.00	0.00	8.50	2,422.50	285.00
Creditors								
Unsecured creditors	0.00	0.00	5.70	1.50	0.00	7.20	1,894.50	263.13
Investigations								
Financial review and investigations (S238/239 etc)	0.00	0.00	4.30	0.00	0.00	4.30	1,225.50	285.00
Total Hours:	0.00	0.00	27.70	16.85	0.00	44.55		241.04
Total Fees Claimed: £	0.00	0.00	7,905.00	2,833.25	0.00		10,738.25	

80564 RETAIL ACQUISITIONS LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 01/06/2017 to 31/05/2018

Disputes & Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	16.75	7.50	0.00	0.00	20.50	44.75	20,857.50	466.09
Total Hours:	16.75	7.50	0.00	0.00	20.50	44.75		466.09
Total Fees Claimed: £	12,055.00	3,635.00	0.00	0.00	5,167.50		20,857.50	