

TO ALL KNOWN CREDITORS

06 February 2025

Ref: LW/JB/AH/HW/SGPLC01/SSP01

Email: SGPLCcomms@uk.ey.com

Dear Sir/Madam

Saietta Group Plc (in Administration) (“the Company”)

As you will be aware, the above-named Company entered Administration on 4 March 2024 and Daniel Hurd and I were appointed to act as Joint Administrators.

On 26 April 2024 our Statement of Joint Administrators’ Proposals (“the Proposals”) were approved by creditors by deemed consent. A copy of our Proposals as required by paragraph 49 of Schedule B1 to the Insolvency Act 1986 can be viewed and downloaded from

https://www.ey.com/en_uk/administrations/saietta-group-plc-and-saietta-sunderland-plant-limited.

In accordance with Rule 18.18, we must seek a decision from creditors on the basis of our remuneration and payment of pre-Administration costs and category 2 expenses. In this regard, we would refer you to our fee estimate and details of expenses attached dated 6 February 2025.

We intend to seek a decision on this matter by correspondence. Accordingly, I enclose formal notice of the decision procedure and a voting form and notice of claim form. Please would you complete both the voting form and the notice of claim form and return them to me, either by post to Ernst & Young LLP, The Paragon, Counterslip, Bristol, BS1 6BX or by email SGPLCcomms@uk.ey.com, to arrive no later than 23:59 hours on 7 March 2025.

The Insolvency (England and Wales) Rules 2016 require that whenever a decision is sought from creditors, they must also be invited to establish a creditors’ committee if, as in this case, a committee is not already in existence. Accordingly, the attached notice and voting form include a resolution on whether a committee should be formed. In order for a committee to be formed, at least 3 creditors must be willing to serve on the committee and they must give their consent in writing.

If you vote in favour of establishing a committee, please also complete the nomination section of the voting form and, unless you are nominating yourself, include the appropriate written consent(s) to act with your completed voting form. If there are less than 3 valid nominations, a committee will not be established. If there are at least 3 and no more than 5 valid nominations, a committee will be formed with the nominated creditors. In the event that there are more than 5 valid nominations, I shall put the nominations to a vote by the general body of creditors.

Should you have any questions please contact Ayse Hassan at this office on SGPLCcomms@uk.ey.com.

Yours faithfully
For the Company



Lucy Winterborne
Joint Administrator

Enc: Notice of decision procedure with voting form
Notice to creditors – invitation to form a creditors committee
Creditors notice of claim for voting purposes
Summary of receipts and payments from 4 March to 5 February 2025

Lucy Winterborne is licensed in the United Kingdom to act as an insolvency practitioner by The Insolvency Practitioners Association in England and Wales. D C Hurd is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointment.

The affairs, business and property of the Company are being managed by the Joint Administrators, L Winterborne and D C Hurd, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrator's appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

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Notice to creditors of decision procedure

Rules 3.39(4), 15.8 and 18.18 of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice, Business and Properties Court, of England and Wales, Insolvency and Companies List (ChD)
Case number:	CR 2024 001341
Registered name of the company:	Saietta Group Plc (in Administration)
Other trading name(s) or style(s) of the company:	None
Any other registered name in the 12 months prior to administration:	N/A
Registered number:	06744840
Registered office address:	c/o Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX Formerly: Fieldfisher Riverbank House 2 Swan Lane London EC4R 3TT
Principal trading address (if different from above):	Unit 1500A Silverstone Park Silverstone Towcester Northamptonshire NN12 8FU
Date on which the company entered administration:	4 March 2024
Date of appointment of Joint Administrators:	4 March 2024
Details of extension of the Administration:	The Adminsitration has been extended to 3 March 2026 with consent of creditors
Full names of the administrators:	Lucy Winterborne Daniel Christopher Hurd
Office holder number(s):	21130 / 20030

Name of court:

High Court of Justice, Business and Properties
Court, of England and Wales, Insolvency and
Companies List (ChD)

Details of the joint administrators:

Lucy Winterborne
Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

Daniel Christopher Hurd
Ernst & Young LLP
1 Colmore Square
Birmingham
B4 6HQ

Email: SGPLCcomms@uk.ey.com

Name of alternative person to contact about the Administration: Ayse Hassan

NOTICE IS HEREBY GIVEN that the Joint Administrators of the above-named Company are seeking a decision from creditors by correspondence on the following matter(s):

1. That the Joint Administrators' remuneration be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Administration as set out in the fee estimate dated 5 February 2025
2. That, in accordance with the provisions of Rule 3.52 of the Insolvency (England and Wales) Rules 2016, the payment of unpaid pre Administration costs as disclosed in the Joint Administrators' statement of expenses and Proposals to creditors can be met as an expense of the Administration.
3. That the category 2 expenses disclosed in the Joint Administrators' statement of expenses and Proposals are permitted to be drawn by the Joint Administrators.

Rule 3.39(4) of the Insolvency (England and Wales) Rules 2016 provides that at any time when an administrator seeks a decision from creditors and a creditors' committee has not already been formed, creditors must be invited to decide whether to establish a creditors' committee if sufficient creditors are willing to be members of the committee. A formal invitation and nomination form is attached.

Creditors wishing to vote on the basis of remuneration, including any creditors who have opted out of receiving notices but nonetheless wish to vote, must complete and return the attached voting form and claim form, and return them to me by post at Ernst & Young LLP, The Paragon, Counterslip, Bristol, BS1 6BX, or email to SGPLCcomms@uk.ey.com to be received no later than 23:59 hours on 7 March 2025 (**the decision date**). Votes in respect of claim forms received after this time will be disregarded.

Creditors whose debts may be treated as small debts in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a claim form if they wish to vote. A creditor may apply to court to appeal a decision on eligibility to vote in the decision procedure. Any appeal must be made no later than 21 days after **the decision date**.

Creditors who meet the thresholds set out in section 246ZE of the Insolvency Act 1986 namely 10% in value of creditors, 10% in number of creditors or 10 creditors) may, within five business days from the date of delivery of this notice, require a physical meeting to be held to consider the proposed resolution(s).

Signed

A handwritten signature in blue ink, appearing to read 'Lucy Winterborne', written in a cursive style.

Lucy Winterborne
Joint Administrator

6 February 2025

Saietta Group Plc (in Administration)

Voting form

Resolutions

4. That the Joint Administrators' remuneration be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Administration as set out in the fee estimate dated 5 February 2025.

FOR/AGAINST

5. That, in accordance with the provisions of Rule 3.52 of the Insolvency (England and Wales) Rules 2016, the payment of unpaid pre Administration costs as disclosed in the Joint Administrators' statement of expenses dated 5 February 2025 and Proposals to creditors can be met as an expense of the Administration.

FOR/AGAINST

6. That the category 2 expenses disclosed in the Joint Administrators' statement of expenses 5 February 2025 and Proposals are permitted to be drawn by the Joint Administrators.

FOR/AGAINST

Signature _____

Name of signatory _____

On behalf of
(name of creditor) _____

Date _____

Notice to creditors – invitation to form a creditors’ committee
Rule 3.39, Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice, Business and Properties Court, of England and Wales, Insolvency and Companies List (ChD)
Case number:	CR 2024 001341
Registered name of the company:	Saietta Group Plc (in Administration)
Other trading name(s) or style(s) of the company:	None
Any other registered name in the 12 months prior to administration:	N/A
Registered number:	06744840
Registered office address:	c/o Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX Formerly: Fieldfisher Riverbank House 2 Swan Lane London EC4R 3TT
Principal trading address (if different from above):	Unit 1500A Silverstone Park Silverstone Towcester Northamptonshire NN12 8FU
Date on which the company entered administration:	4 March 2024
Date of appointment of Joint Administrators:	4 March 2024
Details of extension of the Administration:	The Administration has been extended to 3 March 2026 with consent of creditors

Details of the Joint Administrators

Lucy Winterborne
Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

Daniel Christopher Hurd
Ernst & Young LLP
1 Colmore Square
Birmingham
B4 6HQ

Email: SGPLCcomms@uk.ey.com

Name of alternative person to contact about the Administration: Ayse Hassan

Invitation to form a creditors' committee

Creditors are invited to decide whether a creditors' committee should be formed if sufficient creditors are willing to be members of the committee. Information on the role of committees can be found at <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>

To be validly established, a committee must have at least three and not more than five members, who must have agreed to act.

Should you wish to form a committee, please follow the instructions in the nomination form attached to this notice and return the completed nomination form, with written agreements to act where appropriate, to me at the above address to arrive no later than 7 March 2025. Nominations can only be accepted if I am satisfied as to the creditor's eligibility under Rule 17.4 of the Insolvency (England and Wales) Rules 2016.



Signed
Lucy Winterborne
Joint Administrator

6 February 2025

Saietta Group Plc (in Administration)

Nominations for creditors’ committee

You may nominate up to five creditors of the Company. Please note that before a person can act as a member of a creditors’ committee that person must agree to do so.

In the event that more than five valid nominations are received, the five receiving the most votes will be appointed.

When you have completed this form, please return it with the creditor’s written agreement to act (unless you are nominating yourself or your own organisation) to Lucy Winterborne at Ernst & Young LLP, The Paragon, Counterslip, Bristol, BS1 6BX to arrive no later than the closing date stated on the notice of invitation to form a committee.

I nominate:

(Name of creditor)_____ of

(Address)_____

(Name of creditor)_____ of

(Address)_____

(Name of creditor)_____ of

(Address) _____

(Name of
creditor) _____ of

(Address) _____

(Name of
creditor) _____ of

(Address) _____

to be appointed as (a) member(s) of the creditors' committee.

Signature _____

Name of signatory _____

On behalf of
(name of creditor) _____

Date _____

The Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016

Administration Notice of Claim for Voting Purposes

Saietta Group Plc (in Administration)

Date of Administration: 4 March 2024

PLEASE NOTE: Once completed, this form will be used by the Joint Administrators ONLY for the purposes of voting in a creditors' decision procedure or a requisitioned meeting of creditors. The form will not constitute admission of the claim to rank for dividend in this or any subsequent procedure. For further information see Rules 15.28 to 15.35 of the Insolvency (England and Wales) Rules 2016.

Name of creditor

Address

Amount claimed, after deductions for payments made post-Administration or adjustments for set off (see notes overleaf)

Is the claim preferential or secured?

If secured, value of security

If you have made a retention of title claim against the company please attach details (see over)

Signature on behalf of creditor

Date

File with SGPLCcomms@uk.ey.com

Reviewed by

Notes to Administration Notice of Claim for Voting Purposes:

1. Please attach a detailed statement of your account as at the date on which the Company entered administration.
2. If you have claimed retention of title please provide details, including the value of any payments made, or goods returned, to you in respect of your claim.
3. If your claim is preferential (e.g. for wages, holiday pay or certain pension arrears) or secured please give details and attach supporting documentation.
4. VAT bad debt relief may usually be claimed six months after the date of supply.

Extracts from the Insolvency (England and Wales) Rules 2016:

15.31 Calculation of voting rights

- (1) Votes are calculated according to the amount of each creditor's claim -
 - (a) in an Administration, as at the date on which the Company entered Administration, less -
 - (i) any payments that have been made to the creditor after that date in respect of the claim, and
 - (ii) any adjustment by way of set-off which has been made in accordance with rule 14.24 or would have been made if that rule were applied on the date on which the votes are counted; ...
- (4) Where a debt is wholly secured its value for voting purposes is nil.
- (5) Where a debt is partly secured its value for voting purposes is the value of the unsecured part.
- (6) However, the value of the debt for voting purposes is its full value without deduction of the value of the security in the following cases -
 - (a) where the Administrator has made a statement under paragraph 52(1)(b) of Schedule B1 and the administrator has been requested to seek a decision under paragraph 52(2); ...
- (7) No vote may be cast in respect of a claim more than once on any resolution put to the meeting; and for this purpose (where relevant), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.
- (8) A vote cast in a decision procedure which is not a meeting may not be changed.
- (9) Paragraph (7) does not prevent a creditor or member State liquidator from -
 - (a) voting in respect of less than the full value of an entitlement to vote; or
 - (b) casting a vote one way in respect of part of the value of an entitlement and another way in respect of some or all of the balance of that value.

15.32 Calculation of voting rights: special cases

- (1) In an Administration, a creditor under a hire-purchase agreement is entitled to vote in respect of the amount of the debt due and payable by the Company on the date on which the Company entered Administration.
- (2) In calculating the amount of any debt for the purpose of paragraph (1), no account is to be taken of any amount attributable to the exercise of any right under the relevant agreement so far as the right has become exercisable solely by virtue of -
 - (a) the making of an Administration application;
 - (b) a notice of intention to appoint an Administrator or any matter arising as a consequence of the notice; or
 - (c) the Company entering Administration.

Saietta Group Plc (in Administration)

Joint Administrators' Summary of Receipts and Payments

Statement of Affairs Estimated to Realise (£)		04 March 2024 to 5 February 2025	
£		Receipts	£
823,414.15		Cash at date of appointment	859,672.80
1,665,000.00		Plant & Machinery	1,976,445.00
860,000.00		Intellectual property	847,297.00
		Sunderland Assets	56,000.00
		Contribution to IT costs	1,443.32
		Stock	32,998.00
		Fixtures & fittings	2,500.00
		Motor vehicles	1.00
		Intellectual property licences	1.00
		Business Records	1.00
		Goodwill	1.00
		Licence to occupy income	163,739.56
294,424.61		Debtors not subj to Fx Ch	63,074.36
		Bank interest	58,279.94
		Sundry Income	100.00
			4,061,553.98
		Payments	
		Licence to occupy rental payments	153,357.18
		Utilities - Sunderland	24,479.71
		Sunderland Business Rates	54,469.77
		Hire of Equipment	14,340.89
		IT Costs	7,627.63
		Rent	158,383.56
		Gross Wages	96,194.94
		Employers NIC	10,810.74
		Employers Pension	7,065.13
		Agents' Fees	10,800.00
		Agents disbursements	13,660.38
		Legal Fees	85,740.00
		Legal disbursements	300.00
		Other Professional Fees	7,388.50
		Rentention of Title	36,000.00
		Irrecoverable VAT	1,320.00
		Insurance	1,150.00
		Intellectual Property Costs	320.20
		Public Notices	104.30
		Sundry Expenses	151.30
		Bank charges	122.50
		Professional Fees	5,710.00
			689,496.73
		Balances in hand	3,372,057.25
		Represented by	
		RBS-GBP-32897382-IB	3,342,234.68
		VAT Receivable	77,701.23
		VAT Payable	(48,002.44)
		Flt VAT Control Account	934.05
		Payroll Deductions Account	(810.27)
			3,372,057.25

Notes to R&P

1. Receipts and payments are stated net of VAT
2. All funds are held in interest bearing accounts

Saietta Group Plc (in Administration) (“the Company”)

1. Estimate of remuneration to be charged

The Joint Administrators will be seeking approval for their remuneration to be fixed on a time cost basis. In accordance with Rule 18.16(4) of the Insolvency (England and Wales) Rules 2016, they set out below their estimate of remuneration to be charged.

The estimate of remuneration is £1,954,465.40 plus VAT. An explanation of how this sum has been arrived at is set out below and a breakdown of the expected costs by grade of staff and key activity is attached on the following pages.

2. Explanation of the work proposed to be undertaken

The work undertaken can be categorised as either required by the Joint Administrators to fulfil their statutory duties pursuant to the Insolvency Act 1986 and Insolvency (England and Wales) Rules 2016 or to realise assets for the benefit of the creditors.

Basis of work	Category of work	Description of work to be completed	Work completed/ on-going/to be completed
Statutory	Administration & Planning	▶ Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost reporting.	▶ On-going
Statutory	Reporting	▶ Preparing the Joint Administrators' Statement of Proposals	▶ Completed
		▶ Preparing the Joint Administrators' six-month progress report(s) and seeking an extension of the administration.	▶ Completed
		▶ Preparing a final report to creditors in the Administration and conversion to Creditors Voluntary Liquidation.	▶ To be completed
Statutory	Creditors	▶ Correspondence with creditors and statutory reporting to creditors.	▶ On-going
		▶ Adjudicating creditor claims.	▶ On-going
		▶ Processing distributions to creditors (primary and secondary preferential distributions and unsecured creditor distribution.	▶ To be completed
Asset realisations	Debtors	▶ Reviewing the Company's debtor ledger and collection of certain debtor balances.	▶ On-going
Statutory	Employee Matters	▶ Assessing staffing requirements and making redundancies.	▶ Completed
		▶ Making statutory submissions to the relevant government departments.	▶ Completed
		▶ Dealing with employee enquiries.	▶ On-going
		▶ Processing employee claims (if applicable)	▶ Completed

		<ul style="list-style-type: none"> ▶ Administering payroll, including taxation and other deductions. ▶ Employee Tribunal Claim 	<ul style="list-style-type: none"> ▶ Completed ▶ On-going
Statutory	Immediate Tasks	<ul style="list-style-type: none"> ▶ Completion of work streams requiring immediate attention following the appointment of Joint Administrators. 	<ul style="list-style-type: none"> ▶ Completed
Statutory	Enquiries & Investigations	<ul style="list-style-type: none"> ▶ Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2: "Investigations by Office Holders". ▶ Making an online submission to the Director Conduct Reporting Service in accordance with the Company Directors Disqualification Act 1986. 	<ul style="list-style-type: none"> ▶ Completed ▶ Completed
Statutory	Job acceptance & strategy	<ul style="list-style-type: none"> ▶ Completion of job acceptance and planning of the administration strategy. 	<ul style="list-style-type: none"> ▶ Completed
Statutory	Legal issues	<ul style="list-style-type: none"> ▶ Dealing with certain contract novation's as required by the SPA. 	<ul style="list-style-type: none"> ▶ On-going
Statutory	Members	<ul style="list-style-type: none"> ▶ Corresponding with members and answering queries relating to their shareholdings in the Company. 	<ul style="list-style-type: none"> ▶ On-going
Asset realisations	Other Assets	<ul style="list-style-type: none"> ▶ Realising value from the Company' residual assets. ▶ Assessing, quantifying and seeking to realise value from assets not recorded in the management accounts of the Company at the date of appointment. 	<ul style="list-style-type: none"> ▶ Completed ▶ Completed
Statutory	Other Matters	<ul style="list-style-type: none"> ▶ Any ad hoc matters. 	<ul style="list-style-type: none"> ▶ On-going
Asset realisations	Property	<ul style="list-style-type: none"> ▶ Securing assets located at the Company's trading premises and supporting our agents Hilco with site clearance. ▶ Disposing of onerous leases. 	<ul style="list-style-type: none"> ▶ Completed ▶ On-going
Asset realisations	Retention of title	<ul style="list-style-type: none"> ▶ Responding to Retention of Title queries. 	<ul style="list-style-type: none"> ▶ Completed
Asset realisations	Sale of Business	<ul style="list-style-type: none"> ▶ Sale of business and assets post Administration; liaising with interested parties; consideration of offers received and alternative scenarios; review of sale contracts; and completion of the sale. 	<ul style="list-style-type: none"> ▶ Completed

Statutory	Statutory Duties	<ul style="list-style-type: none"> ▶ Completion of statutory requirements of the administrations, including notifications to creditors and members, advertising the appointments and filing at Company House. 	<ul style="list-style-type: none"> ▶ On-going
Asset realisations	Trading	<ul style="list-style-type: none"> ▶ Although the Company had ceased to trade on 4 March 2024, certain tasks have been allocated to 'trading' which include; correspondence with key suppliers to ensure continuation of essential services to support the Joint Administrators' strategy in marketing the business and assets for sale and to assist in contingency planning for an orderly wind down in the event that a sale could not be achieved. 	<ul style="list-style-type: none"> ▶ Completed
Statutory	VAT & Taxation	<ul style="list-style-type: none"> ▶ Preparing annual corporation tax and monthly VAT returns, with input from EY VAT and tax specialists 	<ul style="list-style-type: none"> ▶ On-going

3. A breakdown of the estimated remuneration by type of work and grade of staff

Type of work	Partner	Director	Assistant Director	Manager	Executive	Analyst	Total Hours	Total Cost (£)	Average Rate (£)
Administration & Planning	5.1	1.1	18.0	94.2	169.3	29.2	316.90	198,864.50	627.53
Creditors	10.7	2.0	20.8	62.3	101.8	89.0	286.60	173,501.90	605.38
Debtors	2.5	1.6	3.5	0.5	24.0	1.0	33.10	22,670.50	684.91
Employees	11.3	2.0	19.9	84.4	29.8	19.9	167.30	122,126.10	729.98
Enquiries & Investigations	2.2	-	9.4	35.5	43.0	-	90.10	61,025.50	677.31
Immediate Tasks	-	-	7.0	3.0	26.6	10.7	47.30	26,827.00	567.17
Job Acceptance & Strategy	13.9	-	1.3	-	4.5	-	19.70	23,264.00	1,180.91
Legal Issues	1.0	-	-	1.5	2.0	-	5.00	3,935.00	787.00
Members	-	-	1.7	4.0	-	-	5.70	4,533.00	795.26
Other Assets	61.7	3.9	158.3	1.5	114.5	8.0	347.90	309,070.60	888.39
Other Matters	-	-	18.5	47.9	40.5	85.3	192.20	104,221.90	542.26
Property	1.2	2.0	11.4	12.8	36.5	6.3	70.20	47,334.80	674.28
Reporting	8.0	3.3	39.4	84.8	94.0	107.2	336.70	207,107.20	615.11
Retention of Title	1.5	-	21.8	2.8	1.4	1.0	28.50	25,951.00	910.56
Sale of Business	73.5	0.2	181.4	28.5	28.0	90.1	401.70	342,687.30	853.09
Statutory Duties	13.0	-	18.8	68.8	45.0	122.4	268.00	155,087.50	578.68
Trading	0.3	-	-	1.5	91.7	4.5	98.00	52,626.00	537.00
VAT & Taxation	1.9	23.2	16.9	16.4	17.1	21.2	96.70	73,631.60	761.44
Total Hours	207.8	39.3	548.1	550.4	869.7	595.8	2,811.60		
Time Costs (£)	295,745.7	43,832.5	523,095.0	407,003.2	477,851.4	206,937.6		1,954,465.40	
Average Hourly Rate (£)	1,423.2	1,115.3	954.4	739.5	549.4	347.3		695.1	

Assumptions

The Joint Administrators' estimate of remuneration is based on the following assumptions:

- The Joint Administrators anticipate that all outstanding matters will be concluded before the automatic end of the Administration, which has been extended to 4 March 2026, and do not envisage a further extension being required; and
- It is currently anticipated that there will be sufficient funds at the end of the Administration to make a distribution to non-preferential, unsecured creditors. Therefore, the Company will move to Creditors Voluntary Liquidation ("CVL") to facilitate this distribution. The fee estimate includes time costs estimated for moving to CVL and paying a distribution to unsecured creditors.

4. Estimated Joint Administrators' expenses and disbursements

Details of expenses incurred and anticipated to be incurred

Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member. Expenses expected to be incurred total £842,338 plus VAT as applicable, comprising:

Category of expense	Estimated costs (£)
Expenses	836,289
Category 1 disbursements	4,233
Category 2 disbursements	1,816
Total Expenses	842,338

Expenses

The expenses incurred and anticipated to be incurred from the Company' estate can be summarised into the following categories:

Category of expense	Description of expense incurred or to be incurred	Estimated costs (£)
Retained employee costs	► Wages and other costs associated with the retention of certain employees.	114,071
Hire of Equipment	► Hire of equipment required to move/maintain assets of the Company.	14,341
Legal costs	► Legal advice regarding; the validity of the Joint Administrators appointment; costs associated with the sale of shares in the JV; contract novation's; and other legal advice where required.	172,000
Agents' costs and disbursements	► Agents' costs associated with the asset valuations carried out on the Joint Administrators' behalf.	24,461
Insurance	► Costs to insure the Company assets and operations during the Administration.	2,000
Statutory costs	► Cost of completing statutory requirements of the Administration, including statutory advertising and filing costs.	250
Rent, Rates & Utilities	► Rent, business rates & utilities relating to the Company's leasehold premises, some of which were required for a short period for the purpose of the administration.	310,000
License to Occupy costs	► Rent and service charge relating to the Silverstone property under a license to occupy.	153,538

IT costs	▶ IT costs and undertakings given to ensure continued services in order to preserve the value of the Company's Intellectual Property and other assets.	7,628
Retention of Title	▶ Settlement of retention of title claim.	36,000
Bank charges	▶ Charges associated with operation of the Company bank accounts during the administration.	1,000
Storage	▶ Costs to arrange collection and storage of the Company books and records, for minimum periods required under legislation.	1,000
Total estimated expenses		836,289

Disbursements

Disbursements comprise sums paid or to be paid to third parties, or payable to the Joint Administrators' firm in respect of out-of-pocket expenses and costs which include an element of shared or allocated costs.

Category 1 disbursements

Category 1 disbursements are defined as specific expenditure met by and reimbursed to the office holder's firm, relating to the administration of the insolvent's affairs and referable to payment to an independent third party.

Disbursement	Description of disbursement incurred or to be incurred	Estimated costs (£)
Specific penalty bond	▶ A form of insurance required by insolvency law.	2,000
Internal bulk copying, printing and postage	▶ Costs relating to printing and posting of the Joint Administrators' Statement of Proposals and other written communications to all relevant creditors and stakeholders.	500
Subsistence	▶ Costs incurred in the by the Joint Administrators and their staff whilst operating from the Company's trading premises.	1,733
Total		4,233

Category 2 disbursements

Category 2 disbursements are made by the office holder's firm that include elements of shared or overhead costs.

Disbursement	Description of disbursement incurred or to be incurred	Estimated costs (£)
Mileage	<ul style="list-style-type: none"> Costs relating to mileage for the Joint Administrator's and their staff, travelling to and from the Company' trading premises. Current mileage rates are: 45p/mile for staff below manager using their own vehicle. 18p/mile (non-electric vehicle for managers and above using their own car or company car. 20p/mile (electric vehicle) for managers above using own car or company vehicle. 	1,816
Total		1,816

5. Pre-administration costs

The Joint Administrators are seeking approval for payment of unpaid pre administration costs totalling £209,051.77 (plus VAT). These costs refer to the Joint Administrator's fees for contingency planning pre-appointment, as described below, and pre-appointment legal fees.

Joint Administrators' pre-appointment fees

EY was engaged by the Company under an engagement agreement dated 13 November 2023, to undertake financial advisory and liquidity analysis. The scope was extended on 13 February 2024 to explore an accelerated sales process with the aim of securing a going concern sale of the business. In the event this was not successful a level of contingency planning was to be undertaken ahead of a potential administration appointment.

The work undertaken pre-appointment relating to the Company was as follows:

- ▶ Liaising with the Directors and senior management to understand the Company' financial position, asset base and liabilities.
- ▶ Preparing information on the Company for inclusion an information memorandum to assist with the sale of the business and assets.
- ▶ Preparing a cash flow forecast and estimated outcome statements to assist with the formulation of the Administration strategy.
- ▶ Briefing the Joint Administrators' staff on the Administration strategy and day one actions.
- ▶ Preparing and reviewing documents to be issued to employees, creditors, members and directors following the appointment of the Joint Administrators.

- ▶ Reviewing and providing information for the preparation of the documents for the appointment of the Joint Administrators, including consents to act.
- ▶ Liaising with the Company's legal advisors regarding the potential appointment of Joint Administrators

Undertaking the above work enabled the Joint Administrators to deal efficiently and fairly with the Company's staff and its creditors upon appointment. The Joint Administrators' unpaid pre administration costs total £188,290.77 (plus VAT).

Pre-appointment Legal Costs

Fieldfisher LLP ("Fieldfisher") provided legal advice to the Joint Administrators in connection with the insolvency appointment. This included preparing the statutory documentation to place the Company and its subsidiary company into Administration, review and input into key communications to stakeholders. Fieldfisher's unpaid pre administration costs total £20,760 (plus VAT).

6. Estimate of return for creditors

We currently estimate the following returns for creditors:

Secured Creditors

The Company has no secured creditors.

Primary preferential creditors

Claims from employees in respect of accrued but unpaid arrears of pay up to £800, accrued but unpaid holiday pay and certain pension benefits, rank preferentially and in priority to other preferential creditors (see below). These claims are therefore referred to as 'primary preferential creditors'.

The amount of primary preferential creditors as at the date of the appointment was estimated to be c.£49.7k. This balance includes a claim from the Redundancy Payments Service ("RPS") where redundant employees have lodged relevant claims to the RPS following the end of their employment. We currently estimate that primary preferential creditor claims will total c.£50.3k and, based on this estimate, we anticipate that primary preferential creditors will be paid in full. However, we are awaiting the submission of final primary preferential claims.

Secondary preferential creditors

Claims from HM Revenue and Customs ("HMRC"), in relation to VAT, PAYE and employees' National Insurance Contributions rank preferentially, but secondary to the employee primary preferential creditors above. These claims are therefore referred to as 'secondary preferential creditors'.

HMRC submitted a claim against the Company on 15 May 2024 totalling £254.7k. This claim is yet to be adjudicated, however based on current estimates, we anticipate that secondary preferential creditors of the Company will be paid in full.

Non-preferential creditors

The directors' statement of affairs estimated non-preferential unsecured creditors to be in the region of c.£4,748k.

The Joint Administrators continue to receive claims from non-preferential unsecured creditors and the final figure for total non-preferential creditor claims will not be known until all claims have been received and adjudicated and it is possible that this figure may be higher or lower.

In May 2024, the Joint Administrators received notification that 31 former employees of the Company were beginning Employment Tribunal proceedings against the Company for Protective Awards for lack of Redundancy consultation. The Employment Tribunal has concluded and judgement has been awarded to the employees that brought the claim. Primarily as a result of the judgement, the employees' non-preferential unsecured claims have been adjusted to £1,526k.

On current estimates we anticipate that there will be sufficient funds to enable a dividend to non-preferential creditors. The quantum and timing of any dividend payment is dependent on the quantum of final claims and future asset realisations.

7. Exceeding estimates of remuneration and expenses

These estimates may be exceeded, in which case an explanation will be provided in the appropriate progress report. The Joint Administrators will only draw remuneration in excess of the estimate with the prior agreement of the approving body, in accordance with Rule 18.30 the Insolvency (England and Wales) Rules 2016.

Dated 5 February 2025