

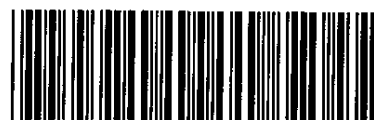
# AM10

## Notice of administrator's progress report



Companies House

FRIDAY



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A16

18/05/2018

#28

COMPANIES HOUSE

### 1 Company details

Company number 0 5 7 8 8 6 4 6

Company name in full Trongate (GLA) Limited

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

### 2 Administrator's name

Full forename(s) Anne

Surname O'Keefe

### 3 Administrator's address

Building name/number c/o AlixPartners, The Zenith Building

Street 26 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 A B

Country United Kingdom

### 4 Administrator's name \*

Full forename(s) Elizabeth

Surname Mackay

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

### 5 Administrator's address \*

Building name/number c/o AlixPartners, The Zenith Building

Street 26 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 A B

Country United Kingdom

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

## Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

### 2 Insolvency practitioner's name

Full forename(s) Simon

Surname Wilson

### 3 Insolvency practitioner's address

Building name/number The Zenith Building

Street 26 Spring Gardens

Post town Manchester

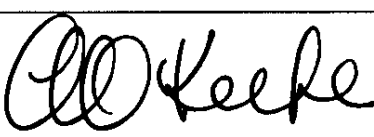
County/Region

Postcode M 2 1 A B

Country United Kingdom

# AM10

## Notice of administrator's progress report

|                           |  |  |   |   |   |   |   |   |   |   |   |  |   |   |   |   |   |   |  |
|---------------------------|--|--|---|---|---|---|---|---|---|---|---|--|---|---|---|---|---|---|--|
| <b>6</b>                  |  |  |   |   |   |   |   |   |   |   |   | <b>Period of progress report</b>   |   |   |   |   |   |   |  |
| From date                 |  | d  | 2 | d | 8 | m | 1 | m | 0 | y | 2 | y  | 0 | y | 1 | y | 7 |   |  |
| To date                   |  | /  | d | 2 | d | 7 | m | 0 | m | 4 | y | 2  | y | 0 | y | 1 | y | 8 |  |
| <b>7</b>                  |  |  |   |   |   |   |   |   |   |   |   | <b>Progress report</b>   |   |   |   |   |   |   |  |
|                           |  |  |   |   |   |   |   |   |   |   |   | <input checked="" type="checkbox"/> I attach a copy of the progress report |   |   |   |   |   |   |  |
| <b>8</b>                  |  |  |   |   |   |   |   |   |   |   |   | <b>Sign and date</b>   |   |   |   |   |   |   |  |
| Administrator's signature |  | Signature<br>X  X |   |   |   |   |   |   |   |   |   |  |   |   |   |   |   |   |  |
| Signature date            |  | d  | 1 | d | 6 | m | 0 | m | 5 | y | 2 | y  | 0 | y | 1 | y | 8 |   |  |

# AM10

## Notice of administrator's progress report



### Presenter information

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

Contact name

Company name AlixPartners

Address The Zenith Building

26 Spring Gardens

Post town Manchester

County/Region

Postcode

M 2 1 A B

Country United Kingdom

DX

Telephone 0161 838 4500



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

# Administrators' Progress Report for the period 28 October 2017 to 27 April 2018

Trongate (GLA) Limited  
In Administration

16 May 2018

## Contents

|   |   |
|---|---|
| 1. Why this report has been prepared .....    | 1 |
| 2. Summary of information for creditors ..... | 2 |
| 3. Progress of the Administration.....        | 3 |
| 4. Estimated outcome for creditors .....      | 5 |
| 5. What happens next.....                     | 7 |

## Appendices

|             |   |
|-------------|---|
| Appendix A. | Statutory information   |
| Appendix B. | Receipts and Payments Account for the period 28 October 2017 to 27 April 2018 and a Cumulative Account for the period since appointment |
| Appendix C. | Administrators' fees  |
| Appendix D. | Administrators' expenses and disbursements  |
| Appendix E. | Additional information in relation to the Administrators' fees  |
| Appendix F. | Exit routes and discharge from liability  |

## **1. Why this report has been prepared**

- 1.1 As you will be aware Anne O’Keefe, Elizabeth Mackay and Simon Wilson (the **Administrators**) were appointed on 26 July 2013.
- 1.2 In accordance with UK insolvency legislation, an administrator is required to provide a progress report covering the period of six months commencing on the date on which a company entered into administration and every subsequent period of six months. This progress report covers the period 28 October 2017 to 27 April 2018 (the **Period**) and should be read in conjunction with all previous reports.
- 1.3 This report has been prepared in accordance with rule 18.2 of the Insolvency (England and Wales) Rules 2016.
- 1.4 The purpose of this report is to provide statutory and financial information about the Company and to provide an update on the progress of the Administration, including details of assets realised during the Period, details regarding the Administrators’ fees and the expected outcome for each class of creditor.
- 1.5 As a reminder the administrator of a company must perform their functions with a view to achieving one of the following statutory objectives:  
  
Objective 1: rescuing the company as a going concern;  
  
Objective 2: achieving a better result for the company’s creditors as a whole than would be likely if the company were wound up (without first being in administration); or  
  
Objective 3: realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.6 In this case the Administrators are pursuing the third statutory objective. Further details on the actions taken to achieve that objective can be found in section 3 of this report.
- 1.7 Details of the Administrators’ fees and disbursements incurred are detailed at Appendices C to E.
- 1.8 More information relating to the Administration process, Administrators’ fees and creditors’ rights can be found on AlixPartners’ creditor portal (<http://www.alixpartnersinfoportal.com>). Log-in details to access this information can be found within the covering letter you have received.
- 1.9 If you require a hard copy of this report or have any queries in relation to the contents of this report or the Administration generally, please contact Melissa Fielding on 0161 838 4529, by email at [creditorreports@alixpartners.com](mailto:creditorreports@alixpartners.com), or write to AlixPartners’ office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.

## 2. Summary of information for creditors

### Estimated dividend for creditors

| Description         | Agreed debt £ | Level of return £      |
|---------------------|---------------|------------------------|
| Secured creditors   | 4.3 million   | 1.8 million            |
| Unsecured creditors | 12,812        | 100 pence in the pound |

### Notes:

The estimated debt of the secured creditors was confirmed by Nationwide Building Society plc (**Nationwide**) in April 2016 and includes approximately £100,000 of accrued interest. Nationwide acts as security agent for two syndicated lenders, West Bromwich Building Society and Leeds Building Society (the **Lenders**).

The level of return for the Lenders is anticipated to be approximately £1.8 million which includes the rent received (as noted in paragraph 3.7). The final return will be confirmed upon the realisation of the Company's only asset, a property located in Glasgow, and payment of final costs of the Administration. Further information is provided in section 3 of this report.

Dilapidation settlements, as detailed in section 3, are subject to Nationwide's floating charge and therefore result in a dividend becoming available to the unsecured creditors via the Unsecured Creditors' Fund. A dividend of 100 pence in the pound was declared on 23 April 2018. For further information please refer to section 4 of this report.



### **3. Progress of the Administration**

- 3.1 Attached at Appendix B is the Administrators' Receipts and Payments Account for the Period, together with a Cumulative Account for the period since the date of the appointment. These accounts are prepared on a cash basis, therefore details of costs incurred but not yet paid are excluded from the accounts and are summarised at Appendix D.
- 3.2 In addition to their statutory objective, the Administrators have duties imposed by insolvency and other legislation and their regulating professional bodies. The Administrators have set out information in respect of the progress of these duties in addition to that of the realisation of assets and distribution of available funds.

#### **Realisation of assets – fixed charge**

- 3.3 The Company's main asset is a property located at 176-189 Trongate, Glasgow, G1 5HF (the **Property**). The Property consists of the three units, formally tenanted by three individual occupants, Shoe Zone, JD Sports (**JD**) and Instant Cash Loans (**ICL**).
- 3.4 As detailed in previous reports, there was a fixed interest loan product between Nationwide and the Company which expired in January 2017. If the Property was sold prior to this date, an early release of the security would have been required resulting in break costs being incurred. The Lenders, being the only creditors to benefit from the realisation of the Property, expressed their preference for the Property to be held until January 2017. The Administrators agreed to hold the Property until January 2017, unless offers were received at a level which satisfied the loan inclusive of break costs. As the fixed loan product has now expired, the Administrators are working towards realising the Property.

#### **Strategy**

- 3.5 As outlined in previous reports, a neighbouring tenant of the Property expressed interest in purchasing the entire Property with vacant possession. The Administrators and the Lenders accepted the offer which is in the region of £1 million.
- 3.6 The sale of the Property was contingent on a prior sale of part of the Property to a third party. Interest from the third party was withdrawn in the Period and the Administrators were unable to progress a sale any further.
- 3.7 The Property was returned to market with the assistance of GVA Grimley Limited (**GVA**) and an offer of £900,000 was received. The offer was accepted in February 2018 and sale contracts were exchanged on 12 March 2018. A completion date of 6 June 2018 has been agreed and an update will be provided in the Administrators' next progress report.
- 3.8 In the interim, GVA continues to manage the Property and collect rental income. To date, rental income totals £939,490. The Lenders have the benefit of an assignment over the rent; therefore, rental income does not form part of the Administration estate. The rent is collected by GVA and, after the deduction of the agreed costs, remitted to the Lenders.

## **Realisation of assets – floating charge**

### **Dilapidation settlements**

- 3.9 As detailed in previous progress reports, GVA served final schedules of dilapidations on ICL and JD. ICL paid the full amount due of £50,000.
- 3.10 A dilapidations settlement of £82,600 was agreed with JD. Payment, together with £16 of bank interest, was released to the Administrators on 1 February 2018 and is reflected in the Receipts and Payments Account at Appendix B.

### **Bank interest**

- 3.11 Bank interest of £32 was received in the Period from both fixed and floating assets, bringing total bank interest to date to £386 as reflected in the Receipts and Payments Account at Appendix B.

## **Administration (including statutory reporting)**

- 3.12 In addition to their duties relating to realising and distributing the assets of the Company, the Administrators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986. These include preparing bi-annual reports to creditors advising of the progress of the Administration. The Administrators are responsible for liaising with HM Revenue & Customs to determine the final position in respect of corporation tax, VAT and other taxes that may be owed by or to the Company, and for filing tax returns for the duration of the Administration.
- 3.13 In order to ensure the matters of the Administration are being progressed sufficiently, the Administrators have a duty to conduct periodic case reviews and complete case checklists. In addition, the Administrators' treasury function will also comply with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.
- 3.14 The time taken for statutory tasks is largely fixed, insofar as the cost of preparing a report to creditors or filing an annual return is similar for most cases, except where cases are very large or complex. Where the costs of statutory compliance and reporting to creditors exceeds the initial estimate, it will generally be because the duration of the case has been longer than expected, due to for example protracted realisation of assets, and therefore additional periodic reports have had to be prepared and distributed to stakeholders.

## **Creditors (claims and distribution)**

- 3.15 The dilapidations monies received created sufficient funds to enable a return to the Company's unsecured creditors. Further details of the distribution declared on 23 April 2018 can be found in section 4.

## 4. Estimated outcome for creditors

### The Lenders

- 4.1 The charges granted to Nationwide by the Company and dates of creation are summarised below:

| Security                               | Date of creation |
|--|------------------|
| Debenture                              | 8 June 2006      |
| Standard security over the Property    | 8 June 2006      |
| Assignment of rental income            | 8 June 2006      |
| Charge over deposit account            | 29 May 2012      |
| Legal charge containing a fixed charge | 24 July 2013     |

- 4.2 Nationwide also holds a cross-guarantee over the Company, Stylegreen Limited and Glassford Property Management Limited (together the **Group**), which are companies that the Administrators have also been appointed over. The Administrators ceased to act in relation to Stylegreen Limited on 29 January 2014, whilst the Administration of Glassford Property Management Limited continues.
- 4.3 As detailed in section 2, Nationwide acts as security agent for the Lenders. The Administrators distribute funds to Nationwide directly and Nationwide ensures that any fixed or floating charge distributions are split between the Lenders, as agreed in the original lending facility.
- 4.4 At the date of appointment, the Lenders were owed £4.6 million (excluding interest and charges) from the Company and a total of £64.9 million across the Group. As detailed in section 2, in April 2016 Nationwide confirmed that the estimated debt owed to the Lenders was £4.3 million in respect of the Company.
- 4.5 To date, the Company has distributed funds of £10,000 to the Lenders from floating charge realisations. Final distributions will be made following completion of the sale of the Property and settlement of costs of the Administration. The likely level of return to the Lenders will total approximately £1.8 million including rent received via GVA. The increase in estimated return of £0.8 million since the last report is a result of further rent collected and the agreed Property sale price. It remains estimated that the Lenders will suffer a shortfall.

### Preferential creditors

- 4.6 The Company had no employees therefore there are no preferential creditors.

### Unsecured Creditors' Fund

- 4.7 Where there is a floating charge which was created on or after 15 September 2003, the Administrators are required to create a fund from the Company's net property available for the benefit of unsecured creditors (**Unsecured Creditors' Fund**), commonly known as the 'Prescribed Part'.

- 4.8 Following receipt of the JD dilapidations settlement which concludes floating charge asset realisations, and providing for future costs to close the Administration, the value of the Company's net floating charge property is £110,668. Arising from this, the value of the Unsecured Creditors' Fund is £25,134.
- 4.9 At the date of the last report, total unsecured claims were estimated to be £624,872 based on the unsecured debt detailed in the Company's Statement of Affairs. Of this sum, a potential claim of £613,554 was rejected. Total unsecured creditor claims were agreed at £12,812 and, after deduction of costs, a *distribution of 100 pence in the pound was declared on 23 April 2018.*
- 4.10 After deduction of the Administrators' fees of £3,606 for dealing with the Unsecured Creditors' Fund, the surplus of £8,716 will be distributed to Nationwide in due course.

## **5. What happens next**

### **Creditors' rights**

- 5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors) may request in writing that the Administrators provide further information about their fees or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors) may, within eight weeks of receipt of this report, make an application to court on the grounds that the basis fixed for the Administrators' fees is inappropriate, or that the fees charged or the expenses incurred by the Administrators during the period of this report are excessive.

### **Next report**

- 5.3 The Administrators are required to provide a progress report within one month of the end of the next six months of the Administration, or earlier if the Administration has been finalised. For details of the proposed exit route please see Appendix F.

For and on behalf of  
Trongate (GLA) Limited



**Anne O'Keefe**  
Administrator

Encs

## Appendix A. Statutory information

### Company information

|                          |  |
|--------------------------|--|
| Company name             | Trongate (GLA) Limited   |
| Registered number        | 05788646   |
| Registered office        | c/o AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB |
| Former registered office | 11 Upper Grosvenor Street, Mayfair, London, W1K 2ND                          |
| Trading address          | 11 Upper Grosvenor Street, Mayfair, London, W1K 2ND                          |
| Trading name             | Trongate (GLA)   |
| Court details            | High Court of Justice, Chancery Division, Leeds District Registry            |
| Court reference          | 1000 of 2013   |

### Appointor's information

| Name                        | Address   | Position                         |
|-----------------------------|---|----------------------------------|
| Nationwide Building Society | Nationwide House, Pipers Way, Swindon, SN38 1NW | Qualifying Floating Chargeholder |

### Administrators' information

| Name             | Address  | IP number | Name of authorising body             |
|------------------|--|-----------|--------------------------------------|
| Anne O'Keefe     | AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB | 008375    | Insolvency Practitioners Association |
| Elizabeth Mackay | AlixPartners, Cornerstone, 107 West Regent Street, Glasgow, G2 2BA       | 009569    | Insolvency Practitioners Association |
| Simon Wilson     | The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB               | 008963    | Insolvency Practitioners Association |

In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Administrators are to be exercised by any or all of the Administrators. All references to the Administrators should be read as the Joint Administrators.

### Extension of Administration

The Administration was initially extended for a period of six months with the consent of the Lender. The Administration was subsequently extended on three further occasions with the consent of the court and will now expire on 25 January 2019.

## Appendix B. Receipts and Payments Account for the period 28 October 2017 to 27 April 2018 and a Cumulative Account for the period since appointment

| Statement of Affairs £                | Period £       | Cumulative £    |
|---------------------------------------|----------------|-----------------|
| <b>Fixed charge assets</b>            |                |                 |
| Receipts                              |                |                 |
| 2,500,000 Freehold property           | -              | -               |
| Contribution from the Lenders         | -              | 50,663          |
| Insurance refund                      | -              | 1,517           |
| Sundry receipts                       | -              | 456             |
| Loan from floating account            | 5,000          | 5,000           |
| Bank interest                         | 5              | 359             |
|                                       | <b>5,005</b>   | <b>57,995</b>   |
| Payments                              |                |                 |
| Administrators' fees                  | -              | 36,917          |
| Legal fees                            | 7,000          | 16,850          |
| Legal disbursements                   | 1,134          | 1,134           |
| Category 1 disbursements:             |                |                 |
| Travel and subsistence                | -              | 29              |
| Stationery and postage                | -              | 252             |
| Statutory advertising                 | -              | 85              |
| Category 2 disbursements:             |                |                 |
| Photocopying and printing             | -              | 168             |
| Mileage                               | -              | 103             |
| Bank charges                          | -              | 5               |
|                                       | <b>(8,134)</b> | <b>(55,543)</b> |
| <b>Balance of fixed charge assets</b> | <b>(3,129)</b> | <b>2,453</b>    |
| <b>Floating charge assets</b>         |                |                 |
| Receipts                              |                |                 |
| Dilapidation settlements              | 82,616         | 132,616         |
| Bank interest                         | 27             | 27              |
|                                       | <b>82,643</b>  | <b>132,643</b>  |
| Payments                              |                |                 |
| Administrators' fees                  | -              | 10,000          |
| Category 1 disbursements:             |                |                 |
| Statutory advertising                 | 85             | 85              |
| Legal fees                            | 1,850          | 1,850           |
| Legal disbursements                   | 50             | 50              |
| Loan to fixed account                 | 5,000          | 5,000           |
|                                       | <b>(6,985)</b> | <b>(16,985)</b> |

Trongate (GLA) Limited – in Administration (the **Company**)

| Statement<br>of Affairs £                | Period £        | Cumulative £    |
|--|-----------------|-----------------|
| Distributions                            |                 |                 |
| Floating chargeholder                    | -               | 10,000          |
| Unsecured creditors:                     |                 |                 |
| 100p/£, 23/04/2018                       | 12,812          | 12,812          |
|  | <b>(12,812)</b> | <b>(22,812)</b> |
| <b>Balance of floating charge assets</b> | <b>62,846</b>   | <b>92,846</b>   |
| <b>Total balance</b>                     | <b>59,717</b>   | <b>95,299</b>   |
| <b>Represented by</b>                    |                 |                 |
| Interest bearing accounts                |                 | 93,406          |
| VAT receivable                           |                 | 1,894           |
|  |                 | <b>95,299</b>   |

Note: the above is subject to small rounding differences.

Note: funds of £5,000 have been loaned to cover expenses due under the Company's floating charge, until such time that proceeds are received from the sale of the Property.



## Appendix C. Administrators' fees

### Fees

A copy of 'A Creditors' Guide to Administrations' can be downloaded from AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>). If you would prefer this to be sent to you in hard copy please contact the Administrators and they will forward a copy to you.

Approval of the Administrators' fees was sought in accordance with insolvency legislation. On 30 October 2013 the Lenders approved that the basis of the Administrators' fees by reference to the time properly spent by the Administrators and their staff on matters arising in the Administration.

To date fees totalling £36,917 and £10,000 have been drawn against fixed and floating charge realisations, respectively. Further fees of £3,606 will be drawn from the Unsecured Creditors' Fund.

### Administrators' details of time spent to date

The Administrators' time costs for the Period are £9,748. This represents 38 hours at an average rate of £257 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by activity and by staff grade. Narrative explanations of the work undertaken during the Period are provided in section 3 of this report.

|  | Employee grade (hours)       |                       |                             |                  | £              |                 |                       |
|--|------------------------------|-----------------------|-----------------------------|------------------|----------------|-----------------|-----------------------|
|  | Managing director / director | Senior Vice president | Vice president / consultant | Treasury/support | Hours incurred | Cost incurred   | Average rate per hour |
| <b>Administration and planning</b>             |                              |                       |                             |                  |                |                 |                       |
| Strategy and control                           | 0.1                          | -                     | -                           | -                | 0.1            | 46.50           | 465                   |
| Statutory duties                               | 0.6                          | -                     | 1.0                         | -                | 1.6            | 424.00          | 265                   |
| Case administration                            | 0.5                          | 0.2                   | 1.3                         | 0.2              | 2.2            | 724.50          | 329                   |
| Accounting and treasury                        | -                            | 0.3                   | -                           | 4.7              | 5.0            | 685.00          | 137                   |
| <b>Realisation of assets – fixed charge</b>    |                              |                       |                             |                  |                |                 |                       |
| Asset realisation strategy                     | -                            | -                     | 1.2                         | -                | 1.2            | 366.00          | 305                   |
| Asset identification and valuation             | -                            | -                     | 0.2                         | -                | 0.2            | 87.00           | 285                   |
| Sale of assets                                 | 0.5                          | 1.0                   | 1.9                         | -                | 3.4            | 1,169.00        | 344                   |
| Asset accounting and administration            | -                            | 0.2                   | -                           | 2.1              | 2.3            | 362.50          | 158                   |
| <b>Realisation of assets – floating charge</b> |                              |                       |                             |                  |                |                 |                       |
| Asset accounting and administration            | 0.4                          | 0.1                   | 0.2                         | 2.7              | 3.4            | 620.00          | 182                   |
| <b>Creditors</b>                               |                              |                       |                             |                  |                |                 |                       |
| Reporting to creditors                         | 0.8                          | -                     | 6.9                         | -                | 7.7            | 2,155.00        | 280                   |
| Unsecured creditors                            | -                            | 0.9                   | 9.6                         | 0.4              | 10.9           | 3,138.50        | 288                   |
| <b>Totals</b>                                  | <b>2.9</b>                   | <b>2.7</b>            | <b>22.3</b>                 | <b>10.1</b>      | <b>38.0</b>    | <b>9,748.00</b> | <b>257</b>            |

A cumulative time analysis from the date of the Administrators' appointment to the end of the Period is set out overleaf.

Trongate (GLA) Limited – in Administration (the **Company**)

|  | Managing director<br>/director | Senior vice<br>president | Vice president<br>/consultant | Treasury /support | Hours incurred | Average rate<br>per hour £ | Cumulative<br>time cost £ |
|--|--------------------------------|--------------------------|-------------------------------|-------------------|----------------|----------------------------|---------------------------|
| Administration (including statutory reporting) |                                |                          |                               |                   |                |                            |                           |
| Statutory duties                               | 1.9                            | 1.0                      | 10.3                          | 1.9               | 15.1           | 204                        | 3,077.50                  |
| Administration and planning                    | 5.6                            | 22.4                     | 49.9                          | 48.4              | 126.3          | 196                        | 24,747.00                 |
| Reporting to creditors                         | 7.9                            | 11.2                     | 87.5                          | 3.6               | 110.2          | 251                        | 27,688.50                 |
| Secured creditors                              | 0.5                            | 1.9                      | 23.6                          | -                 | 26.0           | 261                        | 6,796.50                  |
| Unsecured creditors                            | -                              | 0.8                      | 4.6                           | -                 | 5.4            | 250                        | 1,351.00                  |
| Realisation of assets                          |                                |                          |                               |                   |                |                            |                           |
| Fixed charge                                   | 3.0                            | 13.8                     | 41.1                          | 14.8              | 72.7           | 240                        | 17,435.50                 |
| Floating charge                                | 1.0                            | 0.1                      | 1.7                           | 4.0               | 6.8            | 213                        | 1,445.00                  |
| Investigations                                 |                                |                          |                               |                   |                |                            |                           |
| Director conduct reports                       | 0.9                            | -                        | 2.1                           | -                 | 3.0            | 218                        | 655.00                    |
| Other investigations                           | -                              | -                        | 0.5                           | -                 | 0.5            | 150                        | 75.00                     |
| Creditors (claims and distribution)            |                                |                          |                               |                   |                |                            |                           |
| Secured creditors                              | 1.0                            | -                        | -                             | -                 | 1.0            | 390                        | 390.00                    |
| Unsecured creditors                            | -                              | 0.9                      | 6.5                           | 0.4               | 7.8            | 289                        | 2,255.00                  |
| <b>Total</b>                                   | <b>21.8</b>                    | <b>52.1</b>              | <b>229.4</b>                  | <b>73.7</b>       | <b>377.0</b>   | <b>228</b>                 | <b>85,916.00</b>          |

## **Appendix D. Administrators' expenses and disbursements**

### **Expenses of the Administration**

An analysis of the costs paid to date, together with those incurred but not paid as at the end of the Period is provided below.

|              | Paid in<br>prior<br>period £ | Paid in the period £ | Incurred but<br>not paid £ | Total<br>anticipated<br>cost £ |
|--------------|------------------------------|----------------------|----------------------------|--------------------------------|
| Legal costs  | 9,850                        | 8,850                | 1,000                      | 19,700                         |
| Agent's fees | -                            | -                    | -                          | 12,000                         |
| Insurance    | -                            | -                    | 11,608                     | 11,608                         |
| <b>Total</b> | <b>9,850</b>                 | <b>8,850</b>         | <b>12,608</b>              | <b>43,308</b>                  |

Total estimated legal fees at the date of the last progress report were £12,228. The increase in fees is a result of the protracted sale of the Property. These fees have been agreed and the balance outstanding will be paid upon completion of the Property sale.

Note that GVA's costs for managing the Property are deducted from rental income which is assigned to Nationwide and is therefore not included in the above table.

Total estimated insurance costs were previously reported as £28,000 based on information available at the time. As the sale of the Property is expected to complete in June 2018, the Administrators have obtained estimated insurance costs up to that point. Total costs are therefore expected to be £11,608 as detailed above and will be discharged from sale proceeds.

Please note that until costs are settled, costs detailed in the above table remain subject to change.

### **Administrators' disbursements**

Category 1 disbursements of £451 have been drawn on account. Approval to draw category 2 disbursements has been given by the Lenders and £271 has also been drawn in relation to the below.

- Photocopying – charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying.
- Printing – charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour.
- Business mileage for staff travel – charged at the rate of 45 pence per mile.

## **Appendix E. Additional information in relation to the Administrators' fees**

### **Policy**

Detailed below is AlixPartners' policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

### **Staff allocation and the use of sub-contractors**

The Administrators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of a managing director or director, a senior vice president, a vice president and a consultant. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Administrators' charge-out rate schedule overleaf provides details of all grades of staff.

With regard to support staff, time spent by treasury staff in relation to tasks such as recording transactions and dealing with bank accounts is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution.

The Administrators have not utilised the services of any sub-contractors in this case.

### **Professional advisors**

On this assignment the Administrators have used the professional advisors listed below. The Administrators have also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

| Name of professional advisor                        | Basis of fee arrangement            |
|---|-------------------------------------|
| DWF LLP (legal advice)                              | Hourly rate and disbursements       |
| Bircroft Insurance Services Limited (insurance)     | Risk based premium                  |
| Willis Towers Watson Limited (insurance)            | Risk based premium                  |
| GVA Grimley Limited (valuation and disposal advice) | Fixed fee and 0.01% of realisations |

The Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

### **Disbursements**

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case eg postage, case advertising, invoiced travel and external printing, room hire

and document storage. Any properly reimbursed expenses incurred by the Administrators and their staff will also be chargeable.

Category 2 disbursements do require approval prior to being paid and will be drawn in accordance with the approval given, they may include business mileage for staff travel – charged at the rate of 45 pence per mile.

### **Charge-out rates**

A schedule of AlixPartners' charge-out rates for this assignment effective from 1 January 2018 is detailed below. Time is charged by case staff in units of six minutes.

| Description            | Rates from<br>1 January 2018<br>£ |
|------------------------|-----------------------------------|
| Managing director      | 485-535                           |
| Director               | 465                               |
| Senior Vice president* | 405                               |
| Vice President*        | 285-320                           |
| Consultant*            | 155-250                           |
| Treasury and support   | 105-285                           |

\* A firm-wide renaming of certain staffing grades of AlixPartners has been implemented with effect from 2 January 2018. The Senior Vice President grade was formerly Vice President, Vice President was formerly Associate, and Consultant was formerly Analyst.

## **Appendix F. Exit route and discharge from liability**

### **Extension**

At the date of the last progress report, the Administration was due to expire on 25 January 2018. However, the Administrators had identified it would not be possible to conclude all outstanding matters prior to that date. The Administrators therefore obtained the approval of the court to extend the Administration in accordance with paragraph 76 of schedule B1 of the Insolvency Act 1986. The Administration is now due to expire on 25 January 2019.

### **Dissolution of the Company**

The Company has no property to permit a distribution to its unsecured creditors, other than by virtue of the Unsecured Creditors' Fund distributed on 23 April 2018. Once all outstanding matters are concluded the Administrators will therefore file a notice, together with their final progress report, at court and with the Registrar of Companies for dissolution of the Company. The Administrators will send copies of these documents to the Company and its creditors. The appointment will end following the registration of the notice by the Registrar of Companies.

### **Discharge from liability**

The Lenders approved on 30 October 2013 that the Administrators will be discharged from liability under paragraph 98 of schedule B1 of the Insolvency Act 1986 directly after their appointment as Administrators ceases to have effect.