



To all known creditors

Joint Administrators' Progress Report For the Period from 24 November 2023 to 23 May 2024

G Realisations 2022 Limited (Company Number 01026430)

Gieves & Hawkes Limited (Company Number 01455128)

(in Administration)

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Glossary

Glossary

Commonly Used Terms	Definition
Act / IA86	Insolvency Act 1986 (as amended)
BEIS	Department for Business, Energy and Industrial Strategy
c.	Approximately
CDDA	Company Directors Disqualification Act 1986
CT	Corporation Tax
CVL	Creditor's Voluntary Liquidation
FTI / FTI UK	FTI Consulting LLP
FTI FS	FTI Financial Services Limited
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England & Wales
IR16 / the Rules	Insolvency (England and Wales) Rules 2016 (as amended)
LTO	Licence to Occupy
NDA	Non-Disclosure Agreement
PAYE / NIC	Pay-as-you-earn tax / National Insurance Contributions
Preferential creditors	First ranking: Principally employee claims for unpaid wages (max £800 per employee), holiday pay and certain unpaid pension contributions. Second ranking: HMRC in respect of certain specified debts.
Prescribed Part	Amount set aside for unsecured creditors from floating charge net realisations in accordance with Section 176A IA86
RPS	Redundancy Payments Service
Schedule B1	Schedule B1 IA86
SIP	Statement of Insolvency Practice
SIP 2	Investigations by office holders in administration and insolvent liquidations
SIP 16	Pre-packaged sales in administrations
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured creditors	Creditors who are neither secured nor preferential. Principally trade creditors, landlords, intercompany debts and utility providers. HMRC and employee-related claims that do not rank preferentially are also included here.
VAT	Value Added Tax

Case Specific References	Meaning
Administration(s)	The Administration(s) of GL and/or GHIL
Joint Administrators / we / us / our	Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson
Appointment date	24 November 2022
APA	Asset Purchase Agreement
The Companies	G Realisations 2022 Limited and Gieves & Hawkes Limited
DLA Piper/DLA	DLA Piper LLP
FCR(s)	Fixed charge receivership appointments over the intellectual property assets owned by GHIL and GHIL BVI
Frasers	Frasers Group plc
FTI HK	FTI Hong Kong Limited
GL	G Realisations 2022 Limited (formerly Gieves Limited)
GHL	Gieves & Hawkes Limited
GHIL	GH Int Realisations 2022 (formerly Gieves & Hawkes International Limited)
GHIL BVI	Gieves & Hawkes International (BVI) Limited
The Group	GL, GHL, GHIL and GHIL BVI collectively
Hilco Capital / Hilco	HUK 110 Limited (the Secured Creditor)
Pension Trustees	The Trustees of the Gieves Group Retirement Benefit Scheme
Period	From 24 May 2023 to 23 November 2023
Proposals	Joint Administrators' Statement of Proposals dated 30 November 2022
Purchaser / SDI Retail Co	SDI (Retail Co 9) Limited (company number 11689077) with Sportdirect.com Retail Limited as Guarantor (a subsidiary of Frasers Group plc). The Purchaser changed its name to Gieves & Hawkes Retail Limited on 30 November 2022.
Secured Creditor / Lender	Creditors with security in respect of their debt in accordance with Section 248 IA86. In this case, the Secured Creditor is Hilco Capital.
Secured Debt	£1.2m secured working capital facility provided by HUK 110 Limited
Shandong Ruyi	Shandong Ruyi Technology Group Co., Ltd
Trinity	Trinity Limited (In Liquidation)
Transaction	Pre-packaged sale of the Companies' assets to the Purchaser



Purpose of this report

Purpose of this report

- On 24 November 2022, Christopher Bennett, Samuel Ballinger and Andrew Johnson were appointed as joint administrators of GL and GHJ and became responsible for managing the affairs, business and property of the Companies. The appointments were made by the Companies' director.
- Pursuant to Rule 18.6 IR16, we are required to provide creditors with a report setting out what has happened in the Administrations during each six-month period following our appointment.
- This report covers the Period from 24 November 2023 to 23 May 2024 and contains:
 - An explanation of the work we have done in the Period and how the Administrations have progressed;
 - An update on the estimated outcome for each class of creditor;
 - Details of the work we still need to do before the Administrations can be concluded;
 - A statement of our receipts and payments and details of expenses we have incurred;
 - An update on our remuneration for acting as joint administrators; and
 - Further information required by statute regarding our appointment as administrators.
- Background information on the Companies and events leading up to the Administrations can be found in our Proposals. Our work in prior periods of the Administrations was set out in our previous progress reports. All of these reports continue to be available online (see How to Contact Us).
- If you are unfamiliar with insolvency, we have again included as an appendix a brief overview that you may wish to read before continuing to read this report.
- Certain legal notices regarding this report, our appointment and creditors' rights are also included as an appendix.
- If you have any questions regarding this report or the Administrations generally, please contact us using the details provided.



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Christopher Jon Bennett
Joint Administrator

How to Contact Us

- Creditors can contact us using the preferred methods below:

Email: Gievesandhawkes@fticonsulting.com

Post:

G Realisations 2022 Limited – In Administration (and/or)
Gieves & Hawkes Limited – In Administration
c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street,
London, EC1A 4HD

Tel: +44 (0)20 3077 0254

- Previous documents and further information can be found online at:

<https://www.fticonsulting.com/emea/cip/gieves-hawkes>

Actions Required by Creditors

- There will be a small dividend for the unsecured creditors of both GL and GHJ. If you have not already done so, please submit a claim on the Turnkey Insolvency Portal, using the details previously provided.



Progress of the Administrations

Recap on the Administrations

A pre-pack sale of the business and assets (including a subsequent transfer of leasehold properties) generated sufficient realisations to benefit of all classes of creditors. Dividends to creditors are expected from Q3 2024.

Previously in the Administrations

- A background on the Companies and the events leading up to the appointment of administrators were included in our Proposals and SIP16 Statement. Similarly, progress in the Administrations during the twelve months following our appointments, can be found in our first and second progress reports. The content of those reports are not repeated here for the purposes of this report unless considered necessary or beneficial to do so.
- Therefore, creditors may wish to refer back to these previous reports in conjunction with reading this report. All reports made available for creditors to view and download are available on the website referred to earlier and will continue to be available until two months after the end of the Administrations.
- For convenience, we have provided below a brief summary of the work previously undertaken; and the remainder of this report then explains subsequent progress and work done in the latest Period.

Realising the assets

- As mentioned in our Proposals, SIP16 Statement and previous progress reports, the Companies' business and assets were sold to an unconnected third party for £222,000. Further proceeds of £1.125m were received in the fixed charge receivership estates of GHIL and GHIL BVI, in respect of intellectual property assets sold to the Purchaser as part of the Transaction.
- The Companies' sale proceeds are shown on the enclosed receipts and payments account, together with other assets previously realised, principally cash balances totaling £501k and £68k for GL and GHL respectively, and a c.£93k dividend receipt in GL.
- The Transaction included the right for the Purchaser to occupy eight of GL's trading premises until such time that the leases could be transferred, or new arrangements agreed between the Purchaser and the landlords. Our previous work therefore included the collection of licence (LTO) fees from the Purchaser and ongoing settlement of lease costs for the period of the Purchaser's occupation.
- By the end of the first year of the Administrations, four sites had been transferred and two had been vacated, leaving two sites under the extended LTO. Both of these sites were subsequently transferred in this reporting period.

- One site that was not passed to the Purchaser was returned to the landlord, although the landlord did not accept a formal surrender of the lease.

Dealing with creditors

- We have corresponded with the various classes of creditors with respect to their queries, interests in the Administrations and claims against the Companies. We responded to queries to the extent possible and using the information available to us.
- As explained in previous reports, we invited creditors to submit their claims to us using the Turnkey Insolvency Portal, as there continues to be a likelihood of a small dividend to the unsecured creditors of both Companies.
- We sought and obtained consent from the secured creditor of GL to the basis and quantum of our remuneration. Similar approval was granted by HMRC (as the only preferential creditor of GL).
- As GHL has no secured creditor, we also sought similar remuneration approval from the general body of creditors. No responses were received, and it will therefore be necessary to repeat the request in due course.
- An update on our remuneration in these Administrations is set out later.

Managing the Company's affairs

- In our previous report, we explained the work necessary in relation to the Companies' tax and VAT affairs. These responsibilities typically continue until such time as we cease to act as administrators and agents of the Companies.

Fulfilling our statutory duties

- Our previous reports have also summarised the work undertaken in order to comply with the statutory obligations arising as a consequence of the Companies' being subject to insolvency proceedings.

Realising the Assets

Our work in the Period predominantly related to the final transfers of the leasehold property portfolio and the realisation of an interim dividend.

Transfer of the Leasehold Property Portfolio (GL only)

- The assignment of the two remaining leases was completed at the start of the Period. As with prior periods, the costs of the LTO were met by the Purchaser.
- Successfully assigning properties has reduced potentially material claims from landlords against the Company and therefore benefits creditors generally, with respect to their participation in any dividend distribution.
- During the Period, we have completed the necessary reconciliation of rent and service charge funds, and returned excess funds received to the Purchaser.

Other Assets

- During the Period, GL received an interim dividend from Trinity in the amount of c.£93k in April 2024. This additional asset realisation is expected to improve the outcome for the unsecured creditors of GL, as explained in more detail later.
- We have been informed by the liquidators of Trinity that an additional dividend is likely to be declared, however, they are unable to provide an estimate of the quantum or timing of that dividend.
- Due to an intercompany claim, GHL will be a beneficiary of any dividends declared and distributed by GL. The amount to be received by GHL is dependent on a number of factors, being the final level of assets, claims and costs in the Administration GL. For illustrative purposes only, the dividend to be received by GHL could be at least in the region of £30k.
- Other receipts in the Period relate to interest earned on cash balances (in both Companies) and for GL only, a refund of business rates in relation to the period prior to the Administration.
- Other than interest accruing on cash balances and subject to any further dividend from Trinity, we do not anticipate any further realisations for either of the Companies.

Managing the Companies' affairs

Until such time as the Companies are dissolved, they must continue to fulfil many of their usual obligations. Whilst appointed to manage the affairs of the Companies, we are responsible for ensuring these obligations are met.

VAT

- As mentioned in our previous progress report, shortly after our appointment, we notified HMRC that the Companies had entered Administration. Due to delays at HMRC, the notification was not processed until August 2023, until which time we were unable to submit the Companies' final pre-Administration return and subsequent returns for the Administration period.
- However, the pre-appointment return and the post-appointment VAT returns for all of the periods to 31 December 2023 have been filed. HMRC are experiencing delays issuing the March 2024 quarter return, which will be completed and submitted upon receipt.
- As the surrender of the remaining two leases has now been completed, we will deregister the Companies for VAT purposes once the March 2024 return has been filed.
- However, HMRC have recently advised us that the Companies' VAT number had been cancelled in July 2023 (prior to HMRC processing our notification of appointment). Accordingly, we understand they have not processed our previously filed VAT returns and have requested we submit all of the Administration returns again. We anticipate there will be a further delay in receiving the VAT refunds due to GL while HMRC reinstate the VAT number and duly process the returns.

Tax

- The corporation tax returns for the period ended 31 December 2022 has been submitted. Returns for the year ended 31 December 2023 are currently being prepared.
- Corporation tax returns will continue to be prepared and filed until no further taxable income is expected to arise.

Books and records

- We previously took possession of the books and records necessary for the administration of the Companies and will store them for the appropriate statutory timelines.
- All other books and records in respect of the ongoing business have been retained by the Purchaser as part of the sales agreement. We continue to retain a right of access under the sale agreement, should we require access to these books and records for any reason.

Treasury and accounting

- An account of receipts and payments for the Period covered by this report is provided at Appendix B. A separate statement is provided for transactions relating to the LTO.
- A statement of the expenses incurred in the Period is included in Appendix C, together with a comparison against the estimate initially provided to creditors.

Pension trustee

- The trustee of the Companies' pension scheme requested our assistance in claiming VAT on invoices paid by the pension trustee. Similarly, FTI HK (as Liquidators of Trinity Limited, the beneficiary of an indemnity from the former shareholder of the Companies in respect of the Companies' pension scheme as part of the sale of the Companies to Trinity in 2012) requested our review and execution of a deed of release in relation to a pension scheme guarantee.
- We agreed to undertake the above work on the basis that those third parties discharge the costs incurred in doing so.
- The work in respect of the pension scheme guarantee was completed shortly after the end of the Period. We continue to assist the trustee of the Companies' pension scheme in recovering VAT.

Dealing with Creditors

Our work in the Period continued to include responding to queries from creditors, making a distribution to the preferential creditors of GL and relevant work in relation to the claims of unsecured creditors.

- We set out below the work done in the Period relating to each class of creditor.
- No work has been done in relation to the Companies' shareholders and there will be no return to them, due to the material shortfall to the Companies' creditors.

Secured Creditor

- As outlined in our previous reports, a working capital loan facility of £1.2m was provided by the Secured Creditor to GL, guaranteed by GHIL and GHIL BVI.
- This secured debt has been recovered in full by virtue of a £1.0m distribution by the fixed charged receivers of GHIL and GHIL BVI from the proceeds of selling intellectual property assets to the Purchaser; and an amount of £206k previously distributed from floating charge realisations in GL.
- As per our previous report, our understanding that GHL has no secured creditors remains unchanged.

Preferential creditors

- Preferential creditors are described in the highlighted box opposite.
- As mentioned in our Proposals and previous reports, we do not believe that there are any first-ranking preferential creditors as all 66 jobs were transferred to the Purchaser as part of the Transaction.
- In the Statement of Affairs, the director estimated that the (second-ranking) preferential claim from HMRC against GL would be c.£196k. As explained in our previous progress report, a revised (and final) proof of debt was expected from HMRC. The claim was subsequently received on 19 January 2024, claiming preferential and non-preferential amounts of c.£172k and c.£20k respectively.
- On 9 April 2024, and after appropriate adjudication of the claim, we declared a 100p/£ dividend in respect of the preferential element, in the amount of £172,388.34.
- As outlined in our previous reports, no preferential creditors are expected in the Administration of GHL.

Unsecured creditors

- We have continued to operate our dedicated email address and helpline number in order for creditors to contact us, other than by post. We continue to respond to queries to the extent possible and using the information currently available to us, in a timely manner.
- We have repeatedly invited creditors to submit their claims to us using the Turnkey Insolvency Portal as there continues to be a reasonable prospect of a dividend becoming available in both estates, as explained later.
- Any creditor that has not yet submitted details of their claim (and supporting evidence), is encouraged to do so, as soon as possible. Claims should be submitted on the Turnkey Insolvency Portal, using the details previously provided.
- The current estimates for amounts owed to the various classes of creditors, the anticipated recovery in each case and (where appropriate) the likely timing of distributions are set out on the next page.

Preferential creditors

- Preferential creditors are certain categories of unsecured creditors that have preferential status under insolvency legislation.
- They are typically employee-related debts in relation to arrears of wages and unpaid holiday pay, subject to statutory limits. The RPS becomes a preferential creditor in place of the employees once it has paid their statutory entitlements.
- Since December 2020, HMRC is also a preferential creditor for certain specified debts but ranks behind the preferential debts described above.
- Preferential claims are paid from the realisation of assets subject to a floating charge after the costs of the Administration have been paid or provided for.

Unsecured Creditors and Prescribed Part

We anticipate that a dividend will be available to the unsecured creditors of GL and GHL. As a surplus is now expected for GL, both GL and GHL will be converted to CVL to distribute funds to unsecured creditors.

- In an administration, dividends may become available for unsecured creditors from two sources:
 1. The statutory (ring-fenced) Prescribed Part fund (as described in the highlighted box); and/or
 2. The surplus remaining after any secured and preferential creditors have been repaid in full.
- For GL, due to additional asset realisations, we now believe that a distribution to the unsecured creditors will arise both by virtue of both the Prescribed Part, and from a surplus remaining given the secured and preferential creditors have been paid in full.
- As GHL has no secured creditors, there is no requirement to set aside a Prescribed Part fund. However, based on current information, we still believe there will be a small dividend for unsecured creditors.
- We have included a provision for drawing remuneration in excess of what has currently been proposed or approved. Whilst these provisions may not be what we ultimately ask creditors to approve, it is useful to illustrate that the outcome for creditors is expected to improve compared to what we have reported previously; and we would not request or draw a level of additional remuneration that adversely impacted that previous amount.
- In any event, given the magnitude of claims against the Companies, the rate of dividend for creditors is practically unaffected and insensitive to any potential changes in asset realisations or proposed increases in remuneration.

	GL	GHL
Net Property	£284k	n/a
Prescribed Part Fund	£60k	n/a
Surplus	£19k	£63k
Estimated Available for Creditors	£79k	£63k
Estimated Unsecured Claims	£58.7m	£9.0m
Estimated Dividend	0.1p/£	0.7p/£

Creditor Claims

- In their Statement of Affairs, the directors’ estimated that non-preferential unsecured claims against GL and GHL would be £41.9m and £8.9m respectively.
- However, claims of c.£15.5m have been received against GL, with potential total claims increasing to c.£58.7m. In GHL, claims of c.£157k have been received, with total claims potentially increasing to c.£9.0m.
- In both cases, further claims are expected, mostly likely when notices of intended dividends have been issued in the subsequent liquidations. No claims have yet been formally adjudicated.

Dividends Estimates

- In the table opposite, we give an illustration of the potential quantum of the surpluses available for creditors and potential rate of dividends. Please note that this guidance is only an indication and should not be used as the main basis of any bad debt provision. The amount actually distributed will be determined by the final level of asset realisations, costs of the proceedings and level of admitted claims.

Timing of Dividends

- As both Companies are now expected to move into CVL, the adjudication of claims and payment of dividends (in accordance with statutory timescales) will be done by the subsequently appointed liquidators.
- We will shortly be taking the necessary steps to seek permission from creditors for GL to enter CVL, following which the conversions can take place. However, it is prudent to assume that the distributions will be made towards the end of this year.
- GHL needs to receive the dividend from GL in order to make its own distribution, however we do not believe this will add any material delays.

Fulfilling our Statutory Duties

Insolvency legislation sets a 12-month maximum duration for an administration. The administrations were extended for a further 12-months with creditor consent.

Objective of the Administrations

- As set out in our Proposals, the statutory objective of the Administrations is objective (b): to achieve a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration).
- We continue to believe the objective of the Administrations will be achieved by virtue of the pre-pack sale of the Companies' business and assets and completion of the associated subsequent work.

Joint Administrators' Remuneration

- In Appendix C, we have provided an update on matters relating to our remuneration and expenses, including the costs that have been incurred, what creditors have approved and how much has been drawn to date.
- We have previously received fee approval from the secured and preferential creditors of GL. Although no fees were drawn in the Period, these were drawn shortly after the end of the Period.
- For the reasons set out in the Appendix and considering the increased realisations that have been achieved, we intend to seek an increase in the quantum of our fees as joint administrators of GL in due course.
- In respect of GHL, creditors did not respond to our initial request to determine the basis and quantum of our remuneration. Another decision procedure will therefore be convened in due course and the Appendix sets out what decisions are likely to be sought.

Other statutory matters

- Early in the Period, we prepared and issued our second progress report outlining the progress of the Administrations, providing an update on the estimated outcome for each class of creditor, details of the work needed to be completed before the Administrations could be concluded, as well as any further information required by statute.
- Periodic case reviews have been conducted to ensure the strategy continues to be appropriate, case progression is maintained, costs are monitored, and statutory tasks are fulfilled.
- No further investigation work or actions have been necessary in respect of our duties under SIP2 regarding the directors conduct or recovery of assets.

Fulfilling our Statutory Duties

Due to the higher level of realisations in GL, we intend to revise our Proposals to allow the company to exit Administration into CVL (similar to GHIL) in order for the surplus to be distributed to creditors.

Exit route from Administrations

- In our Proposals, we explained the manner in which we anticipated the Administrations would be brought to an end once their purpose had been achieved and our work had been completed.
- In our previous reports, we were of the view that GL would not be able to make a distribution to unsecured creditors (other than from the Prescribed Part), and therefore the mostly likely exit route was either to move the company to dissolution or to apply to Court for it to be placed into liquidation.
- However, as the level of realisations in GL have exceeded our expectations and a dividend may now be available for unsecured creditors (other than from the Prescribed Part), we must consider the most cost-effective mechanism to make that distribution.
- Our key options are:
 - Apply to Court for permission to distribute the surplus to creditors, following which the Company could be moved to dissolution as previously envisaged. The Court application would also need to seek a further extension to the Administration beyond the anniversary in November 2024.
 - Alternatively, the Company can be moved to CVL by filing a notice with the Registrar of Companies, and we (as subsequently appointed liquidators) would make the distribution. However, this option would require us to seek the consent of creditors for a revision to our Proposals such that this exit route (and our appointment as liquidators) was permitted.
- Considering the delays being experienced with refunds from HMRC and the likely costs of an application to Court, we consider it is in the best interests of creditors to revise our Proposals and move the company to CVL at the earliest opportunity. Work in this respect will commence shortly and documents required to be delivered to creditors will be made available for viewing and downloading from our website (the details of which were provided earlier).
- For GHIL, as we still expect a dividend to be available for unsecured creditors, we continue to believe the most appropriate exit route is also CVL.

- Whilst the Administrations may still end at different times and in different ways, considering the above, it is our current intention to move both Companies to CVL at the same time and benefit from any cost savings this approach will provide.
- As a result, we do not consider that an extension to the Administrations of GL and GHIL (beyond their second anniversary) will be required as both Administrations will be moved to CVL before that time.

Discharge from liability

- Pursuant to Paragraph 98 of Schedule B1, our discharge from liability (in respect of our actions as joint administrators) takes effect at a time determined by the relevant class of creditors, or the Court.
- In the circumstances of GL, it is for the Secured Creditor and preferential creditors to make that determination. For GHIL, it is for the unsecured creditors to give the necessary approval.
- We are likely to propose that discharge should take effect at the time our appointment ceases to have effect; and we will seek approval at the appropriate time, using the deemed consent procedure in both cases. As above, documents in respect of this creditors' decision will be made available on our website in due course.

Future reporting

- We are required to provide a further progress report to all creditors within one month of the end of the Period ending 22 November 2024, or when the Administrations comes to an end, whichever is sooner.
- All documents will be retained on the website and will remain available until at least two months after the conclusion of the proceedings. If you require any hard copy documents, please contact us using the details provided earlier, and you will be provided (free of charge) a hard copy of documents posted to the website now or in the future.

Secured and Preferential Creditors

As outlined in our previous progress report, we have already made distributions to the Secured Creditor which represents a repayment in full. We made a distribution to the preferential creditor, HMRC, in the Period.

Secured Creditors

- As outlined in our previous reports, a working capital loan facility of £1.2m was provided by the Secured Creditor to GL, guaranteed by GHIL and GHIL BVI.
- In the prior Period, an amount of £1.0m was distributed to the Secured Creditor by the fixed charged receivers of GHIL and GHIL BVI from the proceeds of selling intellectual property assets to the Purchaser, and an amount of £206k was distributed to the Secured Creditor from GL from floating charge realisations.
- There remain no projected future distributions for the Secured Creditor as they have now been repaid in full (including accrued interest and costs of enforcement).
- GHL has no secured creditors.

Preferential Creditors

- As previously explained, there are not any first-ranking preferential claims in GL because of the TUPE transfer of all employees to the Purchaser. Therefore, no distributions to first-ranking preferential creditors have been made.
- In the Statement of Affairs, the director estimated that the (second-ranking) preferential claim from HMRC against GL would be c.£196k.
- As explained in our previous Progress report, we expected a revised proof of debt claim from HMRC which was received on 19 January 2024. The claim consisted of c.£172k preferential claim and c.£20k unsecured claim.
- We declared a notice of dividend and distributed the 100% dividend on 9 April 2024.
- As outlined in our previous reports, no preferential creditors are expected in the Administration of GHL.

100%

Return to secured creditors (GL)

100%





Return for preferential creditors (GL)



Key Matters Remaining

Work We Still Need To Do

The remaining steps that need to be taken ahead of concluding the Administrations are shown below, in addition to certain periodic statutory duties we must fulfil whilst we remain appointed.

Area	Pension 	Tax / VAT 	Exit route and Remuneration 	Winding-down 
Work Required	<ul style="list-style-type: none"> Continue to assist the pension trustee with a VAT reclaim exercise (funded by the pension trustee). 	<ul style="list-style-type: none"> March 2024 quarter VAT return to file, and resubmit prior VAT returns as required by HMRC. Deregister for VAT and submit future input tax claims as required. Prepare and lodge the CT return for the year ended 31 December 2023 and the post-administration CT return for the period to 23 November 2024 or to end of administration, whichever is sooner. 	<ul style="list-style-type: none"> Revise our Proposals to facilitate GL moving into CVL. Seek approval to remuneration in both cases, from the relevant classes of creditors. Move the Companies to CVL. 	<ul style="list-style-type: none"> Progress any other matters required to wind-down the Companies' affairs generally prior to the Administrations concluding and moving to liquidation.
Timing	<ul style="list-style-type: none"> Ongoing, will be completed once the March 2024 quarter return is received from HMRC. 	<ul style="list-style-type: none"> Future returns to be submitted as and when required. 	<ul style="list-style-type: none"> Within the next two to three months 	<ul style="list-style-type: none"> Conversion to CVL of GL and GHL will likely be complete by 23 November 2024.



Appendices

Appendix A: Statutory Information

Company Name: G Realisations 2022 Limited

Previous Names	Gieves Limited Gieves & Hawkes Limited	Administrators' Address	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD
Trading Names	Gieves & Hawkes	Administrators' Recognised Professional Body	ICAEW
Registered Number	01026430	Functions of Administrators	For the purposes of paragraph 100(2) of Schedule B1, all functions and powers of the administrators may be exercised by all of the administrators jointly or by any administrator separately.
Date of Incorporation	6 October 1971	Appointment Date	24 November 2022
Registered Office	G Realisations 2022 Limited, C/O FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD	Appointer / Applicant	The director of GL, pursuant to Paragraph 22 of Schedule B1
Former Registered Office	Ground Floor, 21-22 Grosvenor Street, London, W1K 4QJ, United Kingdom	Objective being pursued	Achieve a better outcome for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration)
Court Name / Address	In the High Court of Justice, Business and Property Courts in Leeds, Insolvency and Companies List (ChD)	EC Regulation	We consider that these are "COMI proceedings" since the company's registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom.
Court Reference	CR-LDS-000935 of 2022	Changes in Administrator	N/A
Administrators' Names	Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson	Current Administration End Date	23 November 2024

Appendix A: Statutory Information

Company Name: Gieves & Hawkes Limited

Previous Names	Gieves & Hawkes PLC Gieves Group P L C (The) Fourth Intercede Limited Gieves Group (1980) Limited (The)	Administrators' Address	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD
Trading Names	Gieves & Hawkes	Administrators' Recognised Professional Body	ICAEW
Registered Number	01455128	Functions of Administrators	For the purposes of paragraph 100(2) of Schedule B1, all functions and powers of the administrators may be exercised by all of the administrators jointly or by any administrator separately.
Date of Incorporation	18 October 1979	Appointment Date	24 November 2022
Registered Office	Gieves & Hawkes Limited, C/O FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD	Appointer / Applicant	The director of GHL, pursuant to Paragraph 22 of Sch B1
Former Registered Office	Ground Floor, 21-22 Grosvenor Street, London, W1K 4QJ, United Kingdom	Objective being pursued	Achieve a better outcome for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration)
Court Name / Address	In the High Court of Justice, Business and Property Courts in Leeds, Insolvency and Companies List (ChD)	EC Regulation	We consider that these are "COMI proceedings" since the company's registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom.
Court Reference	CR-LDS-000945 of 2022	Changes in Administrator	N/A
Administrators' Names	Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson	Current Administration End Date	23 November 2024

Appendix B: Receipts and Payments Account – LTO Statement (GL)

GBP	Notes	From 24 November 2022 To 23 November 2023	From 24 November 2023 To 23 May 2024	From 24 November 2022 To 23 May 2024
LTO Funding				
LTO License Fees	1	929,053.20	(11,804.74)	917,248.46
LTO Contingency	2	37,104.36	(37,104.36)	-
Subtotal		966,157.56	(48,909.10)	917,248.46
Trading Expenditure				
Rent		(791,747.85)	(23,197.25)	(814,945.10)
Service Charge		(95,163.36)	(1,618.45)	(96,781.81)
Insurance		(4,889.53)	(250.59)	(5,140.12)
LTO Completion Costs	3	(30,000.00)	30,000.00	-
Insurance of Assets	4	(190.40)	(190.40)	(380.80)
Subtotal		(921,991.14)	4,743.31	(917,247.83)
Trading Surplus / (Deficit)	5	44,166.42	(44,165.79)	0.63

Notes to the LTO Statement

1. Additional funding of c.£382k (excluding VAT) was received in a previous period as a consequence of the LTO being extended with the Purchaser on five occasions. The two remaining leases were surrendered on 24 November 2023 and no further extensions were required in the Period. We ensured that the Purchaser contributed to the costs of the LTO extensions to avoid adversely impacting the return to the creditors. The negative movement in this Period represents surplus funds returned to the Purchaser.
2. This represents cash receipts in respect of the post-transaction period. Following a reconciliation of the LTO payments, these surplus funds were returned to the Purchaser in the Period.
3. The LTO Completion Costs represent monies advanced to DLA for completion payments on the surrender of the final leases prior to receiving the supporting invoices from the respective landlords. In the Period, these costs were allocated to rent, service charge and insurance.
4. Insurance policies were also extended until the final leases were surrendered, with the cost funded by the Purchaser.
5. The surplus remaining after the transfer or vacation of all of the properties is to be returned to the Purchaser. The surplus in the LTO statement is due to the Purchaser overpaying an invoice. Following the end of the Period, we received a balancing service charge invoice for one of the properties and the surplus will be taken into account in the funds requested from the Purchaser.

Appendix B: Receipts and Payments Account (GL)

GBP	Notes	Statement of Affairs ¹	From 24 November 2022 To 23 November 2023	From 24 November 2023 To 23 May 2024	From 24 November 2022 To 23 May 2024
Floating Charge Receipts					
Bank Interest	2		5,372.39	3,539.09	8,911.48
Books and Records	3	1.00	1.00	-	1.00
Business Rates Refund			1,421.50	2,876.65	4,298.15
Cash at Bank	4	500,585.26	510,101.04	-	510,101.04
Company Contracts	3	1.00	1.00	-	1.00
Customer Database	3	1.00	1.00	-	1.00
Plant and Machinery	3	4.00	4.00	-	4.00
Book debts	5		-	92,816.18	92,816.18
Pre-Admin Service Charge Refund			3,436.63	-	3,436.63
Stock	3	221,669.71	221,669.71	-	221,669.71
Contribution to Costs			90,000.00	17,000.00	107,000.00
Subtotal		722,261.97	832,008.27	116,231.92	948,240.19
Floating Charge Payments					
Bank Charges			(30.00)	-	(30.00)
Corporation Tax			-	(15.58)	(15.58)
Insurance of Assets			(940.80)	-	(940.80)
Other Expenses			(102.00)	-	(102.00)
Pre-Admin Costs - Legal Disbursements			(158.00)	-	(158.00)
Pre-Admin Costs - Legal Fees	6		(75,000.00)	241.25	(74,758.75)
Legal Fees (Contribution to Costs)	7		-	(15,000.00)	(15,000.00)
Post-Admin Legal Disbursements			-	(193.30)	(193.30)
Post-Admin Legal Fees			-	(35,902.75)	(35,902.75)
Statutory Advertising			(95.00)	-	(95.00)
Statutory Bonding			(225.00)	-	(225.00)
Storage Costs	8		(175.23)	-	(175.23)
Subtotal			(76,726.03)	(50,870.38)	(127,596.41)
Floating Charge Balance			755,282.24	65,361.54	820,643.78

Appendix B: Receipts and Payments Account (GL)

GBP	Notes	Statement of Affairs ¹	From 24 November 2022 To 23 November 2023	From 24 November 2023 To 23 May 2024	From 24 November 2022 To 23 May 2024
Floating Charge Balance			755,282.24	65,361.54	820,643.78
Preferential Creditors (second-ranking)	9		-	(172,388.34)	(172,388.34)
Net Property			755,282.24	107,026.80	648,255.44
Distributions					
Prescribed Part (for unsecured creditors)			-	-	-
Unsecured Creditors			-	-	-
Secured Creditor (floating charge security)	10		(205,555.10)	-	(205,555.10)
Net Receipts and Payments			549,727.14	(107,026.80)	442,700.34
Represented By					
VAT Receivable			44,162.58	10,219.21	54,381.79
Cash held in interest bearing account			406,072.52	(122,554.90)	283,517.62
Cash held in interest bearing account for LTO Funding			143,280.75	(42,782.79)	100,497.96
Net LTO VAT Position	11		377.71	3,925.89	4,303.60
LTO (Surplus)/Deficit	11		(44,166.42)	44,165.79	(0.63)
			549,727.14	(107,026.80)	442,700.34

Appendix B: Receipts and Payments Account

Notes to the Receipts and Payments Account (GL)

1. The Statement of Affairs amounts have been taken from the director's Statement of Affairs dated 21 February 2023 and for asset values, represents the director's estimated to realise value (not book value).
2. Funds are held with Barclays Bank Plc and all accounts were interest bearing during the Period.
3. Sale proceeds from the Transaction on 24 November 2022.
4. Cash at Bank refers to the cash held in the Company's bank account at the time of our appointment, and subsequently transferred to the Administration.
5. Book debts received in the Period relate to the interim dividend received from Trinity.
6. Pre-appointment legal fees were paid in the amount of £75,000. Some £241 was refunded following the end of the Period, and as such the total pre-appointment legal fees paid was £74,759.
7. Fees for professional services paid to DLA Piper in respect of the LTO lease assignment/ surrenders services provided, funded by the Purchaser.
8. Costs were incurred relating to the storage of the Companies' books and records and subsequent transfer to our firm's records storage provider.
9. Dividend paid to HMRC in respect of their second-ranking preferential claim in the Administration of GL, at a rate of 100p/£.
10. An amount of £1.0m was distributed from the FCRs shortly after appointment from the fixed charge receiverships. In addition, c.£206k was distributed from the Administration estate to the Secured Creditor. Together, these represented a 100p/£ distribution and includes the balance of the working capital loan facility, interest payable under the working capital loan facility balance, and costs incurred by the Secured Creditor in enforcing their security.
11. The LTO Surplus includes the current cash surplus relating to the management and trading of the LTO. The LTO VAT position reflects the net VAT position in respect of the LTO funding. All cash remaining in the LTO account will be due to the Purchaser.

All amounts are stated in GBP and exclusive of VAT (unless otherwise stated). All bank accounts have been reconciled as at the end of the Period.

Appendix B: Receipts and Payments Account (GHL)

GBP	Notes	Statement of Affairs ¹	From 24 November 2022 To 23 November 2023	From 24 November 2023 To 23 May 2024	From 24 November 2022 To 23 May 2024
Receipts					
Bank Interest		-	621.37	337.13	958.50
Books and Records	2	1.00	1.00	-	1.00
Company Contracts	2	1.00	1.00	-	1.00
Customer Database	2	1.00	1.00	-	1.00
Plant & Machinery	2	4.00	4.00	-	4.00
Pre-Administration Cash		67,521.10	67,514.10	-	67,514.10
Subtotal		67,528.10	68,142.47	337.13	68,479.60
Payments					
Insurance of Assets			(274.40)	-	(274.40)
Statutory Bonding			(225.00)	-	(225.00)
Statutory Advertising			(95.00)	-	(95.00)
Subtotal			(594.40)	-	(594.40)
Net Balance			67,548.07	337.13	67,885.20
Represented By					
VAT receivable			20.00	-	20.00
Funds held on an interest-bearing GBP account			67,528.07	337.13	67,865.20
			67,548.07	337.13	67,885.20

Notes to the Receipts and Payments Account

- The Statement of Affairs amounts have been taken from the director's Statement of Affairs dated 21 February 2023 and for asset values, represents the director's estimated to realise value (not book value).
- Sale proceeds from the Transaction on 24 November 2022. All amounts are stated in GBP and exclusive of VAT (unless otherwise stated). All bank accounts have been reconciled as at the end of the Period. Funds are held with Barclays Bank Plc and all accounts were interest bearing during the Period.

Appendix C: Joint Administrators' Remuneration and Expenses

We intend to seek an increase in the quantum of our remuneration given the anticipated improvement in the outcome for creditors of both Companies and additional work that has been (and will be) required.

Basis of our remuneration

- In our Proposals, we explained the basis on which it would be proposed that our remuneration should be fixed, together with details of the work we expected to do in the Administrations and the expenses we expected to incur.
- In this Appendix, we provide a reminder of what has been proposed, approvals that have been obtained and what further approvals may be sought. We also give additional detail on work that has been performed in the Period and an update on expenses that have been incurred.

G Realisations 2022 Limited

- As outlined in our previous report, on 17 January 2023 we obtained approval from the Secured Creditor that our remuneration should be fixed as a set amount (a fixed fee) of £130k. This amount was known to be significantly lower than had our remuneration been on a time cost basis and was intended to allow the Secured Creditor and preferential creditors to be paid in full, with a Prescribed Part fund for unsecured creditors.
- Our work in the Administration has further exceeded what was expected at the above time and additional work is now required to place the Company into CVL and administer the CVL proceedings. Accordingly, we believe there has been a material and substantial change in the circumstances of the case such that we intend to seek an increase in the quantum of the set fee in the near future and once the Proposals have been revised.
- Any increase in our remuneration will be outweighed by the material further realisations in the Administration described earlier, such that the outcome for creditors is expected to improve in any event.
- We previously explained that, on 30 October 2023, we obtained additional approval from the Secured Creditor that we may also draw remuneration on a percentage of realisations basis; being 100% of the amounts invoiced to (and received from) third parties in respect of specific LTO and pensions-related work performed solely for (and funded by) certain third parties.

- With regards to the above approvals given by the Secured Creditor, as required by insolvency legislation, similar approval was obtained from the preferential creditors in the previous period, in a decision procedure (by correspondence) ending on 25 October 2023.

Gieves & Hawkes Limited

- In a creditors' decision procedure (by correspondence and with a decision date of 19 April 2023) we sought approval from creditors to remuneration of £18k plus VAT on a set amount basis. However, no responses were received, and it is necessary to issue the request again.
- However, since we now expect higher realisations to come from the dividend from GL, we intend to seek approval for remuneration above what was previously requested. As for GL, any additional amount sought will be outweighed by the improved realisations earlier, such that the outcome for creditors is expected to improve in any event.

Pre-Administration costs

- In our previous report we provided an update on the approval and payment of pre-Administration costs. For GL, the unpaid amount in relation to our fees was £40,937 and approval for its payment as an expense of the Administration had been given by the Secured and preferential creditors. Payment was made shortly after the end of the Period and is therefore not shown in the enclosed receipts and payments account.
- For GHL, our unpaid costs were determined to be £12,525. We intend to seek approval from creditors for the payment of these costs when we re-convene the above decision procedure in respect of our remuneration as joint administrators.
- Unpaid pre-Administration legal costs incurred by DLA were paid in a prior period as shown on the enclosed receipts and payments account.

Appendix C: Joint Administrators' Remuneration and Expenses

In broad terms our work includes realising the Companies' assets, returning funds to creditors, managing the Companies' affairs and fulfilling our statutory obligations as joint administrators.

Earlier in this report, we described the main areas of our work in the Administrations during the Period covered by this report. The table below provides further detail and an indication of whether the work provided a financial benefit for creditors or whether (for example) it was required by statute.

Area of work	Description of work	Reason and benefit for creditors
Controlling the appointment	<ul style="list-style-type: none"> ■ Strategy and planning: maintained appropriate strategies for achieving the purpose of the Administrations, engagement team meetings and documented key decisions. ■ Case reviews: conducted periodic reviews on the progress of the Administrations. Future reviews will be every six months. ■ Financial Management: maintained cost budgets and prepared estimated outcome statements, as appropriate for the case. 	<ul style="list-style-type: none"> ■ We have a duty to perform our functions as quickly and efficiently as reasonably practicable in the best interests of the creditors as a whole. ■ Whilst not necessarily generating a direct financial benefit for creditors, these areas of our work ensure that our strategies to maximise realisations and minimise costs (and liabilities where possible), are kept under review and amended as appropriate.
Realising the Assets	<ul style="list-style-type: none"> ■ Sale of business: continued to fulfil our post-sale obligations. For GL, this included surrendering and assigning the final two leases and completing a reconciliation of the LTO funds. ■ Insurance: worked with our insurance brokers to agree the continuance of insurance requirements and managed the policies as required; including cancellation and payment of premiums. ■ Dividend: pursued and received an interim dividend from Trinity in the amount of c.£93k in April 2024. 	<ul style="list-style-type: none"> ■ The sale of business and dividend received provides a direct financial benefit for creditors and includes the work required after completion pursuant to the terms of the sale agreement, or otherwise. ■ Insurance cover is a necessary financial loss protection for the Company, their creditors and the Administrators in respect of assets held (and any insurable risks arising) during the course of the Administration.

Appendix C: Joint Administrators' Remuneration and Expenses

In broad terms our work includes realising the Companies' assets, returning funds to creditors, managing the Companies' affairs and fulfilling our statutory obligations as joint administrators.

Area of work	Description of work	Reason and benefit for creditors
Dealing with Creditors	<ul style="list-style-type: none"> ■ Preferential claims agreement: liaised with the creditor (HMRC) regarding the provision of supporting information and declared a dividend to the preferential creditor. ■ Preferential dividends: prepared calculations, filed statutory notices and declared the preferential dividend. ■ Creditor queries: for all classes of creditors, shareholders and other third parties, we responded to inbound queries received to the extent possible and necessary. 	<ul style="list-style-type: none"> ■ Where available, distributions and dividends represent a repayment to creditors in respect of the amounts owed to them by the Companies and therefore is a tangible financial benefit from the insolvency proceedings. ■ During the course of claims agreement, we perform a proportionate level work with an appropriate degree of scrutiny taking into account the quantum of the dividend available, to avoid incurring unnecessary costs and to avoid adversely impacting the recovery for creditors. ■ Responding to general inbound queries can take considerable time and does not have a direct financial benefit for creditors, except for example (for individual creditors) where it is to provide debt confirmations for the purpose of credit insurance claims. To the extent possible, we encourage creditors to review information already available on our website.

Appendix C: Joint Administrators' Remuneration and Expenses

In broad terms our work includes realising the Companies' assets, returning funds to creditors, managing the Companies' affairs and fulfilling our statutory obligations as joint administrators.

Area of work	Description of work	Reason and benefit for creditors
Managing the Company's Affairs	<ul style="list-style-type: none"> ■ Corporation Tax: prepared and submitted the relevant returns falling due. ■ VAT: prepared and submitted the necessary and periodic VAT returns falling due during the Administrations. This included making payments to HMRC and maintaining adequate VAT accounts. We are currently awaiting the receipt of the VAT refund for the period ended 31 December 2023, and the return for the quarter ending 31 March 2024. ■ Bank account management: continued control and operation of bank accounts for the purpose of depositing receipts and paying expenses. Accounts are reconciled on a monthly basis. ■ Receipts, payments and accounting journals: maintained adequate accounting records for the period of the Administrations, including the payment of costs and expenses for both the LTO account and for the estate accounts for the Administrations. 	<ul style="list-style-type: none"> ■ We have a statutory responsibility to complete and submit post-insolvency tax and VAT returns and account for any tax due. ■ As circumstances can often be complex, the involvement of our VAT and tax specialists ensures that the Companies pay the correct amount of tax, to avoid adversely impacting any amounts available for creditors. ■ Operating bank accounts for the Administration avoids the costs and logistics of taking control of the Company's existing accounts (which are usually closed shortly after appointment). Regular reconciliations of the new accounts assist in maintaining accurate records for the Administration.
Fulfilling our Statutory Duties	<ul style="list-style-type: none"> ■ Initial letters and notices: issued all necessary correspondence to any new creditors who have contacted us. ■ Progress reports: prepared and issued the second six-monthly progress report to creditors, including receipts and payments accounts. 	<ul style="list-style-type: none"> ■ Due to the impact of insolvency on a company's creditors and members, there are statutory requirements to give notice of the appointment of administrators to affected parties. There is no financial benefit to creditors. ■ The various other workstreams arise from statutory requirements due to the Companies being in an insolvency process and similarly do not have any direct financial benefit for creditors. Many requirements are for the purpose of keeping creditors informed about the Administrations and to protect their interests generally.

Appendix C: Joint Administrators' Remuneration and Expenses

An overview of the types of expenses incurred.

Definition of expenses

- Expenses are any payments from the estate which are neither office-holders' remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office-holder and then reimbursed to the office-holder from the estate.
- Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2):
 - Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office-holder. Category 1 expenses can be paid without prior approval.
 - Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office-holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.
- The types of disbursements categorised as Category 1 expenses typically include external supplies of incidental services specifically identifiable to the case such as postage, statutory case advertising, bonding, invoiced travel and external services such as printing, room hire and document storage. Also included would be any properly reimbursed expenses incurred by personnel in connection with the case.
- The types of disbursements categorised as Category 2 expenses typically include mileage, in-house printing and electronic data storage.

Professional advisors and subcontractors

- The table on the next page provides details of professional advisors and subcontractors that we have engaged on this project. The use of subcontractors is in relation to work that we could have done (subject to the exceptions detailed below), but that we have outsourced.
- Our choice of professional advisors and subcontractors was based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment.
- We also considered that the basis on which they will charge their fees is appropriate in the circumstances. Other than the legal advice and insurance services, the work could have been undertaken by our teams, but we have outsourced it as we consider it to be more cost effective and the providers have relevant specialist experience. We have reviewed the fees they have charged and are satisfied that they are reasonable in the circumstances of this case.
- Details of the expenses incurred in the Period with these third parties (whether paid or not) is set out later in this Appendix. The amounts paid are shown in the Receipts and Payments account at Appendix B.
- We have also utilised the services of other teams within FTI Consulting LLP to assist with the Administration process. The fees of our Tax team has been included within the basis of our remuneration. We consider that the rates chargeable for these services are in line with general market practice and that the service is at least comparable to similar firms of professional advisors. In addition, by working closely with our internal teams, we believe a more coordinated and cost-effective approach to the Administration workstreams has been possible.

Appendix C: Joint Administrators' Remuneration and Expenses

The table shows the professional advisors and subcontractors engaged on the Administrations. Also shown is our firm's policy for the recovery of disbursements and the amounts incurred in the Period.

Payee / firm	Service provided	Reason selected	Basis of fees/costs
EPE Reynell	■ Gazette Notices	■ Specialist in dealing with legal advertising	■ Fixed cost per advert
Aon UK Limited	■ Insurance Risk Services	■ Experienced provider of insurance services to insolvency practitioners	■ Insurance Premiums
DLA Piper LLP	■ Legal Advice	■ Experienced and reputable firm with the most reasonable fees as per the quotes requested	■ Time costs
Courts Trustees	■ Pension Advice	■ Specialists in dealing with pension matters	■ Fixed cost per notice/submission

Disbursements

Category	Disbursement	G Realisations 2022 Limited			Gieves & Hawkes Limited		
		Incurring previously £	Incurring in the period £	Total Incurred £	Incurring previously £	Incurring in the period £	Total Incurred £
1	Pension Scheme Advice	100.00	-	100.00	100.00	-	100.00
1	Courier	27.75	-	27.75	-	-	-
1	Companies House Fees	50.00	-	50.00	-	-	-
	Total	177.75	-	177.75	100.00	-	100.00

- All disbursements are reimbursed at cost.
- Companies House Fees refer to the cost to change the entity name from Gieves Limited to G Realisations 2022 Limited.

Appendix C: Joint Administrators' Remuneration and Expenses (GL)

The table below should be read in conjunction with the receipts and payments account for Gieves Limited which shows expenses actually paid during the Period and the total paid to date.

Category	Notes	Incurred Previously £	Incurred in the Period £	Total Incurred £	Estimated Future £	Estimated Total £	Expenses Estimate £
Statutory Advertising		95.00	-	95.00	95.00	190.00	190.00
Officeholders' expenses		177.76		177.76	-	177.76	100.00
Statutory bonding		225.00	-	225.00	-	225.00	225.00
Bank Charges	1	30.00	-	30.00	-	30.00	-
Insurance		940.80	-	940.80	-	940.80	970.00
Storage Costs		175.23	-	175.23	-	175.23	-
Legal Fees	2	37,782.25	13,120.50	50,902.75	-	50,902.75	18,000.00
Legal Disbursements		-	193.30	193.30		193.30	
Totals (excluding pre-Administration costs)	3,4	39,426.04	13,313.80	52,739.84	95.00	52,834.84	19,485.00
Legal fees- pre-Administration costs	5	75,000.00	(241.25)	74,758.75	-	74,758.75	74,779.00
Legal disbursements - pre-Administration costs		158.00	-	158.00	-	158.00	-
Total (including pre-Administration costs)		114,584.04	13,072.55	127,656.59	95.00	127,751.59	94,264.00

- Bank charges include the £15 charge relating to an LTO transaction made on 18 May 2023 which was previously included in the trading statement instead of Joint Administrators' expenses. It has now been reallocated as we did not charge the Purchaser this amount.
- Legal fees include £15,000 of LTO legal fees, funded by the Purchaser
- Our current estimate of expenses (£52,835) is in excess of the amount given to the creditors in our Proposals on 30 November 2022 (£19,485). The principal reasons are as follows:
 - As per the previous report, office-holders' expenses includes the pension advice provided by Courts Trustees (which was shown separately in our Proposals).
 - Legal fees have exceeded the initial estimate, principally due to additional work that has been necessary with primarily relate to costs associated with the LTO and pensions.
- The expenses estimate of £19,485 was provided to creditors in our Proposals on 30 November 2022.
- The pre-Administration legal fees were paid in the amount of £75,000. Some £241 was refunded during the Period, and as such the total amount paid was £74,759.
- The expenses estimate does not represent a cap on the amount of expenses that can be paid, and approval for payment is only required for those that are Category 2 expenses, as previously defined.

Appendix C: Joint Administrators' Remuneration and Expenses (GHL)

The table below should be read in conjunction with the receipts and payments account which shows expenses actually paid during the Period and the total paid to date.

Category	Notes	Incurred previously £	Incurred in the Period £	Total Incurred £	Estimated future £	Estimated Total £	Proposals estimate £
Statutory Advertising		95.00	-	95.00	-	95.00	190.00
Officeholders' expenses		100.00	-	100.00	-	100.00	100.00
Statutory bonding		225.00	-	225.00	-	225.00	225.00
Bank Charges	1	-	-	-	-	-	-
Insurance		274.40	-	274.40	-	274.40	396.00
Storage Costs		-	-	-	-	-	-
Legal Fees		-	-	-	-	-	2,000.00
Totals	2	694.40	-	694.40	-	694.40	2,911.00

1. Bank Charges of £15 were disclosed within the previous report. This figure has been adjusted in the current report to reflect the actual expense of £nil.
2. The expenses estimate of £2,911 was provided to creditors in our Proposals on 30 November 2022. Our current estimate of expenses changed because the legal fees are no longer expected to be incurred in the Administration of GHL. Hence, the estimated total is anticipated to be below our original estimate in the proposals.
3. The expenses estimate does not represent a cap on the amount of expenses that can be paid, and approval for payment is only required for those that are Category 2 expenses, as previously defined.

Appendix D: An introduction to insolvency

If you are unfamiliar with an insolvency process, please read this page which describes the typical work and role of an insolvency practitioner. This is only a general overview and does not necessarily reflect our work in this case.

What is an insolvency process?

There are several types of insolvency process, but all are intended to achieve the same basic objective: to realise assets that the company owns and repay (to the extent possible) what it owes to creditors.

The type of process depends on the circumstances and the amount distributable to creditors (in accordance with statutory priorities) depends on the value of assets, the costs of the process and level of claims received.

What is an insolvency practitioner?

Commonly referred to as an 'IP', an insolvency practitioner is an experienced and qualified individual who is licensed and authorised to act in relation to an insolvent company, partnership or person.

IPs typically use the staff and resources of their own firm to complete the work, supported by third party professionals and other specialists as required.

IPs are routinely monitored by their professional body to ensure continued adherence to standards.

Realising the Assets

The IP evaluates possible options and pursues the best route for maximising value for creditors. Options could include an immediate sale of the business, a period of ongoing trading (prior to a sale) or a closure/wind-down of operations.

The costs of realising the assets can vary significantly, so an IP is looking to maximise the net value (after costs). Securing the ongoing employment of the workforce can materially reduce claims against the company.

Work done on realising the assets has a direct financial benefit for creditors.

Managing the Companies' Affairs

Until such time as the company is dissolved, it must continue to fulfil many of its usual obligations, such as submitting VAT/tax returns and keeping adequate accounting records.

Whilst appointed to manage the affairs of the company, the IP is responsible for ensuring these obligations are met. Support from VAT/tax specialists in insolvency situations helps to ensure accuracy and minimise liabilities.

Other work might include complying with any licensing or regulatory requirements.

Dealing With Creditors

It can take several months, often longer, but if and when funds become available, the IP will distribute these to creditors once their claims have been received and agreed.

As secured creditors usually have priority rights over the assets, the amount left over for other non-preferential unsecured creditors can often be very small.

IPs keep creditors updated on their work, either through periodic reports or responding to their queries and correspondence.

Fulfilling our Statutory Duties

The impact of an insolvency can be wide ranging, so IPs are required to issue notices and periodic reports to notify those affected parties and keep them updated.

The company's affairs and conduct its directors must also be investigated to see whether any asset recovery (or other actions) need to be taken.

Whilst this work does not have any direct financial benefit for creditors, the purpose of insolvency law is to protect the interests of creditors.

Regular internal case reviews ensure the process progresses cost effectively and on a timely basis.

Appendix E: Legal Notices

We have set out below some important notices regarding this report and the appointment of administrators.

About this report

- This report has been prepared by the Joint Administrators solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the insolvency proceedings.
- It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or Companies subject to these insolvency proceedings.
- Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.
- Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Provision of Services Regulations

- To comply with the Provision of Services Regulations, some general information about FTI Consulting LLP, including about our complaints policy and Professional Indemnity Insurance, can be found online at: <https://www.fticonsulting.com/uk/creditors-portal>.

Information on creditors' rights

- A creditors' guide to administrations can be found on our website below. It includes information to help creditors understand their rights and describes how best these rights can be exercised.
<https://www.fticonsulting.com/uk/creditors-portal/forms-and-information>
- The website also has a creditors' guide to administrators' fees which is intended to help creditors be aware of their rights under legislation to approve and monitor fees; and explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.
- The above documents on our website are called:
 - Creditors Guide to Administration (E&W, February 2023)
 - Guide to Administrators Fees April 2021 England Wales
- Details of the above rights are also set out on the right.

Data Protection

- FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of its insolvency practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information in our Data Privacy statement on our website at <https://www.fticonsulting.com/uk/creditors-portal>.

Creditors' Right to Challenge Remuneration and/or Expenses

- Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors, or with the leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 18.36 or 18.37 IR16), challenging the amount or the basis of the remuneration which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.
- Such application must be made within eight weeks of receipt by the applicant(s) of the report detailing the remuneration and/or expenses in question, in accordance with Rule 18.34 IR16.

Creditors Right to Request Information

- Any secured creditor or unsecured creditor with the support of at least 5% in value of the unsecured creditors, or with the leave of the Court, may, in writing, request the Joint Administrators of the Company to provide additional information regarding remuneration or expenses to that already supplied within this document. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 IR16.



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