



To all known creditors

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

G Realisations 2022 Limited (Company Number 01026430)

Gieves & Hawkes Limited (Company Number 01455128)

(in Administration)

Contents

Glossary	3
Purpose of this report	5
Progress of the Administrations	7
Estimated Outcomes for Creditors	14
Key Matters Remaining	17
Appendices	19



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
FTI HK	FTI Hong Kong Limited
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England & Wales
IR16 / the Rules	Insolvency (England and Wales) Rules 2016 (as amended)
IP	Insolvency Practitioner
LTO	Licence to Occupy
NDA	Non-Disclosure Agreement
PAYE / NIC	Pay-as-you-earn tax / National Insurance Contributions
PPF	Pension Protection Fund
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 7	Presentation of financial information in insolvency proceedings
SIP 9	Payments to insolvency office holders and their associates from an estate
SIP 16	Pre-packaged sales in administrations
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
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 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
GL	G Realisations 2022 Limited (formerly Gieves Limited)
GHL	Gieves & Hawkes Limited
GHIL	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 148 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
Transaction	Pre-packaged sale of the Companies' assets to the Purchaser
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.



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 GHL 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 May 2023 to 23 November 2023 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, which continue to be available online (see How to Contact Us).
- If you are unfamiliar with insolvency, we have 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.



.....
Christopher Jon Bennett
Joint Administrator

The affairs, business and property of the Companies are being managed by the Joint Administrators, who act as agents of the Companies and without personal liability. The Joint Administrators are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under Section 390A(2)(a) IA86. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

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 GHL. 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 in early 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 and are not repeated here for the purposes of this report unless considered necessary or beneficial to do so. Similarly, progress in the Administrations during the six months following our appointment, can be found in our first progress report.
- 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.
- Alternatively, we have provided below a summary reminder 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 report, 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.
- 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 six-month period of the Administrations, four sites had been transferred and two had been vacated, leaving two sites under the extended LTO.

- 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

- In the first six months we 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.
- We invited creditors to submit their claims to us using the Turnkey Insolvency Portal, as there was (and continues to be) the 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 would be sought from HMRC (as the only preferential creditor of GL) once their claim for voting purposes had been established.
- As GHL has no secured creditor, we also sought similar remuneration approval from the general body of creditors. No responses were received, and it would 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 report 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 transfer of the remaining leasehold property portfolio, which concluded shortly after the Period end.

Transfer of the Leasehold Property Portfolio (GL)

- As mentioned earlier, after the first six months of the Administrations, only two properties continued to be occupied by the Purchaser under the LTO (which had been extended to provide the necessary time for the transfers to be completed).
- During the Period, we continued to liaise with our legal advisors, landlords and the Purchaser as required for the transfers to be progressed and completed. Further extensions to the LTO were necessary, the costs of which have been borne by the Purchaser. As shown on the enclosed receipts and payments account, a total of £90k has been received from the Purchaser in respect of this contribution to costs. An additional £17k (£2k for our fees and £15k for DLA's costs) was paid to DLA before the end of the Period, but was not received into the Administrators' account until after the end of the Period.
- We have managed the license fee account to ensure adequate funding is received from the Purchaser to meet the Company's post-Administration liabilities in relation to rent, service charge, and insurance.
- The assignment of the two remaining leases was completed shortly after the end of the period covered by this report; including the settlement of all lease-related expenses of the Administration (funded by the Purchaser). Successfully assigning properties reduces potentially material claims from landlords against the Company and therefore benefits creditors generally, with respect to their participation in any dividend distribution.

Merchant Services (cash at bank)

- As stated in our previous progress report, the Companies held a merchant services account prior to our appointment. The Bank had retained certain funds as a safeguard against any chargeback requests. During the Period, we completed a reconciliation with the Purchaser and the merchant services provider to identify the funds due to the estate, and the funds due to the Purchaser (where they related to post-administration sales).
- During the Period, GL received c.£9.9k from the merchant services account, with the remaining amounts associated with post-administration sales being paid to the Purchaser.

Other Assets

- Other receipts in the Period relate to interest earned on cash balances (in both Companies) and for GL only, a refund of service charges relating to the period prior to the Administration.
- Other than interest accruing on cash balances, we do not anticipate any further realisations for either of the Companies.

Dealing with Creditors

We have reported regularly to the Secured Creditor and continued steps to assess the level of the Companies' liabilities, including responding to ongoing queries received from creditors, to the extent possible.

- We set out below the work done in the Period relating to each class of creditor.
- 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 later in this report.
- There will be no return to the Companies' shareholders as there will be a material shortfall to the Companies' creditors.

Secured Creditor

- We have corresponded with the Secured Creditor of GL in respect of fee approval and the extension to the period of the Administration. Further details on both of these matters are set out later.
- We understand that GHJ has no secured creditors.

Unsecured creditors

- In preparation for our appointment, we set up a 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 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.

Preferential creditors

- Preferential creditors are described in the highlighted box below.
- As mentioned in our Proposals, 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.
- HMRC is a second-ranking preferential creditor and we understand that they have a claim of c.£195k in respect of the VAT due from the VAT group, for which both Companies are liable; as well as PAYE for the month prior to appointment.
- During the Period, HMRC lodged an interim proof of debt, including for amounts that rank preferentially. We have been liaising with HMRC on certain aspects of their claim, and a revised claim is expected.
- We anticipate declaring a notice of intended dividend and making a distribution in the coming weeks once an updated proof of debt is received from HMRC.

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.

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.
- The pre-appointment return and the post-appointment VAT returns for the periods to 30 September 2023 have now been filed. Submission of the pre-Administration return is partly the reason why a revised claim from HMRC is now expected.
- Future returns will be prepared and filed until such time as the Companies are deregistered for VAT purposes. Deregistration could not be requested during the Period as the LTO constituted a taxable supply. As the surrender of the remaining two leases has now been completed, we are preparing to deregister at the end of the current VAT quarter.
- The next returns for GL and GHL are for the periods to 31 December 2023 and will be submitted before the deadline of 31 January 2024.

Tax

- The FTI Tax team has prepared corporation tax returns for the pre-administration periods ending 31 December 2021 and 24 November 2022 for GL and GHL. These have been lodged with HMRC.
- The next tax return will be for the Period ending 24 November 2023 and 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 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.

Fulfilling our Statutory Duties

Creditors have consented to the Administrations being extended by up to 12 months to allow outstanding matters to be resolved.

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.

Extension - GL

- We considered that an extension to the Administration of GL (beyond its first anniversary) was required for the following reasons:
 - To allow sufficient time for the Purchaser to agree new lease agreements, thereby reducing or avoiding potential claims against GL, which benefits the other unsecured creditors.
 - To allow sufficient time for the prescribed part fund to be distributed to creditors and related work to be completed. Whilst we were working towards being able to declare the dividend prior to the anniversary of our appointment, we did not intend to do so while the Purchaser was actively trying to agree new lease agreements which, if agreed, would likely reduce claims against the estate.
 - To allow sufficient time for a Regulation 110 Determination to be appealed with HMRC, given a delay in receiving a copy of the determination which had ultimately delayed the appeals process. The appeal was accepted and the charge was dismissed on 1 December 2023.
 - The extension would also allow us to attend to any other matters that may have arisen prior to the anniversary of our appointment that could not be resolved in that time.
- For GL, we received approval from the secured and preferential creditors to extend the period of the Administration by 12 months until 23 November 2024. Consent of the preferential creditors was obtained using a deemed consent procedure ending on 6 November 2023.

Extension - GHL

- We considered that an extension to the Administration of GHL (beyond its first anniversary) was required for the following reasons:
 - To allow sufficient time for GL to distribute its prescribed part fund to GHL, so that GHL was able to distribute its dividend to the unsecured creditors. It was unlikely that this could be completed prior to the anniversary of our appointment.
- For GHL, we received approval from the unsecured creditors to extend the period of the Administration by 12 months until 23 November 2024. Again, this was sought using a deemed consent procedure ending on 6 November 2023.

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 received fee approval from the secured and preferential creditors of GL, although no fees have been drawn to date.
- We have not yet repeated our attempt to obtain fee approval in respect of GHL, although we expect to do so in the near future.

Other statutory matters

- Early in the Period, we prepared and issued our first 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

We do not expect the Administrations to extend beyond the initial extension and we will be looking to bring the Administrations to an end once their purpose has been achieved and all our work has been completed.

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.
- For GL, as we do not expect a dividend to be available for unsecured creditors (other than from the Prescribed Part), the mostly likely exit route is one of the following:
 - The Administration will end by filing a notice of dissolution with the Registrar of Companies. GL will then automatically be dissolved by the Registrar of Companies three months after the notice is registered.
 - If there are matters remaining that require the attention of a liquidator, the Administration may end by the presentation of a winding up petition to the Court for the compulsory liquidation of GL. We may propose that Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson (and/or any subsequent or replacement administrator holding office at that time) be appointed joint liquidators of GL by the Court.
- For GHL, as we expect a dividend to be available for unsecured creditors, the most likely exit route is via a Creditors' Voluntary Liquidation:
 - If considered more appropriate for a liquidator to distribute the surplus funds, the Administration will end by placing GHL into Creditors' Voluntary Liquidation, with Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson (and/or any subsequent or replacement administrator holding office at that time) being appointed joint liquidators of GHL; and they will be authorised to act either jointly or separately in undertaking their duties as liquidators.
- The Administrations may end at different times and in different ways.

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 GHL, 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.

Future reporting

- We are required to provide a further progress report to all creditors within one month of the end of the Period ending 23 May 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.



Estimated Outcomes for Creditors

Secured and Preferential Creditors

As outlined in our previous progress report, we have made distributions to the Secured Creditor which represents a repayment in full. We anticipate making a distribution to preferential creditors in the near future.

Secured Creditors

- As outlined in our previous progress report, 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 are 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 is not expected to be any first-ranking preferential claims in GL because of the TUPE transfer of all employees. Therefore, no distributions to first-ranking preferential creditors are expected.
- In the Statement of Affairs, the director estimated that the (second-ranking) preferential claim from HMRC against GL would be c.£196k.
- In July 2023, HMRC submitted an interim claim against GL, including amounts that would rank preferentially.
- On 25 August 2023, we issued our notice of intended dividend to the preferential creditors and expected to declare the dividend by 18 September 2023. However, we were unable to adjudicate HMRC's claim in the time available; this was in part due to HMRC needing to submit an updated proof of debt form which they were not able to do in the required timeframe. Therefore, we gave notice to HMRC that the dividend was being postponed.
- We anticipate declaring a further notice of intended dividend and making a distribution in the coming weeks once an updated proof of debt is received from HMRC.
- We anticipate the claim (expected to be c.£196k based on discussions with HMRC) will be paid in full by GL.
- No preferential creditors are expected in the Administration of GHL.

100%

Return to secured creditors (GL)



100%

Estimated return for preferential creditors (GL)



Unsecured Creditors and Prescribed Part

We anticipate that a small dividend will be available to the unsecured creditors of GL and GHL. We will soon be commencing work towards the formal adjudication of claims and declaration of dividends.

- In an administration, dividends may become available for unsecured creditors from two sources:
 1. The statutory (ring-fenced) Prescribed Part fund; and/or
 2. The surplus remaining after any secured and preferential creditors have been repaid in full.
- For GL, we do not believe any surplus will remain after secured and preferential creditors have been repaid in full. Therefore, a distribution to the unsecured creditors will only arise by virtue of the Prescribed Part.
- As GHL has no unsatisfied charges (post 15 September 2003), there is no requirement to set aside a Prescribed Part fund. Based on current information, we believe there will be a small dividend for unsecured creditors.

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.
- To date, claims of c.£18.1m have been received against GL and c.£157k against GHL. Further claims are expected, mostly likely when our notices of intended dividends have been issued.

Prescribed Part fund

- Based on current information, we believe the value of net property of GL will be c.£260k, giving rise to a Prescribed Part fund of c.£55k. The estimated value of net property includes an assessment of future recoveries and the final level of costs and therefore is subject to change.
- For GHL, there is no requirement to set aside a Prescribed Part Fund and any dividend will be paid from asset realisations. As such, we estimate the value of funds available to creditors to be c.£47k. This excludes any realisations from the Prescribed Part in GL, from which GHL will be a beneficiary.

Dividends and timing

- For GL, we expect a small dividend to be paid, based on the above Prescribed Part fund estimate of c.£55k. This represents a dividend of c.0.1p/£ based on the estimated value of claims. There is not expected to be any return to the unsecured creditors of GL other than by virtue of the Prescribed Part.
- For GHL, we expect a dividend of c.0.5p/£ to be paid, based on available funds of c.£47k, and claims of c.£8.9m.
- Dividends are expected to be declared in the next few months.
- 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 distributed will be determined by the final level of admitted claims and the value of the funds available.

The Prescribed Part

- Under Section 176A IA86, where after 15 September 2003 a company has granted floating charge security, a proportion of the 'net property' of the company must be made available for the benefit of the company's unsecured creditors.
- 'Net property' is the net floating charge realisations after the costs of realisation, expenses of the Administration and Preferential Creditors have been paid in full or funds set aside for.
- The Prescribed Part is calculated as follows:
 - 50% of net property up to £10k;
 - Plus 20% of the net property in excess of £10k; and
 - Subject to a maximum of £800k
- Expenses associated with the Prescribed Part must be paid out of the Prescribed Part, such as the agreement of claims, issuing statutory notices and distributing the funds.



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	<p>Property</p> 	<p>Pension</p> 	<p>Tax / VAT</p> 	<p>Distributions</p> 	<p>Winding-down</p> 
Work Required	<ul style="list-style-type: none"> Complete a reconciliation of the LTO funds and refund any surplus to the Purchaser such that the net position is zero. 	<ul style="list-style-type: none"> Assist the pension trustee with a VAT reclaim exercise (funded by the pension trustee) 	<ul style="list-style-type: none"> Post appointment VAT return for the period to 31 December 2023 is to be submitted by 31 January 2024. Deregister for VAT and submit future input tax claims as required. Prepare and lodge the CT return for the period to 24 November 2023 and the post-administration CT return for the period to 24 November 2024 or to end of administration, whichever is sooner 	<ul style="list-style-type: none"> Reissue the notice of intended dividend for preferential creditors for GL once the updated HMRC claim is received. Adjudicate preferential claims and make a distribution to GL's preferential creditors. Issue a notice of intended dividend to unsecured creditors of GL and GHL. Adjudicate claims submitted and make the unsecured distributions. 	<ul style="list-style-type: none"> Progress any other matters required to wind-down the Companies' affairs generally prior to the Administrations concluding and the Companies being dissolved (or moved to liquidation in the case of GHL).
Timing	<ul style="list-style-type: none"> Within one month. 	<ul style="list-style-type: none"> Ongoing, with return to be completed before the end of the Administration. 	<ul style="list-style-type: none"> Future returns to be submitted as and when required. 	<ul style="list-style-type: none"> Within the next six months. 	<ul style="list-style-type: none"> Dissolution of GHL and GL will likely be complete by 24 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 May 2023	From 24 May 2023 To 23 November 2023	From 24 November 2022 To 23 November 2023
LTO Funding				
LTO License Fees	1,2	546,845.69	382,207.51	929,053.20
LTO Contingency	3	37,104.36	-	37,104.36
Subtotal		583,950.05	382,207.51	966,157.56
Trading Expenditure				
Rents	4	(277,690.89)	(514,056.96)	(791,747.85)
Service Charge		(22,226.96)	(72,936.40)	(95,163.36)
Insurance		(120.82)	(4,768.71)	(4,889.53)
Bank Charges		(15.00)	-	(15.00)
LTO Completion Costs	5	-	(30,000.00)	(30,000.00)
Subtotal		(300,053.67)	(621,762.07)	(921,815.74)
Trading Surplus / (Deficit)	2,6	283,896.38	(239,554.56)	44,341.82

Notes to the LTO Statement

1. Additional funding of c.£382k (excluding VAT) was received during the 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 will therefore be required. The Purchaser contributed to the costs of the LTO extensions to avoid adversely impacting the return to the creditors.
2. Any surplus amounts remaining after all of the properties have been transferred or vacated, will be returned to the Purchaser. The current surplus in the LTO statement is due to timing differences in respect of lease costs that have been funded by the Purchaser but not yet invoiced by the landlord and/or paid at the end of the Period.
3. This represents cash receipts in respect of the post-transaction period. Following a reconciliation of LTO payments due, all cash remaining will be due to the Purchaser.
4. A payment of c.£10k, excluding VAT of c.£2k, was incurred in the previous period but was omitted from the previous report. The total of c.£514k has been adjusted.
5. The LTO Completion Costs represents monies advanced to DLA for completion payments on the surrender of the final leases prior to receiving the supporting invoices from the respective landlords. These costs will be allocated to rent, service charge and insurance in the next period.
6. Bank Charges of £15 were excluded in the previous progress report but incurred in the previous period, this has now been corrected in this report.

Appendix B: Receipts and Payments Account (GL)

GBP	Notes	Statement of Affairs ¹	From 24 November 2022 To 23 May 2023	From 24 May 2023 To 23 November 2023	From 24 November 2022 to 23 November 2023
Floating Charge Receipts					
Bank Interest	2		1,468.07	3,904.32	5,372.39
Books and Records	3	1.00	1.00	-	1.00
Business Rates Refund			1,421.50	-	1,421.50
Cash at Bank	4	500,585.26	500,203.24	9,897.80	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
Pre-Admin Service Charge Refund			-	3,437	3,436.63
Stock	3	221,669.71	221,669.71	-	221,669.71
Contribution to Costs			-	90,000.00	90,000.00
Subtotal		722,261.97	724,769.52	107,238.75	832,008.27
Floating Charge Payments					
Bank Charges			(15.00)	-	(15.00)
Insurance of Assets			(940.80)	-	(940.80)
LTO Insurance of Assets			-	(190.40)	(190.40)
Other Expenses			(102.00)	-	(102.00)
Pre-Admin Legal Disbursements			-	(158.00)	(158.00)
Pre-Admin Legal Fees	5		-	(75,000.00)	(75,000.00)
Statutory Advertising			(95.00)	-	(95.00)
Statutory Bonding			(225.00)	-	(225.00)
Storage Costs	6		(175.23)	-	(175.23)
Subtotal			(1,553.03)	(75,348.40)	(76,901.43)
Floating Charge Creditor					
Distribution to Secured Creditor	7		(205,555.10)	-	(205,555.10)
Floating Charge Balance			517,661.39	31,890.35	549,551.74
Represented By					
VAT Receivable			54.05	44,108.53	44,162.58
Cash held in interest bearing account			554,289.22	(148,216.70)	406,072.52
Cash held in interest bearing account for LTO Funding			302,677.56	(159,396.81)	143,280.75
Net LTO VAT Position	8,9		(55,463.06)	55,840.77	377.71
LTO Surplus	8,9		(283,896.38)	239,554.56	(44,341.82)
			517,661.39	31,890.35	549,551.74

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. Pre-appointment legal fees were paid in the amount of £75,000. Some £221 was refunded following the end of the Period, and as such the total pre-appointment legal fees paid was £74,779.
6. Storage costs were incurred which related to the storage of the Companies' books and records and subsequent transfer to our firm's records storage provider.
7. An amount of £1.0m was distributed from the FCRs shortly after appointment from the fixed charge realisations. 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.
8. 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. Following the assignment of the remaining leases a cash reconciliation will be completed. All cash remaining in the LTO account will be due to the Purchaser.
9. A payment of c.£10k, excluding VAT of c.£2k, was incurred in the previous period but was omitted from the previous progress report.

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 May 2023	From 24 May 2023 To 23 November 2023	From 24 November 2022 To 23 November 2023
Floating Charge Receipts					
Bank Interest		-	95.82	525.55	621.37
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	67,616.92	525.55	68,142.47
Floating Charge Payments					
Insurance of Assets			-	(274.40)	(274.40)
Statutory Bonding			(225.00)	-	(225.00)
Statutory Advertising			(95.00)	-	(95.00)
Subtotal			(320.00)	(274.40)	(594.40)
Floating Charge Balance			67,296.92	251.15	67,548.07
Represented by					
VAT receivable			19.00	1.00	20.00
Funds held on an interest-bearing GBP account			67,277.92	250.15	67,547.07
Total Receipts and Payments			67,296.92	251.15	67,548.07

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

No fees have been drawn to date for our work on the Administrations of the Companies. Fee approval has been received for GL and we are in the process of obtaining the necessary approvals from creditors for GHL.

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.
- 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 for GL. On 30 October 2023, we obtained 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 additional LTO and pensions-related workstreams funded by third parties.
- Both of the above bases and their quantum were approved by the preferential creditors, in a decision procedure (by correspondence) ending on 25 October 2023.
- There has been no impact on any class of creditor as a result of the additional workstreams, as it is the Purchaser and other third parties (to the extent required), funding these additional fees; with £90k (excluding VAT) received in the Period.
- However, the actual amount of remuneration that we draw in GL is expected to be less than what creditors have approved, because in the circumstances of this case, we are proposing to waive our fees to the extent necessary for both the preferential creditors and the Secured Creditor to be paid in full.
- With regards to GHL, 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. It is therefore necessary to issue the request again and we have decided to do so when a liquidator is appointed to one of GHL's creditors as they are more likely to participate in the decision procedure.
- We continue to believe the basis and quantum of our fees are a fair and reasonable reflection of the work required in the Administrations. Earlier in this report and later in this Appendix, we have given a description of the work carried out in the Period.
- As shown in the enclosed receipts and payments account, we have not yet drawn any remuneration in either of the Administrations.

- The charity commitment of £102 paid in the prior period is now classified as office-holders' expenses. The amount subsequently drawn for disbursements will therefore be reduced by this amount, such that our firm will have honoured the payment.
- There are no business or personal relationships with parties responsible for approving remuneration or who provide services where the relationship could give rise to a conflict of interest.

Information on creditors' rights

- Appendix E contains details on where creditors can find more information on administrations generally and their rights in the proceedings, including on the approval and monitoring of fees.

Pre-Administration costs

- Our Proposals contained a statement of pre-Administration costs, being costs that were incurred with a view to the Companies entering Administration. At the time of appointment, unpaid costs related to fees charged by the Joint Administrators (£63,192) and legal expenses incurred by DLA (£74,779).
- A subsequent internal review recognised that (in relation to the Joint Administrators' costs), an amount of £9,730 should have been allocated to post-administration fees and £12,525 should have been allocated to GHL pre-appointment costs. These necessary adjustments resulted in a reduced pre-administration costs amount for GL of £80,937; of which £40,000 had been paid, leaving a total of £40,937 unpaid at the time of appointment.
- The payment of these amounts as an expense of the GL Administration was approved by the Secured Creditor on 17 January 2023 and by the preferential creditors on 25 October 2023. To date, only the legal costs incurred by DLA have been paid, as shown on the enclosed receipts and payments account.
- We will seek approval for the GHL pre-appointment costs when we seek fee approval from creditors.

Appendix C: Joint Administrators' Remuneration and Expenses

In broad terms our work includes realising the Companies' assets, quantifying their liabilities and 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 more detail but is not an exhaustive list of all work performed. Also provided is an indicated 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. ■ Remuneration: provided information to creditors, sought fee approval for GL in accordance with insolvency legislation requirements which was received from preferential creditors by a qualifying decision procedure. 	<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: we continued to fulfil our post-sale obligations and undertook the reasonable work required to support the transfer of assets to the Purchaser, such as novation of contracts or leases, communications as necessary with counter-parties, and completion of transfer documentation. This included agreeing multiple extensions of the LTO with the Purchaser. ■ Pre-Administration Bank Accounts: liaised with the Companies' merchant services provider to realise pre-appointment funds held. ■ Insurance: worked with our insurance brokers to agree the scope of any ongoing insurance requirements and managed the policies as required; including cancellation and payment of premiums. 	<ul style="list-style-type: none"> ■ The sale of business 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, quantifying its liabilities and 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"> ■ Secured creditor: sought fee approval and approval for the extension of the GL Administration. ■ Preferential claims agreement: liaised with the creditor (HMRC) regarding the provision of supporting information and providing an updated a proof of debt as well as responding to queries. ■ Preferential dividends: prepared calculations and statutory notices in advance of declaring dividends. ■ Maintained our systems to recording creditor details, claims received, the determination thereon, for the anticipated payment of dividends. ■ 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 Company's assets, quantifying its liabilities and returning funds to creditors, managing the Company's 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 pre-appointment returns. ■ VAT: prepared and submitted the necessary and periodic VAT returns falling due during the Administrations. This work included making payments to HMRC and maintaining adequate VAT accounts. We also submitted the outstanding pre-appointment returns. ■ 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 first six-monthly progress report to creditors, including receipts and payments accounts. ■ Extensions to the Administration: in order to achieve the objective of the Administration and complete our work, we requested the necessary extensions from the relevant classes of creditors. 	<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	GL Incurred previously (£)	GHL Incurred previously (£)	GL Incurred in the Period (£)	GHL Incurred in the Period (£)	Total Incurred (£)	Total Incurred (£)
1	Pension Scheme Advice	100.00	100.00	-	-	100.00	100.00
1	Courier	10.75	-	17.00	-	27.75	-
1	Companies House Fees	50.00	-	-	-	50.00	-
	Total	160.75	100.00	17.00	-	177.75	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	Incurred previously £	Incurred in the Period £	Total Incurred £	Estimated future £	Estimated Total £	Expenses estimate ¹ £
Statutory Advertising	95	-	95	99	194	190
Officeholders' expenses	161	17	178	100	278	100
Statutory bonding	225	-	225	-	225	225
Bank Charges	15	-	15	15	30	-
Insurance	941	-	941	-	941	970
Storage Costs	175	-	175	-	175	-
Legal Fees	20,142	17,640	37,782	10,000	47,782	18,000
Totals (excluding pre-Administration costs)	21,754	17,657	39,411	10,214	49,625	19,485
Legal fees- pre-Administration costs	74,779	-	74,779	-	74,779	74,779
Total (including pre-Administration costs)	96,533	17,657	114,190	10,214	124,404	94,264

1. The expenses estimate was provided to creditors in our Proposals on 30 November 2022.

- Our current estimate of expenses (£49,625) is in excess of the amount given to the creditors in our Proposals (£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). In this Period, office-holder's expenses only include courier costs.
 - Legal fees have exceeded the initial estimate, principally due to additional work that has been necessary, including legal advice relating to employee and pension matters that have arisen during the Period, and costs associated with the LTO.
 - Of the legal fees incurred, £15k has been funded by the Purchaser for the costs of the LTO negotiations.
- 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	Incurring previously £	Incurring in the Period £	Total Incurred £	Estimated future £	Estimated Total £	Expenses estimate ¹ £
Statutory advertising	95	-	95	-	95	190
Officeholders' expenses	100	-	100	-	100	100
Statutory bonding	225	-	225	-	225	225
Bank charges	15	-	15	-	15	-
Insurance	274	-	274	-	274	396
Storage costs	-	-	-	-	-	-
Legal fees	2,251	-	2,251	500	2,751	2,000
Totals	2,960	-	2,960	500	3,460	2,911

1. The expenses estimate was provided to creditors in our Proposals on 30 November 2022.

- Our current estimate of expenses is slightly in excess of the details given to the creditors in our Proposals. The principal reasons are as follows:
 - We anticipate there may be additional legal fees incurred in the Administrations, however the total is expected to be broadly in line with the estimate previously given.
- 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.

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.
www.fticonsulting.com/emea/cip/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. Details of these 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 on our website at <https://www.fticonsulting-emea.com/~media/Files/emea-files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>

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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