

To all known members

Joint Liquidators' Progress Report

For the period from 25 October 2021 to 24 October 2022

Bryles House Limited (Company no. 00625711)

Chergil House Limited (Company no. 00625713)

East City Investments Limited (Company no. 00573920)

Northburgh House Limited (Company no. 00626019)

Glossary

Commonly Used Terms	Definition
Act / IA86	Insolvency Act 1986 (as amended)
BEIS	Department for Business, Energy and Industrial Strategy
c.	Approximately
CT	Corporation Tax
CVL	Creditor's Voluntary Liquidation
DoS	Declaration of Solvency
FTI / FTI UK	FTI Consulting LLP
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England & Wales
IR16 / the Rules	Insolvency (England and Wales) Rules 2016 (as amended)
NDA	Non-Disclosure Agreement
PAYE / NIC	Pay-as-you-earn tax / National Insurance Contributions
Preferential creditors	Principally employee claims for unpaid wages (max £800 per employee), holiday pay, and certain unpaid pension contributions
Prescribed Part	Amount set aside for unsecured creditors from floating charge net realisations in accordance with Section 176A IA86
RPS	Redundancy Payments Service
Sch B1	Schedule B1 IA86
SIP	Statement of Insolvency Practice
SIP 2	Investigations by Office Holders in Administrations and Insolvent Liquidations and The Submission of Conduct Reports by Office Holders
SIP 7	Presentation of financial information in insolvency proceedings
SIP 9	Payments to insolvency office holders and their associates from an estate
SPV	Special Purpose Vehicle
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured creditors	Principally trade creditors, landlords, utility providers and HMRC

Case Specific References	Meaning								
Appointment date	25 October 2021								
Companies	<table border="0"> <tr> <td>Bryles House Limited</td> <td>("BHL")</td> </tr> <tr> <td>Chergil House Limited</td> <td>("CHL")</td> </tr> <tr> <td>East City Investments Limited</td> <td>("ECIL")</td> </tr> <tr> <td>Northburgh House Limited</td> <td>("NHL")</td> </tr> </table>	Bryles House Limited	("BHL")	Chergil House Limited	("CHL")	East City Investments Limited	("ECIL")	Northburgh House Limited	("NHL")
Bryles House Limited	("BHL")								
Chergil House Limited	("CHL")								
East City Investments Limited	("ECIL")								
Northburgh House Limited	("NHL")								
HSF	Herbert Smith Freehills, the Companies' lawyers								
Liquidation(s)	The Liquidations of the Companies								
Liquidators / Joint Liquidators / we / our / us	Lisa Jane Rickelton and Ali Abbas Khaki								
The Period	From 25 October 2021 to 24 October 2022								
Steps Plan	As per the HSF 'Structure Note' dated 16 September 2021.								

Purpose of this report

- Lisa Rickelton and Ali Khaki were appointed as joint liquidators of the Companies on 25 October 2021.
- Pursuant to Rule 18.7 IR16, we are required to provide members with a report setting out what has happened in the Liquidations during the 12-month period since our appointments.
- This report covers the period from 25 October 2021 to 24 October 2022 and contains:
 - An explanation of the work we have done in the Period and how the Liquidations have progressed;
 - Details of the work we still need to do before the Liquidations 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 liquidators; and
 - Further information required by statute regarding our appointment as joint liquidators.
- Certain legal notices regarding this report, our appointment and members' rights are also included as an appendix.
- If you have any questions regarding this report or the Liquidations generally, please contact us.



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 Lisa Jane Rickelton
 Joint Liquidator

The affairs, business and property of the Companies are being managed by the Joint Liquidators, who act as agents of the Companies and without personal liability. The Joint Liquidators 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

- We can be contacted using the preferred methods below:

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 c/o FTI Consulting LLP,
 200 Aldersgate,
 Aldersgate Street,
 London, EC1A 4HD

Tel: +44 20 3077 0121

- Previous documents and further information can be found online at:
www.fticonsulting.com/emea/cip/east-city-investments-limited-group

Background to the Liquidations

The Liquidations are a solvent wind-down of property-owning entities as part of a group re-organisation, with properties being distributed in specie to their new SPV members.

Background to the Companies

- Bryles House Limited, Chergil House Limited and Northburgh House Limited were fully owned subsidiaries of East City Investments Limited (“ECIL”).
- The Companies held a number of freehold and leasehold properties with a collective value of c.£142m. The properties are all based in London and are a mixture of commercial and residential property.
- Statutory and certain other information in relation to each of the Companies is set-out in Appendix A.

Pre-Liquidation Acquisition

- ECIL (including its subsidiaries) was acquired by four fully owned SPV subsidiaries of Central London Office Fund (“CLOF”) in a transaction which completed shortly prior to the appointment of the Joint Liquidators on 25 October 2021.
- Certain shares of the Companies were reclassified to incorporate rights in respect of ECIL’s subsidiaries and certain of their properties, in advance of distributions in specie to the SPV members via a solvent wind-down of the Companies.
- The proposed liquidators were approached by colleagues from their tax team to assist CLOF with the Liquidation process. Therefore, CLOF is the ultimate client for the Liquidators and their tax colleagues.

Preparation for the Liquidations

- The Joint Liquidators undertook an initial review of available information to assess the feasibility of the entities being placed into Liquidation. This included a review of the Companies’ balance sheets and assessing whether all contractual obligations had been satisfied.

- Prior to the Liquidators appointment, various documentation also needed to be agreed with CLOF and its legal advisors, which included:
 - An indemnity agreement for the Liquidators to enable the early distribution of the assets of the Companies to their members.
 - A steps plan detailing timings and necessary steps to be undertaken in the Period immediately following the acquisition through to shortly after the Liquidators’ appointments.
 - Detail and agree the transfer documentation in relation to the ‘in specie’ distribution of any assets of the Companies following the appointment of the Joint Liquidators.
- The Liquidators also prepared and advised the members in relation to the completion of the necessary documentation and meetings to enable each of the Companies to be placed into Members Voluntary Liquidation.
- Other internal checks and assessments were required, including consideration of the ethical code and ability to take the appointments as joint liquidators.

What is a ‘Distribution In Specie’?

The distribution of a non-cash asset in its present form (for example, shares or property), rather than selling the asset and distributing the cash proceeds of the sale. In specie distributions are made when cash is not readily available and allocating the physical asset is more advantageous than distributing cash.

Realising the Assets

The property distributions in specie were completed on appointment and cash balances have been recovered. The key remaining asset is a tax refund due from HMRC that is payable to the original seller of ECIL to CLOF.

ECIL Investments and Property Realisations

- Immediately following the Liquidation of ECIL, its shareholdings in CHL, BHL and NHL were distributed in specie to its SPV members in accordance with their rights and entitlements. This effectively removed ECIL as the intermediate parent company and gave the SPV entities direct control over those three companies, which then entered Liquidation (on the same day as ECIL).
- Each of the property assets owned by the Companies were then distributed in-specie by the Joint Liquidators to the relevant Companies' shareholders. The receipts and payments account in Appendix B shows the financial effects of the distributions.
- Contractual arrangements in relation to the properties, including ongoing management of the properties and associated costs, were dealt with ahead of the appointment of the Joint Liquidators. No further property realisations are anticipated during the course of the Liquidations.

Cash at Bank

- At the time of the Liquidators appointment, there were significant cash balances in each of the Companies, totalling £5.6m.
- On instruction from the Joint Liquidators immediately following their appointment, these cash balances were transferred to specially designated Liquidation accounts. The amounts by entity are shown in the table opposite.
- No further cash realisations are expected during the Liquidations.

Company	£
East City Investments Limited	2,269,503
Bryles House Limited	960,044
Chergil House Limited	1,177,870
Northburgh House Limited	1,165,831
Total	5,573,248

ECIL Tax refund

- At the time of the Liquidators appointment, a shareholder tax refund of £5.2m was due to ECIL. The Liquidators are in regular contact with HM Revenue & Customs with regards to the recovery of the refund, and clearance to release the refund is awaited from HMRC's MVL team.
- Under the terms of the agreed Sale and Purchase Agreement ("SPA") for the acquisition by CLOF (described earlier) and an associated side letter (placing various conditions on the Joint Liquidators), the refund is due and payable to the original seller. However, this will be paid by the Buyer (not ECIL) and instead ECIL will remit the proceeds in due course, as a distribution to its shareholder.
- The Joint Liquidators will not be able to conclude the Liquidation of ECIL until this refund matter has been settled.

Dealing with Creditors, Members and Other Stakeholders

As the Companies are solvent, no unpaid creditors are expected. In specie and cash distributions have been made to the Companies' members and a final distribution will be made prior to the conclusion of the Liquidations.

Secured Creditors

- The Companies have no secured creditors.

Preferential Creditors

- Preferential creditors include employees (first ranking) and HMRC (second ranking, in respect of certain claims such as PAYE/NI and VAT).
- The Companies have no known preferential creditors.
- We understand that East City Investments Limited previously had employees, all of whom had left the Company ahead of the Joint Liquidators appointment.
- We also understand from the Group's legal advisors that all liabilities relating to those employees had been fully satisfied ahead of the Joint Liquidators appointment.

Unsecured Creditors

- In their Declarations of Solvency for the Companies, the directors confirmed that the Companies were able to meet all outstanding liabilities within 12 months (of swearing the declaration).
- We have received a small number of claims from various unsecured creditors, typically utility providers.
- The majority of claims received relate to the post-liquidation period and as such have been forwarded onto the managing agents acting for the new owners of the properties. Where claims have been received relating to the pre-appointment period, these have also been settled by the managing agents as a part of the ongoing contract.
- All creditors were provided with Notice to Submit claims with a last date for proving of 6 December 2021. Other than those discussed above no claims have been received.

Other Stakeholders

- Following the distribution of the properties to the shareholders of the Companies, transfer documentation to register these transfers with the Land Registry was submitted on behalf of the new owners.
- All economic interest in the properties has been transferred to the new owners. However, the formalities required to be completed by the Land Registry to correctly register the new ownership of the properties, has not yet concluded.
- As a consequence of the legal title of the properties having not been altered at the Land Registry, the Joint Liquidators were required to assist the beneficial owners of the properties with the relevant filings and statutory notices to facilitate the removal of squatters from one of the properties. This matter has now been resolved with the squatters having been removed. Additionally, we have also corresponded with leasehold tenants seeking to surrender their leases.
- We continue to assist with similar ad-hoc queries until such time as the register legal ownership has been updated by the Land Registry.

Members

- As set out earlier, in-specie distributions of both investments and properties were made in each of the Companies immediately following the appointment of the Joint Liquidators.
- Additionally, a subsequent cash distribution was declared and paid to the Companies' members on the 3 February 2022 and 4 February 2022 respectively.
- The receipts and payments account in Appendix B shows the position in respect of each of the Companies.
- A third and final cash distribution is expected ahead of the conclusion of the Liquidations, subject to the costs and expenses of the Liquidations.

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

- Form VAT 769 was submitted to notify HMRC of the Liquidations of the Companies and the appointment of the Joint Liquidators.
- De-registration of the Companies for VAT purposes has been requested from HMRC and our internal tax specialists continue to chase HMRC in respect of processing the request.
- If input VAT needs to be recovered, this will be done at the appropriate time using the Form VAT 427 process.

Corporation Tax (CT)

- The appointment of Joint Liquidators creates a new period for CT purposes, commencing on the date of the Liquidators' appointment.
- Outstanding CT returns for the period leading up to the Liquidations have been completed and filed with HMRC.
- Where liabilities have arisen, these amounts have been settled in full. The receipts and payments account in Appendix B shows the position in respect of each of the Companies.
- Additional CT returns will be required for the post-liquidation period and will be completed by our internal tax specialists in due course.

PAYE

- As none of the Companies had employees at the date of the Liquidators' appointment, no PAYE filings are required in relation to any period of the Liquidations.
- We understand that all PAYE filings required in relation to ECIL were completed and submitted to HMRC at the appropriate time.

Treasury and accounting

- An account of the Liquidators' receipts and payments for the Period covered by this report is provided at Appendix B.
- Receipts in the Period consist largely of cash recovered from the pre-liquidation bank accounts.
- Payments in the Period predominantly consist of the initial cash distributions made to members.
- Other payments include the settlement of pre-liquidation tax liabilities, Information Commissioners' Office (ICO) fees, statutory advertising costs and bank charges.
- Following the end of the Period and prior to circulating this report, the Joint Liquidators' remuneration and expenses have also been settled.

Books and records

- The Companies statutory books and records have been received and retained by the Joint Liquidators.
- The Companies other books and records were transferred to the managing agents of the properties under the terms of the transaction, as these were required for the ongoing management of the properties.
- If information is required by the Liquidators in order to fulfil their duties, the Companies books and records are available on request from the managing agents.

Fulfilling our Statutory Duties

We have complied with all statutory and compliance obligations arising as a result of our appointment as joint liquidators of the Companies.

Initial letters and notices

- Following their appointment, the Liquidators issued the requisite notices and adverts regarding their appointment as joint liquidators of the Companies.
- This included filing the necessary forms with Companies House to record each of:
 - The members' resolutions to wind-up the Companies;
 - Confirmation of the appointments of the Joint Liquidators; and
 - Copies of the sworn Declarations of Solvency by the Companies' directors.
- Further letters were issued to other stakeholders who may have held relevant information in relation to the Companies and that may have been able to assist the Liquidators with the conduct of the Liquidations; for example, the Companies' accountants and solicitors.
- The Companies bankers were also notified of the Liquidations and instructed to close the Companies' bank accounts and for all monies to be transferred to new and specially designated bank accounts for the Liquidation.

Other statutory matters

- We have undertaken case reviews during the Period, as well as regular reconciliations of the estate bank accounts.
- As required by legislation, the Joint Liquidators arranged bonding for assets available to the Companies' members.
- Where queries or claims have been received from various stakeholders, these have been responded to in a detailed and time efficient manner. This includes where queries have been raised by the Companies' members.

Future reporting and ending the Liquidations

- We are required to provide a further progress report to all members within two months of the end of the period ending 24 October 2023, or (if sooner) issue a proposed final account when the Liquidation is capable of being brought to an end.
- Pursuant to Section 173(2)(d) IA86, liquidators are released at the time they vacate office; which (pursuant to Section 171(6) IA86) is when the final account of the Liquidation is delivered to the Registrar of Companies.
- All documents will be retained on our 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 either now or in the future.

Joint Liquidators' Remuneration

On appointment, the members determined that the Liquidators' remuneration be fixed on a time cost basis for each of the Companies. Total fees are expected to be £75k, of which £45k has recently been drawn.

Joint Liquidators' remuneration

- The Joint Liquidators' fees for winding up the Companies were agreed under a letter of engagement between FTI Consulting LLP and CLOF dated 5 August 2021 for a total of £45,000.
- Subsequently, the Companies' members passed a resolution on 25 October 2021 that the Joint Liquidators' fees and disbursements (plus VAT) can be drawn based on time costs incurred by the Joint Liquidators and their staff.
- Time costs of £69,702 were incurred during the period and analyses of the time incurred by work category and grade of staff are included at Appendix D.
- Following agreement with the Companies' Members and in line with the engagement letter, fees of £45,000 have been invoiced for time costs during the Period and shortly following the end of the Period, were drawn against £69,702 of time costs.
- During the Period and partly as the Liquidations have gone beyond their first anniversaries, the Companies' members have agreed to additional fees (on a time costs basis) of £30,000 across the four Liquidations.
- No fees above a total of £75,000 will be invoiced or drawn without agreement from the Companies' members. However, on the basis of current information, it is not expected that the Liquidators' fees will exceed the amount currently agreed with the Companies' members.
- SIP 9 does not apply to members voluntary liquidations and no specific disclosures have been requested by the Companies' members. However, details of the time costs incurred in carrying out the Liquidations and information on the time charging policy and hourly rates applicable to the work, are included in the Appendices.

Work undertaken during the Period





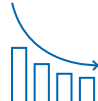
- As set out in more detail earlier, work undertaken during the Period has included the following:
 - Reviewing and dealing with correspondence from stakeholders.
 - Setting case strategy and ensuring statutory deadlines were adhered to.
 - Issuing initial letters and notices required by the Joint Liquidators.
 - Opening specially designated Liquidation bank accounts and recovering cash held in the Companies' pre-liquidation bank accounts.
 - Collection of the Companies' statutory books and records.

Expenses incurred during the Period

- Where third party professional advisors (e.g. legal fees) have been instructed these have not been paid out of the Liquidations, with fees being paid by an entity higher in the Group.
- Expenses in the Period are shown in the Liquidators' receipts and payments account in Appendix B. They consist of minimal statutory advertising costs, Information Commissioner fees and bank charges. The only significant expense was tax due for the pre-liquidation period in each of the Companies, apart from ECIL where no tax fell due.
- Disbursements during the Period consist solely of statutory insolvency bonds required at a cost of £225 per estate.
- No other expenses or disbursements have been incurred in the Period.

Work We Still Need To Do

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

Area	Shareholder Tax refund 	Other Tax / VAT 	Distributions 	Land registry 	Wind-down 
Work Required	<ul style="list-style-type: none"> Continue to liaise with the FTI tax team and HMRC to realise the tax refund. Once the refund is received, ensure the amount is paid to the required party within the allowed time frame. Ensure that we continue to comply with the requirements agreed with the seller of ECIL. 	<ul style="list-style-type: none"> Ensure all outstanding tax work is completed and tax clearance has been received from HMRC. Work to include (but not limited to): <ul style="list-style-type: none"> De-registering the Companies for VAT purposes. Completing all outstanding CT returns. Requesting tax clearance from HMRC. 	<ul style="list-style-type: none"> Payment of final cash distributions for each of the Companies. Prior to payment, ensure that all outstanding Liquidation expenses have been satisfied. Continue to liaise with the members around distribution timings. 	<ul style="list-style-type: none"> Ensure that property titles for those distributed in-specie following the appointment of the Joint Liquidators are correctly reflected at the Land Registry. Continue to liaise with the Land Registry with regards to processing the changes as soon as possible. 	<ul style="list-style-type: none"> Complete necessary statutory steps to conclude the Liquidations. Ensure all assets are realised and distributed. Ensure all expenses of the Liquidations have been satisfied.
Timing	<ul style="list-style-type: none"> Timing is uncertain as it relies on steps by HMRC. 	<ul style="list-style-type: none"> Q1 2023 for final filings of CT returns. Date of receipt of tax clearance is uncertain as it is reliant on HMRC. 	<ul style="list-style-type: none"> Q1 2023 for payment of final distributions in advance of subsequently closing the Liquidations (once tax clearance has been received from HMRC). 	<ul style="list-style-type: none"> Q1 2023, although timing is reliant on the Land Registry (required filings were completed in Q4 2021). 	<ul style="list-style-type: none"> Q2 2023 – although closure will be driven by the various matters set out on this page; particularly tax clearance, receipt of the shareholder tax refund, and Land Registry timings.



Appendices

Appendix A: Statutory Information

Company Name:	East City Investments Limited	Bryles House Limited	Chergil House Limited	Northburgh House Limited
Previous Name(s)	N/A	N/A	N/A	N/A
Trading Names(s)	N/A	N/A	N/A	N/A
Registered Number	00573920	00625711	00625713	00626019
Date of Incorporation	7 November 1956	13 April 1959	13 April 1959	16 April 1959
Registered Office	c/o FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD	c/o FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD	c/o FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD	c/o FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD
Former Registered Office	3rd Floor Paternoster House, 65 St Paul's Churchyard, London EC4M 8AB	3rd Floor Paternoster House, 65 St Paul's Churchyard, London EC4M 8AB	3rd Floor Paternoster House, 65 St Paul's Churchyard, London EC4M 8AB	3rd Floor Paternoster House, 65 St Paul's Churchyard, London EC4M 8AB
Liquidators' Names	Lisa Jane Rickelton and Ali Abbas Khaki	Lisa Jane Rickelton and Ali Abbas Khaki	Lisa Jane Rickelton and Ali Abbas Khaki	Lisa Jane Rickelton and Ali Abbas Khaki
Liquidators' Address	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD
Liquidators' Recognised Professional Body	ICAEW	ICAEW	ICAEW	ICAEW
Appointment Date	25 October 2021	25 October 2021	25 October 2021	25 October 2021
Functions of the Liquidators	In accordance with the resolutions passed by the Members, the Liquidators are authorised to act either jointly or separately.	In accordance with the resolutions passed by the Members, the Liquidators are authorised to act either jointly or separately.	In accordance with the resolutions passed by the Members, the Liquidators are authorised to act either jointly or separately.	In accordance with the resolutions passed by the Members, the Liquidators are authorised to act either jointly or separately.

Appendix B: Receipts and Payments

Receipts and payments for the Period 25 October 2021 to 24 October 2022.

Receipts and Payments	Notes	East City Investments Limited		Bryles House Limited		Chergil House Limited		Northburgh House Limited	
(£)	1	DoS Estimated to Realise Full Period Amount		DoS Estimated to Realise Full Period Amount		DoS Estimated to Realise Full Period Amount		DoS Estimated to Realise Full Period Amount	
Property		7,713,324.28	7,713,324.28	10,048,420.77	10,048,420.77	60,990,241.37	60,990,243.37	63,556,275.75	63,556,275.75
Bank Interest			98.79		85.53		72.08		181.08
Cash at Bank		2,269,503.00	2,270,069.33	960,044.00	960,044.00	1,177,870.00	1,177,870.00	1,165,831.00	1,165,831.00
Shares & Investments		137,534,085.26	137,534,085.26						
s455 Debtor	2	5,199,918.10							
Total Receipts		152,716,830.64	147,517,577.66	11,008,464.77	11,008,550.30	62,168,111.37	62,168,185.45	64,722,106.75	64,722,287.83
Statutory Advertising			(552.00)						
Information Commissioner's Office			(40.00)		(40.00)		(40.00)		(40.00)
Pre-Liquidation Tax					(91,955.60)		(54,885.68)		(386,313.48)
Corporation Tax Interest							(7.35)		
Bank Charges			(75.00)		(45.00)		(60.00)		(30.00)
Total Payments			(667.00)		(92,040.60)		(54,993.03)		(386,383.48)
Net Receipts/(Payments)			147,516,910.66		10,916,509.70		62,113,192.42		64,335,904.35
Shareholder in-specie Distribution			(145,247,409.54)		(10,048,420.77)		(60,990,243.37)		(63,556,275.75)
Shareholder Cash Distribution			(2,168,894.47)		(771,922.00)		(1,061,763.85)		(568,711.97)
Current Available Assets			100,606.65		96,166.93		61,185.20		210,916.63
Made Up As Follows									
Bank 1 Current A/C			100,496.25		96,166.93		61,185.20		210,916.63
VAT Receivable			110.40						
Total			100,606.65		96,166.93		61,185.20		210,916.63

Notes

(1) DoS stands for Declaration of Solvency in abbreviated format.

(2) A reclaim for this amount has been submitted, and HMRC have indicated the full amount can be recovered by the company. However, this is yet to be authorised by the HMRC MVL team.

Appendix C: Joint Liquidators' Time Charging Policy

As the Liquidators' remuneration is on a time cost basis, the manner in which staff are allocated, charge their time and the hourly rates applied, are all important factors.

Staff allocation and time charging policy

- The Liquidators' general approach to resourcing assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team at any point in time will usually consist of one or more of the grades shown in the table opposite, depending on the anticipated size and complexity of the assignment.
- Work is delegated to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and they are supervised accordingly to maximise the cost effectiveness of the work done. Complex issues or important matters of exceptional responsibility are handled by more experienced senior staff or the office-holders themselves.
- All of the Liquidators' staff who work on the case charge time directly to it and are included in any analysis of time charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do the Liquidators' seek to charge and recover their time in this regard. Time is charged in six minute units. The Liquidators don't charge general overhead costs.
- During the administration of the insolvency, The Liquidators will also utilise the services of specialist teams within FTI Consulting LLP, principally in relation to VAT and tax matters and the costs of which are included within the fee and cost information. The Liquidators 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 internal teams, The Liquidators believe a more coordinated and efficient approach to the relevant workstreams is possible.

Hourly charge-out rates

- The table below sets out the hourly charge-out rates for the various grades of staff who may work on the case. In common with many professional firms, these rates may be subject to change periodically, for example to cover annual inflationary cost increases.

Restructuring Charge-Out Rates (£/hr)

Grade of Staff	Rate 2021	Rate 2022 (to 30-Sep-22)	Rate 2022 (from 1-Oct-22)
Senior Managing Director	925	960	1080
Managing Director	795	825	930
Senior Director	740	770	865
Director	660	685	770
Senior Consultant	585	610	685
Consultant	500	520	585
Analyst / Associate (experienced)	335	350	395
Analyst / Associate	235	245	275
Administrative	n/a	185	210

Appendix D: Time Cost Analysis for East City Investments Limited

Analysis of Floating Charge Time Costs in Accordance with SIP9 For Period										
Cost (£)	Sr Managing Dir	Managing Dir	Senior Director	Director	Sr Consultant	Consultant	Associate	Total Cost	Total Time	Average Cost (£ / Hour)
Administration and Planning										
Strategy and planning	2,612.00	-	-	2,397.50	-	-	1,745.00	6,754.50	13.20	511.70
Initial actions	740.00	-	-	-	-	-	7,622.00	8,362.00	32.50	257.29
Appointment and related formalities	-	990.00	-	-	-	-	3,075.00	4,065.00	14.20	286.27
Receipts and payments accounts	-	-	-	-	-	-	2,971.00	2,971.00	9.80	303.16
Checklist and reviews	-	-	-	-	-	-	4,365.00	4,365.00	15.50	281.61
Cashiering and reconciliations	-	165.00	-	-	-	-	3,745.00	3,910.00	14.20	275.35
Bonding and IPS maintenance	-	-	-	-	-	-	470.00	470.00	2.00	235.00
Subtotal	3,352.00	1,155.00	-	2,397.50	-	-	23,993.00	30,897.50	101.40	304.71
Investigations										
Correspondence with directors	-	660.00	-	-	-	-	-	660.00	0.80	825.00
Subtotal	-	660.00	-	-	-	-	-	660.00	0.80	825.00
Realisation of assets										
Cash and investments	-	-	-	-	-	-	490.00	490.00	2.00	245.00
Fixed Charge Property	-	-	-	-	-	-	350.00	350.00	1.00	350.00
Subtotal	-	-	-	-	-	-	840.00	840.00	3.00	280.00
Creditors (correspondence and claims)										
Unsecured creditors	-	-	-	-	-	-	1,965.50	1,965.50	5.80	338.88
Shareholders	665.00	1,011.00	-	-	-	-	2,758.00	4,434.00	10.80	410.56
Subtotal	665.00	1,011.00	-	-	-	-	4,723.50	6,399.50	16.60	385.51
Tax										
Initial reviews CT and VAT	-	-	-	-	-	-	1,990.00	1,990.00	8.00	248.75
Other post appointment tax	-	-	-	-	-	-	490.00	490.00	2.00	245.00
Subtotal	-	-	-	-	-	-	2,480.00	2,480.00	10.00	248.00
Reporting										
Other statutory reports/meetings	-	-	-	-	-	-	117.50	117.50	0.50	235.00
Subtotal	-	-	-	-	-	-	117.50	117.50	0.50	235.00
								Totals		
Total Time by Grade	4.2	3.4	-	3.5	-	-	121.2	132.30		
Total Cost by Grade	4,017.0	2,826.0	-	2,397.5	-	-	32,154.0	41,394.50		
Average by Grade	956.4	831.2	-	685.0	-	-	265.3	312.88		

Appendix D: Time Cost Analysis for Bryles House Limited

Analysis of Floating Charge Time Costs in Accordance with SIP9 For Period										
Cost (£)	Sr Managing Dir	Managing Dir	Senior Director	Director	Sr Consultant	Consultant	Associate	Total Cost	Total Time	Average Cost (£ / Hour)
Administration and Planning										
Strategy and planning	2,420.00	-	-	-	-	-	-	2,420.00	2.50	968.00
Initial actions	740.00	-	-	-	-	-	1,128.00	1,868.00	5.60	333.57
Appointment and related formalities	-	990.00	-	-	-	-	-	990.00	1.20	825.00
Cashiering and reconciliations	-	82.50	-	1,155.00	-	-	98.00	1,335.50	2.00	667.75
Subtotal	3,160.00	1,072.50	-	1,155.00	-	-	1,226.00	6,613.50	11.30	585.27
Realisation of assets										
Fixed Charge Property	1,056.00	-	-	-	-	-	-	1,056.00	1.10	960.00
Subtotal	1,056.00	-	-	-	-	-	-	1,056.00	1.10	960.00
Creditors (correspondence and claims)										
Unsecured creditors	-	165.00	-	-	-	-	-	165.00	0.20	825.00
Shareholders	850.00	1,507.50	-	-	-	-	-	2,357.50	2.60	906.73
Lease creditors	-	247.50	-	-	-	-	-	247.50	0.30	825.00
Subtotal	850.00	1,920.00	-	-	-	-	-	2,770.00	3.10	893.55
Tax										
Post appointment VAT	-	-	-	274.00	-	-	-	274.00	0.40	685.00
Subtotal	-	-	-	274.00	-	-	-	274.00	0.40	685.00
								Total		
Total Time by Grade	5.3	3.5	-	1.9	-	-	5.2	15.9		
Total Cost by Grade	5,066.00	2,992.50	-	1,429.00	-	-	1,226.00	10,713.50		
Average in Period by Grade	955.85	855.00	-	752.11	-	-	235.77	673.81		

Appendix D: Time Cost Analysis for Chergil House Limited

Analysis of Floating Charge Time Costs in Accordance with SIP9 For Period										
Cost (£)	Sr Managing Dir	Managing Dir	Senior Director	Director	Sr Consultant	Consultant	Associate	Total WIP	Total Time	Average Cost
Administration and Planning										
Strategy and planning	2,612.00	82.50	-	-	-	-	-	2,694.50	2.80	962.32
Initial actions	740.00	-	-	-	-	-	1,128.00	1,868.00	5.60	333.57
Appointment and related formalities	-	990.00	-	-	-	-	-	990.00	1.20	825.00
Receipts and payments accounts	-	-	-	-	-	-	-	-	-	-
Checklist and reviews	-	-	-	-	-	-	-	-	-	-
Cashiering and reconciliations	-	247.50	-	1,027.50	-	-	98.00	1,373.00	2.20	624.09
Bonding and IPS maintenance	-	79.50	-	-	-	-	-	79.50	0.10	795.00
Case Admin	-	-	-	-	-	-	-	-	-	-
Subtotal	3,352.00	1,399.50	-	1,027.50	-	-	1,226.00	7,005.00	11.90	588.66
Creditors (correspondence and claims)										
Unsecured creditors	-	330.00	-	-	-	-	807.00	1,137.00	3.80	299.21
Shareholders	665.00	763.50	-	-	-	-	-	1,428.50	1.60	892.81
Lease creditors	-	247.50	-	-	-	-	-	247.50	0.30	825.00
Subtotal	665.00	1,341.00	-	-	-	-	807.00	2,813.00	5.70	493.51
Reporting										
Other statutory reports/meetings	-	82.50	-	-	-	-	-	82.50	0.10	825.00
Subtotal	-	82.50	-	-	-	-	-	82.50	0.10	825.00
								Total		
Total Time by Grade	4.2	3.4	-	1.5	-	-	8.6	17.70		
Total Cost by Grade	4,017.00	2,823.00	-	1,027.50	-	-	2,033.00	9,900.50		
Average by Grade	956.43	830.29	-	685.00	-	-	236.40	559.35		

Appendix D: Time Cost Analysis for Northburgh House Limited

Analysis of Floating Charge Time Costs in Accordance with SIP9 For Period										
Cost (£)	Sr Managing Dir	Managing Dir	Senior Director	Director	Sr Consultant	Consultant	Associate	Total Cost	Total Time	Average Cost (£ / Hour)
Administration and Planning										
Strategy and planning	2,516.00	82.50	-	-	-	-	-	2,598.50	2.70	962.41
Initial actions	740.00	-	-	-	-	-	1,128.00	1,868.00	5.60	333.57
Appointment and related formalities	-	1,155.00	-	-	-	-	-	1,155.00	1.40	825.00
Cashiering and reconciliations	-	82.50	-	-	-	-	98.00	180.50	0.50	361.00
Subtotal	3,256.00	1,320.00	-	-	-	-	1,226.00	5,802.00	10.20	568.82
Realisation of assets										
Property, plant and vehicles	-	318.00	-	-	-	-	-	318.00	0.40	795.00
Subtotal	-	318.00	-	-	-	-	-	318.00	0.40	795.00
Creditors (correspondence and claims)										
Unsecured creditors	-	165.00	-	-	-	-	-	165.00	0.20	825.00
Shareholders	480.00	681.00	-	-	-	-	-	1,161.00	1.30	893.08
Lease creditors	-	247.50	-	-	-	-	-	247.50	0.30	825.00
Subtotal	480.00	1,093.50	-	-	-	-	-	1,573.50	1.80	874.17
								Total		
Total Time by Grade	3.9	3.3	-	-	-	-	5.2	12.4		
Total Cost by Grade	3,736.00	2,731.50	-	-	-	-	1,226.00	7,693.50		
Average by Grade	957.95	827.73	-	-	-	-	235.77	620.44		

Appendix E: Legal Notices

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

About this report

- This report has been prepared by the Joint Liquidators solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Liquidations.
- 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 Companies.
- 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 Liquidators 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 and members included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes.
- Pursuant to Rule 18.34 IR16, a member may, with the permission of the court or with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within eight weeks of their receipt of this report.

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>

Members' right to information and right to challenge remuneration

- Pursuant to Rule 18.9 IR16, a member may, with the permission of the court or with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report.



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