

WU07

Notice of progress report in a winding-up by the court



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number F E 0 0 0 0 0 0 1

Company name in full West Kent & Ashford College

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

2 Liquidator's name

Full forename(s) William Matthew

Surname Tait

3 Liquidator's address

Building name/number 55 Baker Street

Street

Post town London

County/Region

Postcode W 1 U 7 E U

Country

4 Liquidator's name ^①

Full forename(s) Mark

Surname Patterson

① **Other liquidator**
Use this section to tell us about
another liquidator.

5 Liquidator's address ^②

Building name/number 55 Baker Street

Street

Post town London

County/Region

Postcode W 1 U 7 E U

Country

② **Other liquidator**
Use this section to tell us about
another liquidator.

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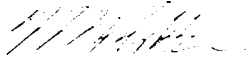
6 Period of progress report

From date	<input type="text" value="1"/>	<input type="text" value="1"/>	<input type="text" value="0"/>	<input type="text" value="8"/>	<input type="text" value="2"/>	<input type="text" value="0"/>	<input type="text" value="2"/>	<input type="text" value="2"/>	
To date	<input type="text" value="1"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="8"/>	<input type="text" value="2"/>	<input type="text" value="0"/>	<input type="text" value="2"/>	<input type="text" value="3"/>	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
---	--

8 Sign and date

Liquidator's signature	<small>Signature</small> <input checked="" type="text" value="X"/>  <input checked="" type="text" value="X"/>								
Signature date	<input type="text" value="1"/>	<input type="text" value="0"/>	<input type="text" value="1"/>	<input type="text" value="0"/>	<input type="text" value="2"/>	<input type="text" value="0"/>	<input type="text" value="2"/>	<input type="text" value="3"/>	

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Presenter information

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

Contact name

Company name **BDO LLP**

Address
5 Temple Square
Temple Street

Post town
Liverpool

County/Region

Postcode
L 2 **5 R H**

Country

DX

Telephone
+44 (0) 1512 374 500



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Continuation page

Name and address of insolvency practitioner

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

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

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

1 Appointment type

Tick to show the nature of the appointment:

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

¹ You can use this continuation page with the following forms:
 - VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
 - CVA1, CVA3, CVA4
 - AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
 - REC1, REC2, REC3
 - LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
 - WU07, WU15
 - COM1, COM2, COM3, COM4
 - NDISC

2 Insolvency practitioner's name

Full forename(s)

Danny

Surname

Dartnaill

3 Insolvency practitioner's address

Building name/number

55 Baker Street

Street

Post town

London

County/Region

Postcode

W 1 U 7 E U

Country

West Kent & Ashford College
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 11/08/2022 To 10/08/2023 £	From 11/08/2022 To 10/08/2023 £
FIXED CHARGE ASSETS		
ESFA - Loan / Grant Funding	391,049.00	391,049.00
	<u>391,049.00</u>	<u>391,049.00</u>
FIXED CHARGE COSTS		
Legal Fees	12,502.50	12,502.50
Legal Disbursements	4,513.00	4,513.00
Agents Fees	16,100.00	16,100.00
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	<u>(33,141.54)</u>	<u>(33,141.54)</u>
ASSET REALISATIONS		
Settlement Funds	7,500.00	7,500.00
Bank Interest Gross	426.08	426.08
Bank Interest Net of Tax	(73.14)	(73.14)
Surplus from Education Administration	24,271.76	24,271.76
Litigation Funding	50,254.05	50,254.05
	<u>82,378.75</u>	<u>82,378.75</u>
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ISA Bank Charges	13.15	13.15
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	<u>(400,315.10)</u>	<u>(400,315.10)</u>
	<u>39,971.11</u>	<u>39,971.11</u>
REPRESENTED BY		
ISA		33,310.33
Vat Control Account		7,202.31
North Kent College		(541.53)
		<u>39,971.11</u>



West Kent & Ashford College In Compulsory Liquidation

Joint Liquidators' progress report from
11 August 2022 to 10 August 2023



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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'Act'	Insolvency Act 1986
'DfE'	Department for Education
'ESFA'	Education Skills and Funding Agency
'Hadlow'	The Corporation of Hadlow College - In Compulsory Liquidation
'HMRC'	HM Revenue & Customs
'JEA's'	Former Joint Education Administrators: William Matthew Humphries Tait, Francis Graham Newton and Danny Nicolaas William Dartnail
'Joint Liquidators' or 'we'	Matthew Tait William Matthew Humphries Tait, Mark Patterson and Danny Nicolaas William Dartnail
'MSL'	Marpaul Southern Limited - In a Company Voluntary Arrangement
'net property'	Floating charge realisations after costs and payment of preferential and secondary preferential creditors in full
'NKC'	North Kent College
'Period'	11 August 2022 to 10 August 2023
'preferential creditors'	Claims for unpaid wages earned in the four months prior to the Education Administration on 16 August 2019, up to £800, holiday pay and unpaid pension contributions in certain circumstances.
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'QFCH'	Qualifying Floating Charge Holder
'Report'	Prepared in accordance with Rules 18.3 and 18.8 of the Rules
'Rules'	Insolvency (England and Wales) Rules 2016
'secured creditors'	Creditors whose debt is secured, in accordance with Section 248 of the Act
'Squires'	Squire Patton Boggs (UK) LLP
'the Bank'	Barclays Bank Plc
'the Corporation'	The Corporation of West Kent & Ashford College - In Compulsory Liquidation
'TMBC'	Tonbridge and Malling Borough Council
'unsecured creditors'	Creditors who are neither secured nor preferential

'WBD'

Womble Bond Dickinson (UK) LLP

KEY INFORMATION

Background

William Matthew Humphries Tait, Mark Patterson and Danny Nicolaas William Dartnaill were appointed Joint Liquidators of the Corporation on 11 August 2022. The Corporation was previously in Education Administration.

Purpose of the Report

This is the annual Report for the period from 11 August 2022 to 10 August 2023.

The main purpose of the Report is to provide you with an update on the progress of the Liquidation during the Period.

The Report can be reviewed in conjunction with all other reports regarding this Liquidation and the preceding Education Administration, on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the anticipated outcome for creditors, based on our current understanding of the case. Please note these figures may be subject to change.

Class of creditor	Current estimate	Previous estimate
Secured creditor	Uncertain	Uncertain
Preferential creditors ¹	N/A	N/A
Unsecured creditors ²	Uncertain	Uncertain

1. There are no preferential claims in the Liquidation.
2. The Prescribed Part provisions will not apply in this Liquidation as a college cannot grant a Qualifying Floating Charge over its assets. Unsecured creditors will only receive a dividend in the circumstances where there are surplus non-secured assets or the DfE, as the secured creditor, is paid in full and there are surplus funds available after the deduction of costs and expenses in the Liquidation. Based on current information, it is uncertain whether there will be a dividend to unsecured creditors, but, until the outstanding assets have been realised, the position is uncertain.

What creditors need to do

The purpose of the Report is to provide you with an update only and the creditors of the Corporation do not need to take any actions at this time.

If you have any queries regarding your claim or require any assistance completing the form, please contact Rebecca Thompson on 0151 237 4472.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Rebecca Thompon
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH

Email: BRCMTLondonandSouthEast@bdo.co.uk
Reference: 00419502

PROGRESS IN THE PERIOD

Asset realisations in the Period

The receipts and payments account attached at Appendix C details the asset realisations during the Period. Although largely self-explanatory, a summary of the assets is detailed below.

ESFA - Loan / Grant Funding

In order to settle certain costs of the Corporation, some of which arose in the preceding Education Administration, the ESFA provided funding of £391k which has been received after the Corporation moved into Liquidation.

Settlement Funds

As detailed under investigations later in this report, settlements totalling £7,500 have been received in respect of investigations in the Liquidation and preceding Education Administration.

No additional realisations are anticipated.

Bank Interest

As at 10 August 2023, net bank interest of £353 has been received.

Surplus from Education Administration

Surplus funds of £24,272 were transferred from the Education Administration.

Litigation Funding

Third-party funds provided by the DfE totalling £50,254, which were held in a separate bank account and have been transferred to the Liquidation to meet certain investigation costs incurred in the preceding Education Administration.

Outstanding Assets

A summary of the assets which are yet to be realised is provided below:

Land & Buildings

Land at Court Lane, Hadlow

Property agents, Knight Frank, have been engaged by the Liquidators to provide advice and to support progression of the strategy to maximise the potential value of the land. This resulted in an application being submitted to TMBC for the inclusion of the land (including the part owned by Hadlow) in the Local Plan. If successful, this will enhance value by improving prospects for designation for residential development.

There are a number of external factors which may impact the outcome which includes political and planning policy and legislative changes. As such, the likelihood of a successful outcome, the level of future realisations and the timing remain uncertain.

The land is also subject to a pre-emption agreement which requires the land to be offered to a third party before it can be sold on the open market. The terms of the pre-emption expire on 30 April 2026. The pre-emption agreement was entered into by the Corporation in 2018, prior to the appointment of the Liquidators and previous Education Administrators. It is not envisaged that we will sell the land until the pre-emption agreement has expired but this will be continuously reviewed in conjunction with our property agents.

Book Debts

The Liquidators are continuing to receive a small number of debtor receipts relating to the Education Administration. To facilitate collection, the Education Administration trading account remains open. These funds are being periodically transferred to the Liquidation bank account.

Marpaul Southern Limited

The Corporation has a non-preferential unsecured claim of c£1.165m in the Company Voluntary Arrangement of MSL.

The claim is subject to adjudication by the Supervisors of MSL. At this stage, it is unclear what the level of the unsecured dividend will be.

Given the above, the potential dividend due to the Corporation is currently uncertain.

Overage Agreements

The Corporation benefited from several overage agreements in relation to land transactions entered into prior to the appointment of the JEAs. These were subject to fixed charges in favour of the DfE.

The benefit of these overages were assigned to the DfE at the time of the merger transaction with NKC.

Investigations

In accordance with our reports in the Education Administration, we investigated the conduct of certain relevant individuals of the Corporation. These investigations have been concluded. Further details are as follows:

Mark Lumsdon-Taylor

The Joint Liquidators undertook detailed investigations for over three years and intimated claims against Mr Lumsdon-Taylor in a letter before action.

Mr Lumsdon-Taylor strenuously disputed all liability regarding the claims and without prejudice negotiations took place.

A full and final settlement of the claims was reached on commercially acceptable grounds without any admission of specific liability or admission of any wrongdoing.

The settlement requires an initial nominal payment of £5,000 (received in the Period) and Mr Lumsdon-Taylor has given an undertaking to the Joint Liquidators which is subject to confidentiality provisions between the parties. In the event of a breach, he will pay compensation and on that basis the Joint Liquidators have withdrawn all the claims in full.

Paul Hannan

The Joint Liquidators undertook detailed investigations for over three years and intimated claims against Mr Paul Hannan in a letter before action.

Mr Hannan disputed liability regarding the claims and without prejudice negotiations took place.

A full and final settlement of the claims was reached on commercially acceptable grounds without any admission of specific liability.

The settlement requires a nominal initial payment (received in the Period) and a further payment of £250,000 in the event of breach of Mr Hannan's personal undertaking not to take a position in the education sector as a trustee, director, governor, principal, manager, consultant and/or employee.

As the claims were submitted on behalf of the Corporation and Hadlow, the settlements from the defendants have been apportioned on a 50/50 basis between the Corporation and Hadlow.

Distributions to creditors

Secured creditors

The DfE

The DfE provided funds to repay the former secured creditor (the Bank) in the preceding Education Administration. In return, the Corporation, acting by the JEAs, granted security to the DfE over certain assets owned by the Corporation, consisting primarily of freehold land, buildings and assigned the benefit of certain overages.

In order to complete the Merger Transactions in the preceding Education Administration, the DfE agreed to release their security over certain assets (being freehold land and buildings).

Notwithstanding the above, the DfE has fixed charge security over freehold land at Court Lane.

Preferential creditors

There are no known preferential creditors in this Liquidation.

Prescribed Part

The Prescribed Part provisions will not apply in this Liquidation, as a college cannot provide a Qualifying Floating Charge over its assets.

Unsecured creditors

In accordance with the Corporation's statement of affairs, unsecured creditor claims were estimated to total c£108m. This includes c£86m of deferred capital grants.

To date, claims totalling c£10.6m have been received.

As detailed in the return to creditors section of the Report, whilst it is considered uncertain that realisations will be sufficient to enable a dividend to be paid to unsecured creditors, until asset realisations are concluded, the position cannot be confirmed.

Given the above, unsecured creditor claims have not been reviewed and adjudicated for dividend purposes.

Other matters

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Liquidators in this Liquidation.

Joint Education Administrators' remuneration

During the preceding Education Administration and in accordance with the court orders dated 30 June 2020, 29 April 2021 and 11 August 2022, the former JEAs remuneration was agreed at £1,798,286. This included an estimate of potential future costs to close the Education Administration. As actual time costs were less than the fees fixed by court, the former JEA's remuneration was capped at their time costs (being £1,792,601).

As at 11 August 2022, the JEAs had been paid £1,614,493 in respect of their remuneration. Consequently, outstanding fees totalling £178,108 have been paid, as an expense of the Liquidation, in the Period.

Joint Education Administrators' expenses

The former JEAs agreed with the DfE that BDO LLP's staff related disbursements would not be directly recharged by the JEAs as these costs are included within the discounted hourly charge out rates agreed with the DfE.

Expenses incurred and paid by BDO LLP on behalf of the Corporation in the preceding Education Administration, primarily in respect of IT costs, postage costs and storage costs, totalling £15,429, have been repaid to BDO LLP as an expense of the Liquidation.

Joint Liquidators' remuneration

On 29 June 2023, the Joint Liquidators' remuneration was approved by the creditors on a time costs basis in accordance with the fees estimate, at DfE hourly rates. Details of these costs were circulated to creditors on 14 June 2023.

During the Period, time costs of £91,957 have been incurred being 513 hours at an average rate of £179 per hour. Please note, the time costs are based on the discounted hourly rates agreed with the DfE.

The Joint Liquidators have drawn remuneration of £69,814 in line with the approval given.

A detailed report of the time incurred by the Joint Liquidators and a narrative of the work done during the Period is attached at Appendix D.

Joint Liquidators' expenses

Expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

FUTURE ACTIONS

The following matters, although not exhaustive, may be undertaken to allow the Joint Liquidators to conclude the Liquidation:

- Continue to progress the Local Plan application, with the support of Knight Frank, for the land at Court Lane with a view to maximising the potential value of the land and pursue a subsequent disposal. This will include ongoing legal advice and support from our solicitors regarding the pre-emption agreement over the land;
 - Liaise with the Supervisors of MSL with a view to realising the dividends due to the Corporation;
 - Continue to collect the book debts being paid into the Education Administration bank account;
 - Prepare and file the Corporation's VAT returns in the Liquidation;
 - Prepare and file the Corporation's tax returns in the Liquidation;
 - Monitor the Corporation's financial position and, where necessary, request additional funding from the ESFA to meet the costs of the Liquidation;
 - Respond to and resolve any ad hoc matters raised by third parties;
 - Complete ongoing cashiering functions - recording receipts and payments in the estate and completing monthly bank reconciliations. Liaise with the Insolvency Services Account as and when necessary with regards to the bank reconciliations;
 - Provide ongoing reporting to the DfE, as the secured creditor, and respond to queries;
 - Comply with our statutory obligations as Liquidators of the Corporation (ie preparing and filing our annual progress reports to creditors etc);
 - Complete six-month file reviews and checklists/diary lines in accordance with BDO LLP policies and procedures;
 - Subject to the level of realisations, calculate and distribute any surplus funds in the Liquidation, in the statutory order of priority after discharging the costs of the Liquidation;
 - Complete our closure planning in accordance with BDO LLP policies, this will include obtaining clearance from our solicitors, agents and tax clearance from HMRC etc that all outstanding matters have been completed;
 - Prepare our final report and final account seeking our release from office and filing with the creditors and Companies House.
-

APPENDIX A

STATUTORY INFORMATION

Information

Company name	The Corporation of West Kent & Ashford College
Company registration number	FE000001
Registered office	c/o BDO LLP, 5 Temple Street, Temple Square, Liverpool, L2 5HR
Court name and reference	High Court of Justice, Chancery Division - 005255-2019
Date of appointment	11 August 2022
Joint Liquidators	William Matthew Humphries Tait Mark Patterson Danny Nicolaas William Dartnail
	Under the provisions of section 231 of the Act the Joint Liquidators carry out their functions jointly and severally meaning any action can be done by one Liquidator or by all of them.
Joint Liquidators' address	BDO LLP, 55 Baker Street, London, W1U 7EU
Data Control and GDPR	William Matthew Humphries Tait, Mark Patterson and Danny Nicolaas William Dartnail are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales in the UK. The Joint Liquidators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Liquidation of West Kent & Ashford College. Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notices/insolvencies

APPENDIX B

CREDITORS' RIGHTS

Within 21 days of receipt of the Report (1) a secured creditor, (2) an unsecured creditor with the concurrence of at least 5% in value (including the creditor in question) of the unsecured creditors; or (3) any unsecured creditor with the permission of the court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which are itemised in the Report.

Within 14 days of receipt of the request, the Joint Liquidators must provide all of the information asked for, unless they think that:

- the time or cost in preparing the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the Liquidation or might reasonably be expected to lead to violence against any person, or
- the Joint Liquidators are subject to confidentiality obligations in respect of the information.

The Joint Liquidators must give reasons for not providing all of the requested information.

Any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors may, within eight weeks of receipt of the Report, make an application to court that the basis fixed for the Joint Liquidators' remuneration, the remuneration charged, or the expenses incurred by the Joint Liquidators, as set out in the Report, are excessive.

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Liquidators' Fees' and information on the rights, duties and functions of a liquidation committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Liquidation. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

**West Kent & Ashford College
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

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REPRESENTED BY		
ISA		33,310.33
Vat Control Account		7,202.31
North Kent College		(541.53)
		<u>39,971.11</u>

APPENDIX D

JOINT LIQUIDATORS' REMUNERATION

The Joint Liquidators' remuneration has been approved on a time costs basis.

Time costs of £91,957, at DfE hourly rates, have been incurred in the Period. A breakdown is detailed below together with details of the work undertaken.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Total hours	Time costs £	Av. Rate £
Steps on appointment	1.05	0.00	8.00	20.60	10.55	40.20	5,866.90	145.94
Planning and strategy	13.50	0.00	0.30	4.95	2.00	20.75	5,307.35	255.78
Statutory reporting and decisions	7.05	0.00	0.85	27.30	12.35	47.55	8,127.70	170.93
General administration	9.00	12.60	10.70	67.10	81.75	181.15	25,863.75	142.78
Assets	21.00	0.00	3.30	21.75	2.60	48.65	11,036.70	226.86
Investigations	27.70	22.85	53.60	1.50	0.00	105.65	24,232.15	229.36
Employees and pensions	1.05	0.00	0.35	2.00	4.85	8.25	1,097.55	133.04
Creditors	12.30	0.10	0.50	6.40	3.75	23.05	5,349.80	232.10
Post appointment taxation	0.15	0.10	4.60	14.50	16.60	35.95	4,842.30	134.70
Closure	0.10	0.00	0.00	0.85	0.50	1.45	232.35	160.24
TOTAL	92.90	35.65	82.20	166.95	134.95	512.65	91,956.55	179.37

Steps on appointment

- Case set-up;
- Preparing Initial statutory notifications and advertisements following the appointment. This included liaising with the Official Receiver regarding filing the court order ending the Education Administration at Companies House; and
- Updating/clearing diary lines to ensure all statutory pre-appointment matters have been completed pursuant to the Rules.

Planning and strategy

- Reviewing and completing 6-month case file reviews in accordance with BDO LLP policies; and
- Meetings with agents Knight Frank to agree the strategy in relation to the land at Court Lane.

Statutory reporting and decisions

- Statutory reporting following the court order dated 11 August 2022 confirming the move from Education Administration to Compulsory Liquidation;
- Preparation of the fees and expenses estimate and circulating to creditors; and

- Monitoring the voting for the above decision procedure and confirming the outcome to creditors.

General administration

- Ongoing maintenance and reconciliation of the Liquidation bank account and other cashiering functions (recording receipts and processing payments etc and liaising with the Insolvency services Account);
- Reporting to the DfE and providing regular updates with regards to the strategy and progress of the Liquidation. Some time has been incurred and charged to “Creditors”;
- Monitoring and updating the Corporation’s financial position;
- Obtaining legal advice from the solicitors regarding the Liquidation strategy and pre-emption agreement for Court Lane;
- Reviewing and settling professional costs (agents fees and expenses and legal fees and expenses);
- Responding to ad hoc queries raised by former employees/students;
- Dealing with outstanding matters from the preceding Education Administration; and
- Liaising with the Information Commissioners Office regarding the registration of the Corporation on the data protection register.

Assets

- Liaising with Knight Frank regarding the Local Plan application and strategy more generally for Court Lane; and
- Correspondence with the solicitors acting for the Supervisors of MSL.

Investigations

- Concluding our investigation into the Corporation’s affairs and the conduct of certain individuals which commenced in the preceding Education Administration; and
- Liaising with our solicitors and collecting the settlement funds.

Employees and pensions

- Completing and filing statutory notices with the Pension Protection Fund, the Pension Regulator and the scheme administrators following the appointment; and
- Liaising with the Kent Pension Fund regarding outstanding liabilities from the Education Administration period and agreeing the final position.

Creditors

- Liaising with the DfE, as one of the secured creditors. Some time has been incurred and charged to ‘General Administration’;
- Lodging proof of debt forms received in the Liquidation; and
- Dealing with ad hoc creditor enquiries.

Post appointment taxation

- Preparation of VAT returns for the Liquidation period.

Closure

- Reviewing potential exit strategy considerations for discussion with the DfE.
-

The current charge out rates per hour of staff within the firm who may be involved in working on the Liquidation are as follows:

Grade	Standard £	DfE £
Partner	869 -994	320
Director	417-834	221
Senior Manager	347-694	188
Manager	190-507	161
Senior Executive	152-354	127
Executive	93-186	127
BDO LLP tax department (max)	1,304	221

Cumulative time incurred to fees estimate comparison

Total time costs of £91,956.55 at DfE hourly rates, have been incurred over the course of the Liquidation to 10 August 2023, as detailed below.

Activity	Estimated total costs at DfE Rates			Total Incurred as at 10 August 2023 at DfE Rates		
	Hours	Average Rate £	Time costs £	Hours	Average Rate £	Time costs £
Steps on appointment	40.20	145.94	5,866.90	40.20	145.94	5,866.90
Planning and strategy	35.85	252.72	9,060.00	20.75	255.78	5,307.35
Statutory report and decisions	82.95	179.03	14,850.20	47.55	170.93	8,127.70
General administration	285.60	162.34	46,363.00	181.15	142.78	25,863.75
Assets	128.05	235.62	30,170.80	48.65	226.86	11,036.70
Investigations	104.60	229.78	24,034.75	105.65	229.36	24,232.15
Employees and pensions	27.25	164.97	4,495.55	8.25	133.04	1,097.55
Creditors	90.40	250.85	22,676.45	23.05	232.10	5,349.80
Post appointment taxation	72.70	179.72	13,065.55	35.95	134.70	4,842.30
Closure	31.00	185.56	5,752.50	1.45	160.24	232.35
TOTAL	898.60	196.23	176,335.70	512.65	179.37	91,956.55

A summary of the time costs incurred as at 10 August 2023 which have exceeded our estimated total fees for the respective activity, are as follows:

Investigations

Time costs have marginally exceeded our fees estimate. The small increase relates to additional costs incurred in liaising with our cashiers and recording the receipt of the settlements in the Liquidation bank account.

APPENDIX E

JOINT LIQUIDATORS' EXPENSES

The Joint Liquidators' expenses incurred and paid are detailed below.

	Estimated £	Incurred in Period 11/08/2022 to 10/08/2023 £	Total Incurred 11/08/2022 to 10/08/2023 £	Total Paid 11/08/2022 to 10/08/2023 £
Category 1				
Official Receiver's General Fee	6,000	6,000.00	6,000.00	6,000.00
Official Receiver's Liquidator Fee	5,000	5,000.00	5,000.00	5,000.00
ISA Bank Charges	-	13.15	13.15	13.15
Bank Charges	450	88.00	88.00	88.00
Actuary Pension Fees	7,454	7,453.53	7,453.53	7,453.53
Refund of Employer Incentives	4,500	4,500.00	4,500.00	4,500.00
Data Registration Fee	120	40.00	40.00	40.00
Agents Fees ¹	150,000	16,100.00	16,100.00	16,100.00
Agents Disbursements	-	26.04	26.04	26.04
Grant Refund	38,493	33,142.41	33,142.41	33,142.41
Legal Fees ²	60,000	27,968.90	27,968.90	27,968.90
Legal Disbursements	-	7,034.50	7,034.50	7,034.50
Non-recoverable VAT	80,000	62,521.27	62,521.27	62,521.27
Printing & Postage	4,000	2,021.12	2,021.12	2,021.12
Storage Costs*	40,000	13,960.67	13,960.67	10,273.77
IT	-	3,351.90	3,351.90	3,351.90
Staff Travel*	500	17.00	17.00	0.00
Bonding*	67	66.67	66.67	0.00
Statutory Advertising*	190	95.00	95.00	0.00
Category 2				
Travel*	250	-	-	-

Although the above expenses are self-explanatory, I provide below a summary of certain salient matters:

Agents disbursements and Agents fees

Knight Frank have been engaged to assist with the Local Planning application in relation to the land at Court Land. Knight Frank have been engaged due to their knowledge and expertise in this sector.

Agents disbursements and fees were estimated to cumulatively total £150,000

Legal disbursements and Legal fees

Squires and WBD have been engaged to provide legal advice to the Corporation. This includes legal advice in connection with the funding agreements for the Liquidation, the pre-emption agreement at Court Lane and general advice with regards to the Liquidation.

Squires and WBD have been engaged due to their knowledge and expertise of matters specific to the education sector and other matters with which the Liquidators expect to be faced.

Legal disbursements and fees were estimated to cumulatively total £60,000.

Other

IT costs had been incurred in the preceding Education Administration and billed as an expense in the subsequent Liquidation. Consequently, as these costs had been incurred in the preceding Education Administration, they were not incorporated within the fees estimate for the Liquidation.

Please also note the ISA bank charges of £13 have been included within our estimated total bank charges of £450.

*BDO LLP has paid certain costs on behalf of the Corporation. These will be repaid to BDO LLP from the Liquidation estate.

APPENDIX F

PROOF OF DEBT FORM

PROOF OF DEBT FORM

The Corporation of West Kent & Ashford College - In Compulsory Liquidation ('the Company')

Company registration number: FE000001

Relevant date: 16 August 2019

Name of Creditor

(If a company please also give company registration number and where registered)

Address of Creditor

including email address for correspondence

Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the relevant date. £

Note: Any trade or other discounts (except discount for immediate or early settlement) which would have been available to the Company but for the insolvency proceedings should be deducted from the above claim where relevant. Where any payment is made in relation to the claim or set-off applied after the relevant date, this should be deducted.

If amount in 3 above includes outstanding uncapitalised interest please state amount. £

Particulars of how and when debt incurred

(If you need more space append a continuation sheet to this form).

Particulars of any security held, the value of the security, and the date it was given.

Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.

Details of attached documents by reference to which the debt can be substantiated.

Signature of creditor

or person authorised to act on his behalf

Name (BLOCK CAPITALS)

Dated

Position with or in relation to creditor

Address of person signing

(if different from 2 above)

Please complete and return this form to Rebecca Thompson, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTLondonandSouthEast@bdo.co.uk.

