

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

| | |
|--|-----------------------------------|
| Name of Company Yates's Wine Lodges Limited | Company number 00038397 |
| In the High Court of Justice Chancery Division Companies Court | Court case number 2479 of 2008 |

(a) Insert name(s) and address(es) of administrator(s) We (a) Alastair Paul Beveridge, Simon Jonathan Appell and James John Gleave of Zolfo Cooper (formerly Kroll Limited), 10 Fleet Place, London, EC4M 7RB

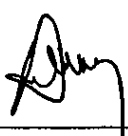
(b) Insert name and address of registered office of company having been appointed administrators of (b) Yates's Wine Lodges Limited, C/o Zolfo Cooper, Toronto Square, Toronto Street, Leeds, LS1 2HJ (the Company)

(c) Insert date of appointment on (c) 27 March 2008 by (d) the Company's Directors

(d) Insert name of applicant / appointor hereby give notice that:

(e) Insert name(s) and address(es) of liquidator(s) the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that (e) Alastair Paul Beveridge, Simon Jonathan Appell and James John Gleave of Zolfo Cooper (formerly Kroll Limited), 10 Fleet Place, London, EC4M 7RB will be the liquidators of the company (IP No(s) 8991, 9305 and 6657 respectively)

We attach a copy of the final progress report.

Signed 
Joint Administrator

Dated 25/09/09

Contact Details:

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

| | |
|--|-------------|
| Russell Parkin, Zolfo Cooper, Toronto Square, Toronto Street, Leeds, LS1 2HJ | |
| Tel | |
| DX Number | DX Exchange |



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25/09/2009

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COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

FRIDAY

**Joint Administrators'
Final Progress Report**

**For the Period
27 March 2009 to 24
September 2009**

**Yates's Wine Lodges Limited -
In Administration**

24 September 2009



Zc ZOLFO COOPER



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1 Statutory Information

- 1.1 I was appointed Joint Administrator of Yates's Wine Lodges Limited (the **Company**) together with Simon Jonathan Appell and James John Gleave on 27 March 2008. The application for the appointment of an Administrator was made by the Directors of the Company.
- 1.2 This Administration is being handled by Zolfo Cooper's Leeds office, situated at Toronto Square, Toronto Street, Leeds, LS1 2HJ.
- 1.3 The Administration is registered in the High Court of Justice, Chancery Division, Companies Court, under reference number 2479 of 2008.
- 1.4 As noted in the Joint Administrators' Proposals (the **Proposals**), the Company is part of the Laurel Group of Companies (the **Group**), a large managed-house operator formerly comprising 378 licensed trading sites. The Group traded under a number of brands, including 'Slug & Lettuce', 'Hal Ha!', 'Yates', 'Santa Fe' and 'Litten Tree'.
- 1.5 The registered office of the Company is Toronto Square, Toronto Street, Leeds, LS1 2HJ and its registered number is 00038397.
- 1.6 The functions of the Administrators may be exercised by either or all, acting jointly or alone.

2 Administrators' Proposals

- 2.1 As previously advised, the Joint Administrators (the **Administrators**) must perform their functions with the purpose of achieving one of the following objectives:
 - Rescuing the Company as a going concern;
 - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.2 The second objective was pursued; achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

3 Progress of the Administration

- 3.1 Attached at Appendix A is my Receipts and Payments Account for the period from 27 March 2009 to 24 September 2009 and cumulative from 27 March 2008 to 24 September 2009. A cumulative summary of the trading receipts and payments account is also attached at Appendix A.
- 3.2 As previously reported, the Group's structure comprises companies which are involved in the business of operating pubs, bars and/or restaurants (**Opco**) and companies whose business involved owning and leasing property (**Propco**).
- 3.3 Yates Propco Limited, Pumpster Property Limited, S&L Propco Limited and Pumpster Property Acquisitions Limited are the landlords of 104 of the Opco trading sites (the **Pumpster Landlords**). The Pumpster Landlords were placed into Administration on 27 June 2008 and the affairs of these entities are being handled by Ernst & Young (the **Propco Administrators**).
- 3.4 Opco and Propco are under common ownership, but with separate finance and security structures. Propco funding is provided by a syndicate of banks in respect of which Royal Bank of Scotland plc is the arranger and facility agent (together the **Propco Banks**). The Opco business is financed by Dresdner Bank AG and Kaupthing HF (the **Opco Banks**).

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

- 3.5 You will recall from the Proposals that a sale of 186 of the Opco sites (the Opco Good Sites) was completed on 27 March 2008. The sale of the Opco Good Sites to Laurel Restaurant Company Limited, The Barley Pub Company Limited, Ha! Ha! Bar & Kitchen Limited, La Tasca Restaurants Limited, Hops Pub Company Limited, Slug & Lettuce Company Limited, Bay Restaurant Group Limited and Town and City Pub Company Limited (together Newco) was for £150,601,696, of which £2,585,413 was allocated to the Company (as detailed below). In addition, contracts were exchanged on 27 March 2008 for the remaining 104 Opco sites (the Pumpster Sites) with Newco under a Conditional Sale Agreement (the CSA).
- 3.6 However, it subsequently became apparent that the CSA would not complete. As a result, the Administrators commenced new discussions with Newco.
- 3.7 Newco subsequently made an offer to acquire 89 of the 104 Pumpster Sites for a total consideration of £27,239,441, of which £5,964,751 was allocated to the Company (as below). The Administrators considered that this offer represented the best achievable outcome for creditors, and represented a higher return than was expected under the valuations prepared by Kroll Corporate Finance (KCF). This offer was therefore accepted, and a sale of 89 of the Pumpster Sites completed on 12 August 2008.
- 3.8 Detailed below is a breakdown of the proceeds received in relation to this sale:

| Company | Total (£) |
|--------------------------------|------------------|
| The Laurel Pub Company Limited | 20,059,956 |
| Yates's Wine Lodges Limited | 5,964,751 |
| Yates Group Limited | 1,155,033 |
| Forno Vivo Limited | 59,701 |
| | <hr/> 27,239,441 |

- 3.9 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that the following assets were sold to a Director of the Company:

Opco Good Sites

| Date of Transaction | Asset Involved | Consideration Paid | Sold To | Common Directors |
|---------------------|----------------|--------------------|--|------------------|
| 27 March 2008 | Trade Debtors | £92,003 | Hops Pub Company Limited Slug & Lettuce Company Limited La Tasca Restaurants Limited | Suzanne Baker |
| | Goodwill | £2,101,009 | | Christian Keen |
| | Stock | £392,401 | | Timothy Payne |
| | | | | Paul Symonds |
| | | | | Aaron Brown |
| | | | | Timothy Smalley |
| | TOTAL | <hr/> £2,585,413 | | |

Pumpster Sites

| Date of Transaction | Asset Involved | Consideration Paid | Sold To | Common Directors |
|---------------------|----------------------|--------------------|--|----------------------|
| 12 August 2008 | Stock | £410,660 | Barley Pub Company Limited Hops Pub Company Limited Slug & Lettuce Company Limited Bay Restaurant Group Limited | Suzanne Louise Baker |
| | Goodwill | £5,554,087 | | Christian Keen |
| | Nominal value assets | £4 | | Timothy Payne |
| | | | | Paul Symonds |
| | | | | Aaron Brown |
| | | | | Mark Grunnell |
| | | | | Timothy Smalley |
| | TOTAL | £5,964,751 | | |

- 3.10 In addition, a sale of 12 of the remaining Pumpster Sites was completed to JD Weatherspoon on 12 November 2008, and the proceeds allocated as below.

| Company | Total (£) |
|--------------------------------|--------------|
| The Laurel Pub Company Limited | 3,750 |
| Yates Group Limited | 1,250 |
| | 5,000 |

- 3.11 The Administrators continued to trade the remaining Pumpster sites up until 27 March 2009, at which point the Administrators surrendered the Group's interest in the sites back to the Propco Administrators.

Other Property Realisations

- 3.12 You will recall from the Proposals that the Group closed 90 of its sites prior to the appointment of the Administrators (the Closed Sites).
- 3.13 Of the Closed Sites, the Company held an interest in two. The Administrators have worked with Colliers CRE (Colliers), and have continued to market these sites with a view to negotiating surrenders or assignments at a premium for the benefit of the Administration.
- 3.14 To date, I have achieved the surrender of one of these leases, and negotiated an assignment of the other lease. My solicitors, Sidley Austin LLP, have confirmed that any premiums realised are payable to The Laurel Pub Company Limited, which held the beneficial interest in the leases. As such, no funds will be received by the Company.

Handback Site Premium

- 3.15 As noted in my previous progress report in March 2009, Newco was unable to complete the assignments of ten properties it initially acquired, and as such it requested that it hand back these sites to the Administrators. Newco offered to pay the sum of £100,000 for the benefit of the unsecured creditors of the respective companies holding leases to these sites, and the split of these funds is shown below. Newco made this offer conditional on

the Administration periods of these companies being extended by six months to complete the outstanding lease assignments for Opco Good Sites.

- 3.16 The Administrators deemed that it was in the best interests of the creditors to accept this offer, as it resulted in a further £15,000 being available to distribute to the unsecured creditors.

| Company | Total (£) |
|--------------------------------|---------------|
| The Laurel Pub Company Limited | 35,000 |
| Yates Group Limited | 20,000 |
| Target PIL Core Limited | 30,000 |
| Yates's Wine Lodges Limited | 15,000 |
| | <hr/> 100,000 |

Pumpster Trading

- 3.17 As detailed in my previous reports, the Pumpster Sites were being traded by the Administrators following our appointment, on behalf of the Propco Banks, in order to achieve a sale of the these sites. The initial agreement with the Propco Banks set out that the trading of the business would result in neither a profit nor a loss, and as such the ultimate trading position (after professional costs including relevant Administrators fees) would be nil.
- 3.18 However, following the sale of the 12 Pumpster Sites noted above, I came to an agreement with the Propco Banks that any loss making sites would be funded by it, and that any profits generated by the other sites would become an asset of the Company. I can confirm that there is currently a trading profit of £147,950 (shown at Appendix A), before accounting for the outstanding fees and costs of dealing with these matters.

3rd Party Contributions

- 3.19 This represents sums received from the Opco Banks to pay the Company's insurance costs and legal fees during the Administration.

Book Debts

- 3.20 The Administrators' have realised the sum of £41,471 in respect of book debts following my appointment, which relate to non-supplier related debtors.

Loan from Santa Fe Limited (Santa Fe)

- 3.21 As previously detailed, a loan in the sum of £5,031,695 sum was received from Santa Fe in order to satisfy the outstanding amounts due to the Opco Banks. This debt will be discharged in due course in satisfaction of any dividend payable by Santa Fe to the Company, and/or the payment of cash to Santa Fe.

Other income

- 3.22 Miscellaneous amounts totalling £32,960 have been received during the Administration. I have also realised a refund in the sum of £887 in respect of a pre-appointment rent overpayment.

Rent From Newco

- 3.23 This represents sums received from Newco in order to make payments in respect of rent for Opco Good Sites where the Company remained the legal tenant as the lease had not been assigned. This is offset by a corresponding rent payment.

Pre-appointment receipts

- 3.24 The sum of £104,558 has been realised in respect of pre-appointment sums due to the Company.

Bank interest

- 3.25 To date, interest of £110,944 has accrued on the balances held in the Administration bank account.

Business Rates Refunds

- 3.26 To date I have realised the sum of £141,599 in respect of overpayments on business rate accounts and refunds as a result of successful rating appeals by my rating agents (noted at Appendix C). My agents remain instructed in this matter, and whilst I am aware that there are some ongoing rating appeals, I do not anticipate significant future realisations from this source. Should further amounts be identified, these will be realised in the Liquidation.

Cash at bank

- 3.27 Following my appointment, the Company held the sum of £275,674 in its pre-appointment bank accounts. This was subsequently transferred to the Administration bank account, and there will be no further realisations from this source.
- 3.28 In addition, £123,453 has been realised in relation to sales made prior to my appointment, which has subsequently been received into the Company's accounts.

Stock – final three Pumpster sites

- 3.29 Following the surrender of the final three Pumpster Sites to the Propco Administrators, I realised the sum of £11,400 for the stock on hand at the sites.

4 Administrators' Remuneration

- 4.1 At the date of the Proposals, I envisaged that the only return to the unsecured creditors would be by virtue of the Unsecured Creditors' Fund (detailed at 6.3 below). As such, the Opco Banks approved the basis of the Administrators' fees and gave authority to draw such fees as and when funds were available. However, as noted in my previous correspondence to creditors, it has recently become apparent that the Opco Banks would be repaid in full. I therefore requested that the unsecured creditors give their approval in respect of the Administrators' time costs on the same basis as agreed with the Opco Banks. I can confirm that the unsecured creditors have approved this. This was solely in relation to future fees, and the Administrators will not be seeking any retrospective approval for fees already drawn.
- 4.2 The Administrators' time costs at 24 September 2009 are £471,127. This represents 1,956 hours at an average rate of £241 per hour. Attached as Appendix B is a Time Analysis that provides details of the activity costs incurred by staff grade for the period since my last report together with a cumulative analysis for the entire Administration.
- 4.3 As detailed below, the Administrators have incurred time costs in relation to trading the Pumpster Sites, totalling £295,978 (included in the total time costs figure above). This is represented by the "Trading" time, in addition to the majority of the time shown under

"Cash Accounting and Time Records" in the Administration and Planning section, as detailed at Appendix B. These costs have effectively been settled by the Propco Administrators as part of the overall trading agreement and so were not borne by the creditors of the Company.

- 4.4 To date I can confirm that £114,942 plus VAT has been drawn in respect of the Administrators time costs and £255,563 plus VAT has been drawn in respect of the Administrators time costs relating to trading the Pumpster sites.
- 4.5 At the commencement of the Administrations, it was unclear which entities owned certain assets within the Group and therefore, how the costs of Administration would be funded. In the circumstances, the Opco banks agreed to make a loan totalling £3,088,863 to the companies in Administration, to fund the fees and costs of the Administrations. This was necessary to facilitate the sale of the business and assets of the various companies and maximise recoveries. Given the uncertainty regarding ownership of assets, it was necessary for most of the companies in Administration to be party to the sale agreement. To ensure that creditors of any one or more of the companies in Administration were not prejudiced by these arrangements and in particular, the payment terms, it was agreed that the funding could be used where appropriate, to fund Prescribed Part Claims and distributions to unsecured creditors as required by the Insolvency Act 1986 (the Act).
- 4.6 The funds were loaned to the entities in Administration as required, on a joint and several basis. The risk to those entities with significant assets of having to contribute more than others to the cost of funding, was taken into account in assessing the likely recoveries to those entities from the sale which the funding was set up to facilitate. As a further precaution, it was agreed that these sums would be repaid only to the extent that realisations exceeded the costs and distributions across the companies in Administration.
- 4.7 I am currently finalising the repayment of the loan to the Opco banks from the entities which have sufficient realisations. I can confirm that any unpaid Administrators' fees and costs in relation to the Company will be drawn as an expense of the Liquidation.
- 4.8 Attached as Appendix C is additional information in relation to our policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

Administration and Planning

The Administrators' time spent here incorporates the statutory duties of the Administration, initial statutory notices to creditors and the Court, case strategy matters, travel time, administration time, and cashiering time. As above, the majority of the cash accounting time spent under this heading reflects cashiering time spent dealing with the trading of the Pumpster Sites.

Investigations

The time in this category represents the statutory investigations undertaken into the conduct of the Directors of the Company.

Realisation of Assets

Time in this category represents time spent identifying assets within the Group, and time spent realising the various assets as detailed above, particularly in relation to the sale of the remaining Pumpster sites.

Trading

The time recorded under this heading includes managing the day to day trading of the Company prior to the sale of the Pumpster business as set out above, and the ongoing time spent trading the remaining three Pumpster sites. It also records the time which has been spent in reconciling the trading accounts, and monitoring the trading of the Pumpster Sites.

Creditors

This represents time spent dealing with creditors, including correspondence and telephone calls received, in addition to dealing with correspondence and queries from landlords.

5 Unrealised Assets

- 5.1 I would confirm that the Receipts and Payments Account at Appendix A reflects the final position on both realisations achieved and payments discharged during the course of the Administration. The only assets yet to be realised are the inter-company receivables detailed below, and these will be dealt with by the Liquidator once appointed.

Inter-company receivables

- 5.2 Further to my previous report, I have now finalised, with the help of the Finance Director, the inter-company debts between the entities in the Group, and the table below shows these as at 27 March 2008.
- 5.3 The Administrators do not have the power to agree unsecured creditor claims and distribute monies without Court approval, including distributions in relation to inter-group receivables, and as such, any dividends due to the Company will be realised once all of the companies in the Group are in Liquidation.

| Inter-group debtor | Amount due to the Company (£) |
|--------------------------------|-------------------------------|
| The Laurel Pub Company Limited | 30,195,232 |
| Laurel Pub Bidco Limited | 999,668 |
| Forno Vivo Limited | 2,353,919 |
| Santa Fe Limited | 13,534,880 |
| | <hr/> 47,083,699 |

- 5.4 As previously noted, another company within the Group, Laurel Pub Bidco Limited (LPBL), was the borrower of funds re the Opco Bank facilities, with certain other group companies (including the Company) giving cross-guarantees in respect of the debt. Therefore, in addition to the sum noted above, the Company will have a subrogated unsecured claim against LPBL for amounts it has repaid to the Opco Banks under the cross guarantee. I am currently finalising this position.
- 5.5 The realisations from these amounts will be dependent upon the value of dividends paid by the debtor companies.

6 Outcome for Creditors

Secured Creditors

- 6.1 As previously reported the proceeds from the business and asset sales above were used to satisfy the secured claims of the Opco Banks due from certain companies in the Group. The Opco Banks have released their security over the assets of the Company, with the loan noted at 4.5 being the only amount now due to them.

Preferential Creditors

- 6.2 The Administrators are not aware of any preferential creditors of the Company, as employees of the Group were contracted to work for The Laurel Pub Company Limited or Yates Group Limited.

Unsecured Creditors

- 6.3 As the Company granted a floating charge to the Opco Banks which post-dated the Enterprise Act 2002, the Administrators are required to ring fence a proportion of the floating charge realisations for the benefit of the unsecured creditors in an Unsecured Creditors' Fund. At present, the Administrators anticipate the value of the Unsecured Creditors' Fund to be £600,000. In addition, the £15,000 received in respect of the hand back sites will also be available for distribution to the unsecured creditors.

7 Ending the Administration

- 7.1 In order to make the distributions noted above, the Administrators will file a notice with the Registrar of Companies bringing the Administration to an end and commencing the winding up of the Company in accordance with paragraph 83 of Schedule B1 of the Act. Following the Proposals, creditors approved that the Administrators will subsequently become the Liquidators of the Company.
- 7.2 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act immediately upon their appointment as Administrators ceasing to have effect.

For and on behalf of
Yates's Wine Lodges Limited



Alastair Beveridge
Joint Administrator

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Receipts and Payments Account for the Period from 27 March 2009 to
24 September 2009, cumulative from 27 March 2008 to 24 September
2009 and a cumulative summary of the trading period

Appendix A

27 March 2009 to 24 September 2009

| S of A (£) | INCOME | Total (£) |
|------------|--------------------------------------|--------------------|
| - | Rents | 554,425.11 |
| - | Non Pumpster rental | 8,283.59 |
| - | Tesco Clubcard | 44,012.57 |
| - | Account Sales | 2,193.81 |
| - | Machine Hopper Fill | 8,782.90 |
| - | Handback sites Premium | 15,000.00 |
| - | Rent From Newco | 611,040.81 |
| - | Pre-appointment receipts | 104,557.82 |
| - | Stock - final three pumpster sites | 11,400.00 |
| - | Business Rates Refunds | 62,419.49 |
| - | Misc income | 32,781.20 |
| - | Administrators Fees - Pumpster Sites | 255,563.00 |
| | | <hr/> 1,710,460.30 |
| | EXPENDITURE | |
| | Rent Income | 554,425.12 |
| | Bank Charges | 1,006.50 |
| | Administrator Fees - Pumpster Sites | 255,563.00 |
| | House Manager Bonus | 15,902.00 |
| | TSA Charge | 9,460.00 |
| | Pumpster Rent | 627,699.99 |
| | Rent For Newco | 611,040.80 |
| | Legal Fees | 9,801.99 |
| | Suspense Account | 332,452.13 |
| | Cheque Receipts for Newco | 104,557.82 |
| | Loan from Santa Fe Limited | 191.88 |
| | Stationery & Postage | 745.38 |
| | Business Rates - Agent Fees | 5,398.96 |
| | Transfer to CVL | 720,027.18 |
| | | <hr/> 3,248,272.75 |

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

Cumulative from 27 March 2008 to 24 September 2009

| S of A (£) | INCOME | Total (£) |
|--------------|--|----------------------|
| - | Sales - ACS | 1,093,154.31 |
| - | Sales - Cash & Cheque | 12,294,377.23 |
| - | Sales - ATM | 359,975.16 |
| - | Sales - Amex | 16,158.95 |
| - | Carriage | 8,492.35 |
| - | Goodwill | 2,101,009.00 |
| 5,332,627.00 | Goodwill - Pumpster | 5,554,087.00 |
| - | Handback sites Premium | 15,000.00 |
| - | Rent From Newco | 611,040.81 |
| - | Pre-appointment receipts | 104,557.82 |
| - | Stock | 392,401.00 |
| 796,118.00 | Stock - Pumpster | 410,660.00 |
| - | Stock - final three pumpster sites | 11,400.00 |
| 92,003.00 | Trade Debtors | 92,003.00 |
| - | Cash in Transit | 123,452.82 |
| 144,189.00 | Cash at Bank | 275,674.17 |
| - | 3rd Party Contribution - Legal Fees | 64,361.97 |
| - | Business Rates Refunds | 141,598.59 |
| - | Bank Interest Gross | 110,943.87 |
| - | 3rd Party Contribution - Insurance | 4,411.62 |
| - | Furniture - Pumpster | 4.00 |
| - | Pre-appt rent overpayments | 887.01 |
| - | Misc income | 32,959.67 |
| - | Loan from Santa Fe Limited | 5,031,695.00 |
| - | Book Debts | 41,471.17 |
| 4,394,028.00 | Inter-Company Debtors | 0.00 |
| | | 28,891,776.52 |
| | EXPENDITURE | |
| | Cost of Sales | 4,509,168.77 |
| | Wages & Salaries | 3,173,688.93 |
| | Pre-appointment wages | 143,730.43 |
| | Legal Fees - Pumpster | 67,591.45 |
| | Bank Charges | 81,607.85 |
| | Administrator Fees - Pumpster Sites | 255,563.00 |
| | Trading Expenses | 3,627,497.79 |
| | Maintenance Capex approved by banks | 67,244.78 |
| | Sundry Costs | 58.00 |
| | House Manager Bonus | 183,288.05 |
| | TSA Charge | 503,128.26 |
| | Pumpster Rent | 1,078,499.99 |
| | Newco Trading Receipts to be transferred | 0.04 |
| | Rent For Newco | 611,040.80 |
| | Fixed Legal Fees | 16,798.31 |
| | Due to Chargeholder | 7,655,096.00 |
| | Insurance of Properties | 4,411.62 |
| | Administrators Fees | 114,942.00 |
| | Floating Legal Fees | 143,864.58 |
| | Stationery & Postage | 1,255.78 |
| | Business Rates - Agent Fees | 6,509.91 |
| | Floating Charge Creditor | 5,926,763.00 |
| | Transfer to CVL | 720,027.18 |
| | | 28,891,776.52 |
| | Balance | 0.00 |

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

Cumulative summary of the trading period

| S of A (£) | Total (£) |
|--|--------------------------|
| POST APPOINTMENT SALES | |
| - Sales - ACS | 1,093,154.31 |
| - Sales - Cash & Cheque | 12,294,377.23 |
| - Sales - ATM | 359,975.16 |
| - Sales - Amex | 16,158.95 |
| | <u>13,763,665.65</u> |
| PURCHASES | |
| - Cost of Sales | <u>4,509,168.77</u> |
| | (4,509,168.77) |
| OTHER DIRECT COSTS | |
| - Wages & Salaries | 3,173,688.93 |
| - Pre-appointment wages | 143,730.43 |
| | <u>(3,317,419.36)</u> |
| TRADING EXPENDITURE | |
| - Carriage | 8,492.35 |
| - Legal Fees - Pumpster | (67,591.45) |
| - Bank Charges | (14,748.27) |
| - Administrator Fees - Pumpster Sites | (255,563.00) |
| - Trading Expenses | (3,627,497.79) |
| - Maintenance Capex approved by bank | (67,244.78) |
| - Sundry Costs | (58.00) |
| - House Manager Bonus | (183,288.05) |
| - TSA Charge | (503,128.26) |
| - Pumpster Rent | (1,078,499.99) |
| - Newco Trading Receipts to be transferred | (0.04) |
| | <u>(5,789,127.28)</u> |
| TRADING SURPLUS/(DEFICIT) | <u><u>147,950.24</u></u> |

Time Analysis for the Period from 27 March 2009 to 24 September 2009
2009 and cumulative from 27 March 2008 to 24 September 2009

Appendix B

27 March 2009 to 24 September 2009

| | Employee Grade (Hours) | | | | Total Hours | (£'s) | |
|--|---------------------------|---------------------|------------------------|-------------------------------|----------------|------------------|---------------------|
| | Partner/ Director | Senior Associate | Associate / Analyst | Junior Analyst/ Support | | Total Cost | Average Rate p/h |
| Administration and Planning | | | | | | | |
| Strategy and Control | 0.3 | 9.6 | 6.2 | - | 16.1 | 5,217.00 | 324 |
| Bank and Creditor Reporting | 0.5 | 0.5 | 10.3 | - | 11.3 | 3,179.50 | 281 |
| Creditors Committee | - | - | - | - | - | - | - |
| Statutory Duties | - | 0.2 | 0.5 | 0.5 | 1.2 | 301.50 | 251 |
| Job Administration | - | 2.5 | 4.1 | 4.9 | 11.5 | 2,778.00 | 242 |
| Cash Accounting and Time Records | 0.1 | 43.8 | 7.8 | 30.7 | 82.4 | 22,533.00 | 273 |
| Case Related Travel Time | - | - | - | - | - | - | - |
| Case Closure | - | - | - | - | - | - | - |
| Internal Documentation and IT | - | 5.0 | - | - | 5.0 | 1,750.00 | 350 |
| Investigations | | | | | | | |
| D Reports | - | - | - | - | - | - | - |
| Other Investigations | 0.2 | - | - | - | 0.2 | 110.00 | 550 |
| Internal Documentation | - | - | - | - | - | - | - |
| Realisation of Assets - Fixed Charge | | | | | | | |
| Initial Actions and Valuations | - | - | - | - | - | - | - |
| Sale of Assets | - | - | - | - | - | - | - |
| Insurance | - | - | - | - | - | - | - |
| Litigation | - | - | - | - | - | - | - |
| Internal Documentation | - | 1.9 | - | - | 1.9 | 665.00 | 350 |
| Realisation of Assets - Debtors | | | | | | | |
| Debt Collection | - | - | 2.5 | - | 2.5 | 662.50 | 265 |
| Debtors Litigation | - | - | - | - | - | - | - |
| Crown Debtors | - | - | - | - | - | - | - |
| Internal Documentation | - | - | - | - | - | - | - |
| Realisation of Assets - Floating Charge | | | | | | | |
| Initial Actions and Valuations | - | - | - | - | - | - | - |
| Sale of Assets | - | 12.6 | - | - | 12.6 | 4,410.00 | 350 |
| Insurance | - | - | 0.1 | - | 0.1 | 26.50 | 265 |
| Retention of Title | - | - | - | - | - | - | - |
| Hire Purchase / Leased Assets | - | - | 2.1 | - | 2.1 | 556.50 | 265 |
| Litigation | - | - | - | - | - | - | - |
| Internal and External Communications | - | 1.3 | - | - | 1.3 | 455.00 | 350 |
| Trading | | | | | | | |
| Initial Actions | 1.4 | - | - | - | 1.4 | 770.00 | 550 |
| Cash Accounting | - | 4.1 | - | 0.4 | 4.5 | 1,491.00 | 331 |
| Ongoing Trading Activities | - | - | - | - | - | - | - |
| Internal and External Communications | - | 2.1 | - | 1.0 | 3.1 | 875.00 | 282 |
| Creditors | | | | | | | |
| Creditor dealings | - | - | 17.7 | 0.1 | 17.8 | 4,704.50 | 264 |
| Creditor claims | - | - | - | - | - | - | - |
| Litigation | - | - | - | - | - | - | - |
| Shareholders / Bankrupts | - | - | - | - | - | - | - |
| Internal Documentation | - | - | - | - | - | - | - |
| Employees | - | - | - | - | - | - | - |
| Totals | 2.5 | 83.6 | 51.3 | 37.6 | 175.0 | 50,485.00 | 288 |

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

Cumulative from 27 March 2008 to 24 September 2009

| | Employee Grade (Hours) | | | | Total Hours | (£'s) | |
|--|---------------------------|---------------------|------------------------|-------------------------------|----------------|-------------------|---------------------|
| | Partner/ Director | Senior Associate | Associate / Analyst | Junior Analyst/ Support | | Total Cost | Average Rate p/h |
| Administration and Planning | | | | | | | |
| Strategy and Control | 38.3 | 30.7 | 54.9 | 0.8 | 124.7 | 43,621.50 | 350 |
| Bank and Creditor Reporting | 7.2 | 4.8 | 147.1 | 2.0 | 161.1 | 44,447.50 | 276 |
| Creditors Committee | - | - | - | - | - | - | - |
| Statutory Duties | - | 2.9 | 4.9 | 1.7 | 9.5 | 2,497.00 | 263 |
| Job Administration | - | 8.0 | 13.7 | 14.5 | 36.2 | 8,383.00 | 232 |
| Cash Accounting and Time Records | 1.9 | 76.5 | 309.7 | 573.2 | 961.3 | 190,916.00 | 199 |
| Case Related Travel Time | - | 3.2 | 7.8 | 1.7 | 12.7 | 3,417.50 | 269 |
| Case Closure | - | 1.1 | - | - | 1.1 | 429.00 | 390 |
| Internal Documentation and IT | - | 11.2 | 39.3 | 0.4 | 50.9 | 14,561.50 | 286 |
| Investigations | | | | | | | |
| D Reports | - | 0.7 | 3.4 | 0.2 | 4.3 | 1,086.00 | 253 |
| Other Investigations | 7.7 | - | - | - | 7.7 | 3,822.50 | 496 |
| Internal Documentation | - | - | - | - | - | - | - |
| Realisation of Assets - Fixed Charge | | | | | | | |
| Initial Actions and Valuations | - | - | 0.5 | 1.1 | 1.6 | 257.50 | 161 |
| Sale of Assets | 0.7 | - | - | - | 0.7 | 280.00 | 400 |
| Insurance | - | - | - | - | - | - | - |
| Litigation | - | - | - | - | - | - | - |
| Internal Documentation | - | 2.6 | 1.4 | - | 4.0 | 1,228.50 | 307 |
| Realisation of Assets - Debtors | | | | | | | |
| Debt Collection | - | - | 9.8 | 4.7 | 14.5 | 3,056.00 | 211 |
| Debtors Litigation | - | - | - | - | - | - | - |
| Crown Debtors | - | - | - | - | - | - | - |
| Internal Documentation | - | - | 1.1 | - | 1.1 | 276.00 | 251 |
| Realisation of Assets - Floating Charge | | | | | | | |
| Initial Actions and Valuations | - | - | 0.5 | - | 0.5 | 120.00 | 240 |
| Sale of Assets | 1.5 | 22.0 | 43.9 | - | 67.4 | 22,697.00 | 337 |
| Insurance | - | - | 0.1 | - | 0.1 | 26.50 | 265 |
| Retention of Title | - | - | - | - | - | - | - |
| Hire Purchase / Leased Assets | - | 0.1 | 13.5 | 0.6 | 14.2 | 3,592.50 | 253 |
| Litigation | - | - | - | - | - | - | - |
| Internal and External Communications | - | 1.3 | 1.8 | - | 3.1 | 941.00 | 304 |
| Trading | | | | | | | |
| Initial Actions | 5.8 | 54.8 | 8.8 | 0.2 | 69.6 | 22,938.00 | 330 |
| Cash Accounting | 0.3 | 9.6 | 36.7 | 38.3 | 84.9 | 17,731.50 | 209 |
| Ongoing Trading Activities | 4.7 | 5.4 | 190.5 | 6.0 | 206.6 | 55,955.00 | 271 |
| Internal and External Communications | - | 6.5 | 33.7 | 18.6 | 58.8 | 13,639.00 | 232 |
| Creditors | | | | | | | |
| Creditor dealings | - | 0.8 | 52.6 | 2.4 | 55.8 | 14,168.00 | 254 |
| Creditor claims | - | 0.1 | - | 0.3 | 0.4 | 76.50 | 191 |
| Litigation | - | - | - | - | - | - | - |
| Shareholders / Bankrupts | - | - | - | - | - | - | - |
| Internal Documentation | - | 0.1 | - | - | 0.1 | 32.50 | 325 |
| Employees | - | - | 3.5 | - | 3.5 | 930.00 | 266 |
| Totals | 68.1 | 242.4 | 979.2 | 666.7 | 1956.4 | 471,127.00 | 241 |

Additional Information in Relation to Administrators' Fees Pursuant to Statement of Insolvency Practice 9

Appendix C

1 Policy

Detailed below is Zolfo Cooper's policy in relation to:

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

1.1 *Staff Allocation and the use of Sub-contractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, Senior Associate, Associate and Analyst. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. Our charge out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, eg, report compilation and distribution, do we seek to charge and recover our time in this regard.

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

1.2 *Professional Advisors*

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

| Name of Professional Advisor | Basis of Fee Arrangement |
|---|--|
| Sidley Austin LLP (legal advice) | Hourly rate and disbursements |
| Denton Wilde Sapte LLP (legal advice in relation to leasehold properties only) | Hourly rate and disbursements |
| Blake Laphorn Tarlo Lyons (legal advice in relation to premises licenses - North England & Wales) | Hourly rate and disbursements |
| Bevan Brittan LLP (legal advice in relation to premises licenses - South England and Wales) | Hourly rate and disbursements |
| Brunton Miller (legal advice in relation to premises licenses - Scotland) | Hourly rate and disbursements |
| Safe Estates Limited (key safe service in relation to leasehold properties) | Fixed fee per site and call out charges |
| Willis Limited (insurance) | Risk based premium |
| Gerald Eve Limited (rating appeals in relation to leasehold properties) | Contingent fee arrangement |
| Atis Real Limited (rating appeals in relation to leasehold properties) | Contingent fee arrangement |
| Goodman Nash Limited (rates audit work in relation to leasehold properties) | Contingent fee arrangement |
| Colliers CRE Limited (valuation and disposal advice) | Small fixed admin fee plus variable percentage of realisations |

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require prior approval by creditors before they are paid and whilst it is unlikely that any Category 2 disbursements will be incurred on the case, appropriate approval will be sought before any such expenses are paid.

2 Charge-out Rates

A schedule of Zolfo Cooper charge-out rates effective from 1 January 2009 is detailed below.

| | (Per hour) £ |
|--|-----------------|
| Partner/Director: | |
| Partner 1* | 550 |
| Partner 2* | 495 |
| Director | 430 |
| Senior Associate: | |
| Senior Associate 1* | 390 |
| Senior Associate 2* | 350 |
| Associate/Analyst: | |
| Associate | 290 |
| Analyst* | 265 |
| Junior Analyst and Support Staff: | |
| Junior Analyst* | 140 |
| Senior Treasury Associate | 210 |
| Treasury Associate | 140 |
| Treasury Analyst | 90 |
| Support | 90 |
| *Key | |
| Partner 1 - Partners with 3 or more years experience at partner level | |
| Partner 2 - Partners with less than 3 years experience at partner level | |
| Senior Associate 1 - Staff who have been Seniors Associates for over 2 years | |
| Senior Associate 2 - Staff who have been Senior Associates for less than 2 years | |
| Analyst - Staff who have been Analysts for more than 1 year | |
| Junior Analyst - First year Analyst | |