

# CVA4

## Notice of termination or full implementation of voluntary arrangement



Companies House

TUESDAY



A10 \*A7FPICOG\* 02/10/2018 #111  
COMPANIES HOUSE

please  
house

### 1 Company details

Company number 0 0 5 3 3 0 8 7

Company name in full Mothercare UK Limited

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

### 2 Supervisor's name

Full forename(s) James Robert

Surname Tucker

### 3 Supervisor's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

### 4 Supervisor's name <sup>①</sup>

Full forename(s) William James

Surname Wright

① Other supervisor  
Use this section to tell us about  
another supervisor

### 5 Supervisor's address <sup>②</sup>

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

② Other supervisor  
Use this section to tell us about  
another supervisor.

# CVA4

## Notice of termination or full implementation of voluntary arrangement

### 6 Date voluntary arrangement fully implemented or terminated

Date 

d	d	m	m	y	y	y	y
2	8	0	9	2	0	1	8

### 7 Attachments

- ☒ I have attached a copy of the notice to creditors  
☒ I have attached the supervisor's report

### 8 Sign and date

Supervisor's signature

Supervisor's signature

X

*J. Tucker*

X

Signature date

d	d	m	m	y	y	y	y
2	8	0	9	2	0	1	8

# CVA4

## Notice of termination or full implementation of voluntary arrangement



### 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	Marie Hayden
Company name	KPMG LLP
Address	15 Canada Square
	Canary Wharf
Post town	London
County/Region	
Postcode	E 1 4 5 G L
Country	
DX	
Telephone	Tel +44 (0) 20 7311 1000



### 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 and dated 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)



# Supervisors' Final Progress Report 2 June 2018 to 28 September 2018

Mothercare UK Limited and  
Early Learning Centre Limited  
– both under a Voluntary  
Arrangement

# Glossary

<b>The Act</b>	Insolvency Act 1986 as amended.
<b>The Companies</b>	Mothercare UK Limited and Early Learning Centre Limited.
<b>CVA/Arrangement</b>	Company Voluntary Arrangement between the Companies and each of their CVA Creditors under the Act on the terms set out in the Proposals.
<b>Directors</b>	The Boards of Mothercare UK Limited and Early Learning Centre Limited comprise the following members: David Wood, Glynn Hughes, Kirsty Homer, Kevin Rusling and Matthew Stringer
<b>Effective Date</b>	1 June 2018
<b>Proposal</b>	Proposals of the Directors for the CVAs (comprising the terms of the CVAs) of the Companies.
<b>Shares</b>	Any shareholding owned directly or indirectly by the Companies.
<b>The Joint Nominees / Joint Supervisors / Supervisors / we / our / us</b>	James Robert Tucker and William James Wright of KPMG LLP, 15 Canada Square, London E14 5GL

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In the High Court of Justice

Business and Property Courts of England and Wales

In the matter of

**Mothercare UK Limited - Case No. CR-2018-004127**

**Early Learning Centre Limited - Case No. CR-2018-004123**

and

In the matter of the Insolvency Act 1986

Unless otherwise stated, capitalised terms in this report shall have the meaning given to them in the CVA Proposal. We report as follows:

## **1 Receipts**

There were no receipts payable into the CVAs by the Companies.

## **2 Payments**

*No payments were made from the CVAs.*

## **3 Progress of the Arrangement**

### **3.1 Challenge**

No challenge was made to the CVAs.

### **3.2 Completion of the Financial Restructuring**

The Financial Restructuring described in paragraph 4.9 of the CVAs Proposal was completed on the approval of the CVAs.

### **3.3 Ongoing rental payments**

As provided for in Clause 24.2 of the CVA Proposal, the Supervisors have monitored the first three payments of monthly rent to the Category 1 Lease Landlords and of Amended Contractual Rent to the Category 2 Lease Landlords and the Category 3 Lease Landlords and confirm that all such payments have been made.

### **3.4 Category 2 and Category 3 Leases**

Since the approval of the CVAs, one Category 2 Lease Landlord and seven Category 3 Lease Landlords have issued notices requesting possession in accordance with their rights under the CVAs.

### **3.5 Category 4 Leases**

Where payment details have been known to the Companies, Category 4 Lease Landlords have received three out of six instalments payable under clause 14.1. In instances where no payment details are known, the Companies are accruing the instalments whilst continuing their search for payment details. Once the remaining instalments are paid, the Companies will be unconditionally and irrevocably released from any Liability relating to the Category 4 Leases and any other agreements.

### **3.6 Category 3 Lease Fund**

In order to facilitate participation of Category 3 Lease Landlords in the Mothercare CVA Category 3 Lease Fund, the deadline for submitting claims in relation to the Mothercare CVA Category 3 Lease Fund was extended to 31 August 2018. This extension was communicated separately with the affected parties.

## **4 Supervisors' Remuneration**

In accordance with the terms of the proposal the Joint Supervisors' remuneration is fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Arrangement.

Attached at Appendix 1 is a detailed analysis of time spent and charge out rates for each grade of staff for the various areas of work carried out since the appointment of the Joint Supervisors' up to the Decision Date (as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No.9) together with details of disbursements incurred to date.

The analysis at Appendix 1 shows that the Joint Supervisors incurred time costs of £82,073 in relation to Mothercare UK Limited, representing 199 hours at an average rate of £411 per hour and £15,291 in relation to Early Learning Centre Limited, representing 46 hours at an average rate of £343 per hour. This includes tax, VAT and pensions advice from KPMG LLP in-house specialists. Disbursements of £2,050.96 were also incurred, shown at Appendix 2.

The proposal estimated that the total fees to be paid to the Supervisors would be £100,000, plus outlays.

Please note that all staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. However, the cost of staff employed in central administration functions is not charged directly to this assignment but is reflected in the general level of charge out rates.

A creditors' guide to fees can be found at:

[http://www.r3.org.uk/media/documents/publications/professional/Guide\\_to\\_Voluntary\\_Arrangement\\_Fees\\_Nov2011.pdf](http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Voluntary_Arrangement_Fees_Nov2011.pdf)



However, if you are unable to access this guide and would like a copy then please contact us at the appropriate email address, [mothercarecva@kpmg.co.uk](mailto:mothercarecva@kpmg.co.uk) or [earlylearningcentrecva@kpmg.co.uk](mailto:earlylearningcentrecva@kpmg.co.uk).

## 5 Notice of completion of the CVAs

The Companies have complied with their obligations under the CVAs. Notice is hereby given pursuant to rule 1.29(1) of the Rules (as amended) to Creditors bound by the CVAs that the CVAs have been fully implemented and are complete with effect from today's date.

This notice formalises our release from office as Joint Supervisors as our duties under the CVAs are complete.

If you have any further queries in relation to the above please direct them to the appropriate email address at [mothercarecva@kpmg.co.uk](mailto:mothercarecva@kpmg.co.uk) or [earlylearningcentrecva@kpmg.co.uk](mailto:earlylearningcentrecva@kpmg.co.uk).

Signed



Dated

28 September 2018

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James Robert Tucker  
Joint Supervisor

## Appendix 1 Time cost analysis for the period from 2 June 2018 to 28 September 2018

Mothercare UK Limited – under a Voluntary Arrangement						
SIP 9 – Time costs analysis (02/06/2018 to 28/09/2018)						
	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support		
<b>Administration &amp; planning</b>						
General						
Fees and WIP		0.40			<b>0.40</b>	134.80
Statutory and compliance						
Appointment and related formalities		16.10	3.55		<b>19.65</b>	6,295.45
Bonding & Cover Schedule			1.80		<b>1.80</b>	441.00
Closure and related formalities	15.40	10.00			<b>25.40</b>	10,871.80
Strategy documents	4.90	0.90	0.64		<b>6.44</b>	3,140.40
Tax						
Post appointment corporation tax and initial reviews	41.50	0.7	0.6		<b>42.80</b>	20,551.90
Post appointment VAT		0.50	2.50		<b>3.00</b>	781.00
<b>Creditors</b>						
Creditors and claims						
Agreement of claims		25.50			<b>25.50</b>	10,812.00
General correspondence	15.42	44.90	8.88		<b>69.20</b>	27,454.52
Statutory reports			3.70		<b>3.70</b>	906.50
Employees						
Pensions	0.76	0.40	0.40		<b>1.56</b>	683.32
<b>Total in period</b>	<b>77.98</b>	<b>99.40</b>	<b>22.07</b>	<b>0.00</b>	<b>199.45</b>	<b>82,072.69</b>

**Early Learning Centre Limited – under a Voluntary Arrangement**  
**SIP 9 – Time costs analysis (02/06/2018 to 28/09/2018)**

	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support		
				<b>Total</b>		
<b>Administration &amp; planning</b>						
General						
Fees and WIP		0.40		<b>0.40</b>	134.80	337.00
Statutory and compliance						
Appointment and related formalities		6.9	2.55	<b>9.45</b>	2,950.05	312.17
Bonding & Cover Schedule			1.80	<b>1.80</b>	441.00	245.00
Closure and related formalities		10.00		<b>10.00</b>	3,387.40	338.74
Strategy documents	0.30	0.90	0.08	<b>1.28</b>	487.00	380.47
Tax						
Post appointment corporation tax and initial reviews		0.30		<b>0.30</b>	101.10	337.00
Post appointment VAT		0.70	2.30	<b>3.00</b>	799.40	266.47
<b>Creditors</b>						
Creditors and claims						
General correspondence	2.39	12.80	0.56	<b>15.75</b>	5,963.14	378.61
Statutory reports		2.10		<b>2.10</b>	890.40	424.00
Employees						
Pensions	0.07		0.40	<b>0.47</b>	136.29	298.98
<b>Total in period</b>	<b>2.76</b>	<b>34.10</b>	<b>7.69</b>	<b>0.00</b>	<b>44.55</b>	<b>15,290.58</b>
						<b>343.22</b>

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

<b>Charge-out rates (£) for:</b>	
Grade	£/hr
Partner	547
Director	486
Senior Manager	424
Manager	337
Senior Administrator	245

## Appendix 2 Disbursements for the period from 2 June 2018 to 28 September 2018

<b>Mothercare UK Limited – under a Voluntary Arrangement</b>					
<b>SIP 9 - Disbursements</b>					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
External printing	1,230.12		NIL		<b>1,230.12</b>
Meals	55.36		NIL		<b>55.36</b>
Sundry	235.00		NIL		<b>235.00</b>
Travel	91.70		NIL		<b>91.70</b>
<b>Total</b>	<b>1,612.18</b>		<b>NIL</b>		<b>1,612.18</b>

<b>Early Learning Centre Limited – under a Voluntary Arrangement</b>					
<b>SIP 9 - Disbursements</b>					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Courier & delivery costs	32.77		NIL		<b>32.77</b>
External printing	81.69		NIL		<b>81.69</b>
Postage	89.32		NIL		<b>89.32</b>
Sundry	235.00		NIL		<b>235.00</b>
<b>Total</b>	<b>438.78</b>		<b>NIL</b>		<b>438.78</b>

### KPMG Restructuring Policy for the recovery of disbursements

Where funds permit the Supervisors will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

**Category 1 disbursements:** These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the Supervisors or their staff.

**Category 2 disbursements:** These are costs that are directly referable to the appointment in question but not a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

The only Category 2 disbursements that KPMG Restructuring currently charges is mileage. Mileage claims fall into three categories:

- use of privately-owned vehicle or car cash alternative – 45 pence per mile;

- use of company car – 60 pence per mile; and
- use of Partner's car – 60 pence per mile.

For all of the above car types, when carrying passengers an additional 5 pence per mile per passenger will also be charged where appropriate.

Any disbursements to be paid from the estate are disclosed within the summary of disbursements above.

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