

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

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

1 Company details

Company number 0 1 2 8 5 2 1 9

Company name in full L. & F. Jones Holdings Limited

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

2 Court details

Court name High Court of Justice - The Business and Property
Courts in Bristol

Court case number 2 0 2 1 - B R S - 0 0 0 0 0 6

3 Administrator's name

Full forename(s) Mark

Surname Boughey

4 Administrator's address

Building name/number 90 Victoria Street

Street

Post town Bristol


County/Region


Postcode B S 1 6 D P

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5	Administrator's name 	
Full forename(s)	Michael Ian	Other administrator Use this section to tell us about another administrator.
Surname	Field	

6	Administrator's address 	
Building name/number	5th Floor, Merck House	Other administrator Use this section to tell us about another administrator.
Street	Seldown lane	
Post town	Poole	
County/Region	Dorset	
Postcode	B H 1 4 1 T W	
Country		

7	Appointor/applicant's name	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	Mark	
Surname	Manley	

8	Proposed liquidator's name	
Full forename(s)	Mark	
Surname	Boughey	
Insolvency practitioner number	0 0 9 6 1 1	

9	Proposed liquidator's address	
Building name/number	Mazars LLP	
Street	90 Victoria Street	
Post town	Bristol	
County/Region		
Postcode	B S 1 6 D P	
Country		

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name^①

Full forename(s)

Surname

Insolvency practitioner
number

① Other liquidator

Use this section to tell us about
another liquidator.

11 Proposed liquidator's address^②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

12 Period of progress report

From date

^d1^d1

^m0^m8

^y2^y0^y2^y1

To date

^d1^d0

^m0^m2

^y2^y0^y2^y2

13 Final progress report

☒ I have attached a copy of the final progress report.

14 Sign and date

Administrator's
signature

Signature

X 

X

Signature date

^d1^d1

^m0^m2

^y2^y0^y2^y2

AM22

Notice of move from administration to creditors' voluntary liquidation



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 Jonathan Baker

Company name Mazars LLP

Address 90 Victoria Street

Bristol

Post town BS1 6DP

County/Region

Postcode

Country

DX

Telephone 0117 928 1700



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 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

**L. & F. Jones Holdings Limited
t/a Centurion Hotel, Jones Convenience Stores &
Jones Food Solutions
(In Administration)**

**Administrators' final progress report covering the period from 11 August 2021
to 10 February 2022**

Contents

Administrators' final progress report

1	Introduction	1
2	Administrators' Receipts and Payments	1
3	Steps taken during the Administration and the outcome	2 – 6
4	Assets still to be realised	6
5	Final Outcome	6 – 7
6	Liabilities	7 – 8
7	Prescribed Part	8 – 9
8	Investigations	9
9	Pre-Administration Costs	9 – 10
10	Administrators' Remuneration	10 – 11
11	Expenses	11 – 12
12	Creditors' Rights	12 – 13
13	Discharge of liability	13
14	Summary	13 -14

Appendices

A	Identification Details	16
B	Financial Position of the Administration:	
B1	Administrators' Trading Receipts and Payments Account	17
B2	Administrators' Receipts and Payments Account	18
C	Expenses Statement	19 - 20
D	Analysis of the Administrators' Remuneration:	
D1	Administrators' analysis of time costs and comparison to Fee Estimate	21
D2	Narrative Summary of Administrators' time costs for the current period	22 - 24

mazars

The following abbreviations are used in this report

Mazars	Mazars LLP
The Company	L. & F. Jones Holdings Limited (In Administration)
The Court	High Court of Justice, Business and Property Courts in Bristol
The Joint Administrators	Mark Boughey and Michael Ian Field of Mazars prior to 23 August 2021 Mark Boughey and Timothy Ball of Mazars
The Proposals	The Administrators' Statement of Proposals Pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 dated 31 March 2021.
The Reporting Period	The reporting period 11 August 2021 to 10 February 2022
Claremont	Claremont Global Limited (13468608)
CVL	Creditors Voluntary Liquidation
HMRC	HM Revenue & Customs
My Solicitors	TLT LLP (in respect of statutory matters and the sale of the Centurion Hotel) Things LLP (in respect of the sale of convenience stores)
R&P Account	Receipts & Payments Account
Natwest or "the Bank"	National Westminster Bank plc
OSBF	One Stop Business Finance SPV Limited (11723026)
RDJ	R.D. Johns Limited (02007345)
SIP	Statement of Insolvency Practice

1. Introduction

- 1.1. This is the Joint Administrators' 12-month and final progress report in the Administration, prepared pursuant to Rule 3.53 of the Insolvency (England and Wales) Rules 2016. The purpose of which is to provide creditors with details of the progress of the Administration since the Joint Administrators' last progress report.
- 1.2. The report should be read in conjunction with the Joint Administrators' proposals issued to creditors on 31 March 2021 and previous 6-month progress report issued on 10 September 2021.
- 1.3. I was appointed Joint Administrator of the Company together with Mr T C H Ball on 11 February 2021. I am authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales and Mr T C H Ball was also authorised in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.4. Pursuant to an Order made in the High Court of Justice Business and Property Courts in Bristol (Number 62 of 2021), Mr T C H Ball was removed from office as Joint Administrator due to his retirement from my firm. Mr M I Field was duly appointed Joint Administrator of the Company on 23 August 2021 in his place. Mr M I Field is authorised to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association.
- 1.5. The statutory purpose of the Administration was to achieve a better result of the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).
- 1.6. In accordance with the Proposals, a notice to move the Administration to Liquidation pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986 ("the Act"), is to be filed at Companies House. No other nominations were received in respect of the appointment of the liquidator therefore I, Mark Boughiey of Mazars, am to be appointed as liquidator. The liquidation will commence upon the registration of the notice at Companies House.
- 1.7. Identification details regarding the Company and the Administrators is attached at **Appendix A**.

2. Administrators' Receipts and Payments

- 2.1. I have now completed my administration of the Company. A summary of receipts and payments covering the period from 11 August 2021 to 10 February 2022 is attached at **Appendix B2**. The receipts and payments account also covers the cumulative period from the date of appointment to 10 February 2022.
- 2.2. Furthermore, in light of the fact that I continued to trade the Company during the Administration, I also attach a summary of my trading receipts and payments, for the same periods as referred to above, at **Appendix B1**.
- 2.3. Further details of the realisations and expenses paid is provided below.

3. Steps taken during the Administration and the Outcome

- 3.1. In our proposals, we stated that we were pursuing objective (b) of the statutory purpose of administration – achieving a better outcome for the Company’s creditors as a whole than would be likely if the Company were wound up (without first being in administration).
- 3.2. In order to achieve the purpose of the Administration, the following asset realisations have been concluded.

Connected Party Transactions:

- 3.3. In accordance with Statement of Insolvency Practice 13, I would advise you that there have been no transactions with connected parties.

Unconnected Party Transactions:

- 3.4. The following asset realisations have been concluded.

3.5. Trading Report

- 3.5.1. As previously advised, it was concluded that continuing to trade the Centurion Hotel (the “Hotel”), along with two convenience stores (in Batheaston and Wick) would be the most appropriate administration strategy in order to maximise asset values for the benefit of creditors.
- 3.5.2. Accordingly, during a site visit to the Hotel, on the day of my appointment, the administrators implemented procedures to oversee the administration trading period and maintain control over costs.
- 3.5.3. It was agreed that the Hotel/ convenience stores would continue to trade on a day-to-day basis under the direction of the Hotel’s General Manager, who would then report to the administrators.
- 3.5.4. Initial forecasting indicated a funding shortfall of c.£42k during the early stages of the administration trading period. This was due to the need for an immediate restock of the convenience stores and to meet the Company’s wages liability in late February. It was also anticipated that the convenience stores would operate at a loss during the initial trading period with the Hotel, during COVID-19 restrictions, also operating at a small loss. Such losses were considered reasonable given the overall enhancement to asset values achieved by continuing to trade and maintaining a going concern value for the Hotel (when compared to a lower valuation on a closed basis).
- 3.5.5. To meet this funding requirement, the Joint Administrators secured a £50,000 overdraft facility with National Westminster Bank Plc. Ultimately, however, this facility was not required as trading and cashflow requirements proved to be better than initially forecast.

- 3.5.6. The Joint Administrators engaged Licensed Solutions Limited (“LS”), turnaround specialists and asset managers in the leisure sector. LS have assisted in arranging the premises licenses for serving alcohol as well as providing Merchant Card Processing Terminals for the trading sites.
- 3.5.7. The Joint Administrators and certain employees of the Company have engaged with the Company’s key suppliers and new accounts have been set up where required. Several suppliers have required that the Joint Administrators provide undertakings in order to continue trading with Company during administration.
- 3.5.8. A trading receipts and payments account is provided at **Appendix B2**, which shows that trading since my appointment has generated a trading surplus (profit) of £86,432.
- 3.5.9. Thanks to the hard work and support of the Hotel General Manager and Staff, no significant issues have arisen during trading.
- 3.5.10. At the onset of the administration, the Hotel and convenience store trading was severely impacted by the UK Government’s lockdown measures. At this time, the Hotel was only able to trade at around 30-50% occupancy levels, with all customers being limited to essential workers and the bar/ restaurant facilities remained closed.
- 3.5.11. Following the lifting of these measures, the Hotel welcomed back Golf Club and Gym Members, as well as opening the hotel, bar and restaurant facilities to the general public, which resulted in a significant improvement to trade. Creditors may recall from the Joint Administrators’ proposals, that the Hotel and Golf Club generated sales of £46,898 during the period 11 February 2021 to 19 March 2021; during the period from 11 February 2021 to 10 August 2021, the Hotel and Golf Club generated sales of £669,686 (an average of c.£111,614 per month). Between 11 August 2021 and 10 December 2021, the Hotel and Golf Club generated sales of £770,011. A sale of the Hotel and Golf Club was completed on 10 December 2021. Further details of this will follow in section 3.6.
- 3.5.12. The two retail convenience stores, in Batheaston and Wick have also continued to trade during the administration, generating combined sales of £158,368 to 30 July 2021. It should be noted that the Joint Administrators completed a sale of the Wick and Batheaston store on 4 June 2021 and 30 July 2021 respectively.
- 3.5.13. Assorted wedding and event bookings that had been made pre-appointment were honoured. This involved allowed the customer to benefit from pre-appointment deposits (which would otherwise be unsecured claims against the company) for the benefit of the additional trade and income due to the event occurring in the trading period. Given that all creditors were, and are, expected to be repaid in full, this was of a net benefit to creditors due to the continued goodwill from these customers, associated additional trade from the bar and hotel rooms used by guests and avoidance of negative publicity.

3.6. Hotel and Skills Centre

- 3.6.1. The Company owned the freehold titles to the Centurion Hotel and Skills Centre at Charlton Lane, Midsomer Norton, Radstock BA3 4BD and the associated Centurion Hotel business which operated from this location.

- 3.6.2. Following my appointment, and with the approval of the Company's secured creditors, I instructed Christie & Co, leading advisors for buying and selling businesses in the hotel sector, to assist with the marketing and sale of the Hotel and Skills Centre site.
- 3.6.3. I also instructed TLT LLP ("TLT") as solicitors to initially advise the administrators regarding the legal titles, covenants, restrictions, and charges on the site. TLT subsequently assisted the administrators with the sale process.
- 3.6.4. As creditors will note from my previous report, the first round of offers for the hotel yielded a number of offers. After reverting back to our agents, Christie & Co, we received some twelve best and final offers for both the sale of the site and business as a whole, as well as three offers for component parts of the site.
- 3.6.5. Both options would achieve the administrators' objective of 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) with creditors anticipated to be paid in full, together with statutory interest.
- 3.6.6. Furthermore, both options were anticipated to return a surplus to shareholders. As such, I consulted the shareholders of the Company to take their views into account on the offers received due to the expected surplus which would be returned to members based on these sale prices.
- 3.6.7. Following a meeting with the shareholders, a unanimous decision was made that they would prefer the administrators to sell the whole site on a standalone basis.
- 3.6.8. Accordingly, given the agent recommendation, lower transactional risk due to there being one party, comparative legal and tax position, shareholder wishes and the proof of funding from the purchaser, the Joint Administrators decided to proceed with an offer for the whole site on a standalone basis from Claremont Global Limited.
- 3.6.9. Following lengthy legal and contractual negotiations, including taxation considerations, an agreement was reached, contracts were exchanged successfully, and the sale was completed on 10 December 2021. Total consideration was £3,475,001. The apportionment of the total consideration is detailed below:

Asset	Price Apportionment (£)
Property	3,247,000
Plant, Machinery and Motor Vehicles	177,999
Goodwill	25,000
Business Intellectual Property Rights	25,000
Seller's records/ Business Contracts	2
Total	3,475,001

3.7. Wick Convenience Store

- 3.7.1. The Company operated a leasehold interest in a convenience store at 9-11 Milford Avenue, Wick, Bristol, BS30 5PG.
- 3.7.2. As creditors will be aware from our previous progress report, the Joint Administrators completed a sale and transfer of the store on 4 June 2021 for a total value of £59,998.
- 3.7.3. The majority of the realisations in this regard were subject to the Bank's fixed charge.

3.8. Batheaston Convenience Store

- 3.8.1. The Company operated a leasehold interest in a convenience store at 219 London Road East, Batheaston, Bath, BA1 7NB.
- 3.8.2. As creditors will be aware from our previous progress report, the Joint Administrators completed a sale and transfer of the store on 30 July 2021 for a total value of £84,998.
- 3.8.3. The majority of the realisations in this regard were subject to the Bank's fixed charge.

3.9. Debtors

- 3.9.1. Upon my appointment the Company had book debts outstanding totalling approximately £38,100. Of this sum, the Directors estimated that £40,000 may be realisable due to an unexpected debtor realisation which was not showing as outstanding in the Company records.
- 3.9.2. To date, I have realised £67,478 from pre-appointment book debts. These relate to both Hotel debtors as well as aged debtors from the Company's previous wholesale division and includes the recovery of certain debtors which had previously been written off by the Company. As such, I have realised more than initially anticipated as per the Statement of Affairs.
- 3.9.3. Debts with book values amounting to £12,386 have been written off from three debtors. One individual is in bankruptcy, and one Company is in administration, proofs of debt have been submitted in respect of both, however it is not anticipated that they will yield dividends. The third debtor part settled the majority of the sum outstanding, with balance being written off.
- 3.9.4. No further sums are expected from pre-appointment debtors in the subsequent Liquidation.

3.10. Deferred Consideration

- 3.10.1. As creditors are aware, in April 2020, prior to my appointment, the Company completed the sale of the business and assets of its Wholesale Foods division to RD Johns Limited ("RDJ").
- 3.10.2. As part of the sale, Deferred Consideration of £225,000, plus interest, was due from RDJ and is payable on a quarterly basis to the Company. The first two payments were received before my appointment.
- 3.10.3. Since my appointment I have received three instalments, in April, June, and September 2021, amounting to £119,501.
- 3.10.4. In November 2021, I received a letter from RDJ making claims under the sale agreement warranty conditions totalling £155,789. As a result, RDJ has made no further consideration

mazars

payments, and has made a counter claim against the Company as an unsecured creditor for £48,830.

- 3.10.5. This is being investigated with the assistance of the solicitors, Thrings LLP who assisted in drafting the original sale contract, and the business owners. Dependent on the outcome of that investigation and negotiations with RDJ it may affect the collection prospects of the final three deferred consideration payments.

3.11. Cash Floats / Sundry & Supplier Refunds

- 3.11.1. Following the sales of the Hotel and two retail outlets, I collected the till and safe floats amounting to £2,958.
- 3.11.2. Furthermore, a number of sundry refunds have been received which are detailed on the enclosed receipts and payments account.

3.12. Rental Income

- 3.12.1. Quarterly rent of £500 was collected from the Fosseway Bowls Club for use of the bowling green at the Centurion Hotel. In total £1,500 was realised.

3.13. Cash in transit / cash at credit card Company

- 3.13.1. Upon my appointment I realised £1,797 in relation to cash takings from the retail stores relating to pre-appointment trading not yet banked, or in transit by the cash collection agent.
- 3.13.2. Additionally, £1,140 of credit card sales collected by Barclaycard relating to pre-appointment trading were received.

4. Assets still to be realised

- 4.1. Assets still to be realised comprise:

4.2. Trading debtors

- 4.2.1. A small number of customers who paid the Hotel on credit terms are awaiting to be collected in. These sums total £2,261 and are expected to be realised in short order by the Liquidator in full.

4.3. Deferred consideration

- 4.3.1. As identified above in paragraph 3.10, the final three payments from RDJ and its pre appointment purchase of the wholesale business are outstanding. These sums are currently disputed.

5. Final Outcome

- 5.1. Following the sale of the Hotel and Skills Centre, the Company's secured creditors have been repaid in full.

- 5.2. Furthermore, I am pleased to inform you that we anticipate sufficient asset realisations have been achieved to pay a dividend of 100p in the £ to both preferential and unsecured creditors, along with statutory interest where applicable.
- 5.3. It is also estimated that there will be a surplus to return to the shareholders once all other matters are settled.
- 5.4. Following the conclusion of the Administration, it is anticipated that the funds available to be transferred to the liquidation will be £1,713,109.
- 5.5. Further details on the expected outcome for each class of creditor is provided below.

6. Liabilities

6.1. Trading Expenses

- 6.1.1. Whilst it is believed that the overwhelming majority of trading expenses have been settled in the Administration, it is acknowledged that invoices could be received in the liquidation period for payment by the Liquidator due to services provided during trading by the Administrator. These will be due and payable as an expense but are not estimated to amount to a material sum.

6.2. Secured Creditors

- 6.2.1. National Westminster Bank Plc ("NatWest") and One Stop Business Finance SPV Limited ("OSBF") benefit from legal charges and security over the Company's assets in relation to their respective indebtedness.
- 6.2.2. According to the directors' Statement of Affairs, a total sum of £850,169 was owing to Natwest under its fixed charge (a further £50,000 is due to NatWest as an unsecured claim) and £350,000 was owing to OSBF. The debts of the Company's secured creditors continued to increase until fully repaid, due to accruing interest and charges.
- 6.2.3. The security held by these creditors was reviewed by solicitors at Thrings LLP and determined to be valid.
- 6.2.4. NatWest has received a distribution totalling £864,334, repaying its secured debt plus interest in full.
- 6.2.5. OSFB have received distribution totalling £483,184, repaying its secured debt plus interest in full.

6.3. Preferential Creditors

- 6.3.1. Preferential claims relate to the Company's employees' unpaid wages, holiday pay and pension contributions, subject the certain limits. Following new legislation brought in for new insolvency cases from December 2020 onwards, HM Revenue & Customs ("HMRC") also has secondary preferential status for claims relating to Value Added Tax (VAT), Pay as you Earn (PAYE), and National Insurance Contributions (NIC).

- 6.3.2. There are no outstanding pre-administration wage arrears or outstanding pension contributions owed. Employees' February 2021 wage arrears were paid as a part of the February 2021 administrators' trading payroll. Employees' holiday entitlements accrued have been honoured and taken by employees, as the Company's business continued to operate and trade.
- 6.3.3. As creditors will note from our previous progress report, the 3 members of staff who were made redundant on the transfer of the Batheaston store were paid their redundancy packages in full, due to sufficient funds being available following asset realisations. This avoided use of the Redundancy Payments Service and the increased time costs associated with the claims process given that all creditors were, and are, anticipated to be repaid in full.
- 6.3.4. The remaining employees at the Hotel, Wick Store and Batheaston store were transferred to the respective purchasers under employee legislation (TUPE).
- 6.3.5. As a result, I do not anticipate that there will be any preferential claims from the Company's employees.

6.4. Secondary Preferential Creditor – HM Revenue & Customs

- 6.4.1. From 1 December 2020, certain debts owing to HM Revenue & Customs at the date of insolvency rank as a secondary preferential creditor. These debts include those listed below and are to be paid in priority to any prescribed part, any floating charge creditors, and unsecured creditors.

PAYE and Employees NIC – the debt due to HM Revenue & Customs for PAYE and NIC for the year 2020/2021 totals £100,805.

VAT – the debt due to HM Revenue & Customs for VAT for the period 2019-2021 is £127,010.

- 6.4.2. An expected distribution of 100p in the £ to the preferential creditors will be made following the conversion to liquidation.

6.5. Unsecured Creditors

- 6.5.1. According to the directors' Statement of Affairs, the Company had 291 unsecured creditors with debts totalling £812,520. Claims received to date total £469,576 from 72 creditors.
- 6.5.1. Following the realisation of all of the Company's assets, I am pleased to confirm that we anticipate being in a position to begin the process of agreeing creditor claims and paying a dividend of 100p in the £.
- 6.5.2. The process of agreeing claims and making distributions will be made following the conversion to liquidation.

7. Prescribed Part

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being

50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.

- 7.2. As the Company granted a floating charge to OSFB on 29 October 2020, a prescribed part fund was applicable in this matter. However, as OSFB have been fully repaid from fixed charge realisations, the floating charge will not be called upon and the prescribed part will not apply.

8. Investigations

- 8.1. I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.
- 8.2. There were no matters that justified further investigation in the circumstances of this appointment.
- 8.3. I can confirm that the Joint Administrators have reviewed the affairs of the Company for the period prior to Administration for the purpose of discharging their duties under the Companies Directors' Disqualification Act 1986.
- 8.4. Creditors are reminded that the Administrators have a statutory obligation to consider the directors' conduct and to submit a return/report to the Insolvency Service. The Administrators can confirm that they have complied with this requirement.

9. Pre-Administration Costs

- 9.1. The pre-administration costs totalled £18,142 as set out below. These costs were incurred before the Company entered administration but with a view to it doing so. Confirmation and approval of the costs was obtained from the creditors on 19 April 2021 and all costs have been repaid.

Recipient	Nature of work provided	Amount incurred (£)	Amount paid (£)
Mazars LLP	Advice to the Company and work required to place the Company in Administration	7,500	7,500
RDA Interim Management Ltd	Robin Allen, a director of the Company, appointed to assist with the turnaround of the business, assisted the proposed administrators gather information about the trading business, prepare initial	3,836	3,836

	administration trading forecasts and liaise with secured creditors in the period shortly prior to the administration.		
TLT LLP	Legal advice and preparation of statutory documents and Court filings.	6,744	6,744
TLT LLP	Legal disbursements	62	62
Total		18,142	18,142

10. Administrators' Remuneration

- 10.1. A resolution was passed by the creditors by correspondence on 8 October 2021, enabling the Joint Administrators to draw remuneration by reference to the time properly spent by the Administrators and their staff in dealing with the matters arising during the Administration, subject to the Fees Estimate of £493,970, issued to creditors on 10 September 2021
- 10.2. Attached at **Appendix D1** is a comparison of the Administrators' Fees Estimate to actual time costs for the period 11 August 2021 to 10 February 2022, which total £207,409, representing 845 hours at an average hourly rate of £245. The Administrators' cumulative time costs since appointment to 10 February 2022 total £485,448, representing 2,041 hours at an average hourly rate of £238.
- 10.3. Attached at **Appendix D2** is a narrative summary of the Administrators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.
- 10.4. The Administrators' remuneration drawn in the period and in total is £475,000.
- 10.5. It is expected that a final invoice for the Administrators' remuneration will be drawn in the subsequent liquidation.
- 10.6. Based on the current level of time costs and expected future work for the completion of the Administration, the Administrators' total time costs are expected to be within the approved Fees Estimate of £493,970.
- 10.7. Routine administration of the Administration has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Joint Administrators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Joint Administrators.
- 10.8. Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly

to the assignment. Time is recorded in 6-minute units with supporting narrative to explain the work undertaken.

- 10.9. The charge out rates of the team members employed on the assignment during the period covered by this report and details of changes from previous periods are provided below. Specialist departments within our Firm (such as Tax and VAT) have charged time to this case when their expert advice is required. The rate ranges provided incorporate these different rates.

Range (£)	Partner	Director	Manager	Administrator	Cashier	Support Staff
Current charge out rate per hour, effective from 1 September 2021	475- 640	420 – 520	260 – 460	120 – 260	120 – 260	100 – 160
Previous charge out rate per hour, effective from 11 February 2021	455 – 605	405 – 495	250 – 440	110 – 255	110 – 215	110 - 155

11. Expenses

- 11.1. Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.
- 11.2. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).
- **Category 1 expenses:** These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
 - **Category 2 expenses:** These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.
- 11.3. Details of all expenses incurred during the period of the report and total expenses during the Administration are provided in the Expenses Statement attached at **Appendix C**, together with an explanation as to why the expenses have been incurred. This also includes details of the previous Expenses Estimate, for comparison purposes.
- 11.4. Further details of expenses paid during the period of the report are shown in the receipts and payments account at **Appendix B2**.

- 11.5. Legal fees due to TLT Solicitors have surpassed my original estimate in this matter by approximately £43,000. This is primarily due to the extended duration of the sale contract negotiations in relation to the Centurion Hotel as well as the extensive legal discussions with the purchasers' solicitors surrounding various clauses and warranties requested in the sale contract.
- 11.6. Agent's fees due to Christie & Co have also increased compared to my original Expenses Estimate. Christie & Co were remunerated based on a percentage of realisations in relation to the Centurion Hotel. The increase in costs reflects the materially higher sale price achieved.
- 11.7. All other costs are broadly inline with my original Expenses Estimate.
- 11.8. I have reviewed the expenses incurred to date and I am satisfied that they are fair and reasonable and proportionate in the circumstances of the case.

11.9. Category 2 Expenses

- 11.9.1. As noted above, Category 2 Expenses require approval in the same manner as an office holder's remuneration before being paid.
- 11.9.2. Creditors will recall that a decision was made on 1 April 2021 by creditors in agreement of the anticipated Category 2 expenses. Details of the expenses incurred in the period is available in the attached Expenses Estimate. Further details on the nature of the expense is provided below.

Type of Category 2 Expense	Description
Mileage	<p>This expense represents the costs of travelling in respect of the office holder and their staff to and from the Hotel and Convenience Store</p> <p>Mileage expenses are a reimbursement to the office holders' staff and are deemed as payments to associates. Such payments require approval in the same manner as the office holders' remuneration and I can confirm that approval was sought, as noted above.</p>

12. Creditors' Rights

12.1. Further information

- 12.1.1. I would advise you that pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the court, may, within 21 days of receipt of this progress report, ask the administrator for further information about the remuneration and expenses set out in this progress report.

12.2. Apply to Court

12.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the court may, within 8 weeks of the receipt of this progress report, apply to the court on one or more of the following grounds:

- a. That the remuneration charged by the Administrators, or
- b. That the basis fixed for the Administrators' remuneration, or
- c. That the expenses incurred by the Administrators,

is in all of the circumstances, excessive or inappropriate.

Further guidance

12.2.2. Creditors can find additional information on their rights relating to Administrators' fees in a copy of the publication "A creditors guide to Administrators' Fees" which is available to download from <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/> or alternatively will be provided free of charge upon written request to this office.

12.2.3. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit www.creditorinsolvencyguide.co.uk.

13. Discharge of liability

13.1. Creditors may recall that in accordance with Paragraph 98 (2) of Schedule B1 of the Insolvency Act 1986, I sought a resolution that I be discharged from liability 14 days after my final report is issued. I confirm that approval in this regard was granted on 8 October 2021 by a decision of the creditors.

14. Summary

14.1. The administration is now complete.

14.2. Following the completion of the sale of the Hotel and Skills Centre, the Joint Administrators have now realised all of the Company assets (apart from the balance of deferred consideration due from RDJ) and can begin to agree creditor claims before issuing a dividend to creditors. Under the provisions of the Insolvency Act, the Joint Administrators have limited powers to agree the claims of unsecured non-preferential claims and make distributions without permission from the Court.

14.3. The exit route will be by placing the Company into Creditors' Voluntary Liquidation in order to allow a Liquidator to be appointed to agree the claims of the preferential and unsecured

creditors and to make a payment to them. The anticipated level of dividend is expected to be 100p in the £.

- 14.4. The Administrators' appointment ceases once Form AM22 is registered at Companies House. The Company will then enter into Creditors' Voluntary Liquidation and M G Boughey, of Mazars LLP, will be appointed as Liquidator of the Company on that same day.
- 14.5. In accordance with the Insolvency (England and Wales) Rule 3.60 (5), the Administrators will advise the Liquidator of anything that happens after the date of this final progress report before the registration of the notice of the move to Creditors' Voluntary Liquidation at the Registrar of Companies. The Liquidator will report any matters arising in his first progress report.
- 14.6. In accordance with Paragraph 99 of Schedule B1 of the Insolvency Act 1986, any unpaid expenses from the Administration, once finalised, will be paid as an expense of the liquidation.
- 14.7. The Liquidator will seek to agree preferential and unsecured creditor claims, as appropriate, in order to make a dividend distribution to them, in due course.

Should you have any queries regarding this matter, please do not hesitate to contact Patrick Grieshaber at this office.



M G Boughey
Joint Administrator

Dated 11 February 2022

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy.

The affairs, business and property of the Company are being managed by the Joint Administrators.

The Joint Administrators act as agents of the Company and without personal liability

L. & F. Jones Holdings Limited - In Administration

APPENDICES INDEX

Appendix

A	Identification Details
B	Receipts and Payments Account
C	Expenses Statement
D	Analysis of remuneration
D1	Analysis of time costs and Comparison to Fee Estimate
D2	Narrative Summary of work undertaken for the current period

L. & F. Jones Holdings Limited – In Administration**Identification Details****Details relating to the Company**

Company name	L. & F. Jones Holdings Limited
Previous names	L. & F. Jones (Cash & Carry) Limited
Trading name	Centurion Hotel Jones Convenience Stores Jones Food Solutions
Company number	01285219
Registered office	c/o Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP
Trading addresses	Centurion Hotel, Charlton Lane, Midsomer Norton, Radstock, BA3 4BD 9-11 Milford Avenue, Wick, Bristol, BS30 5PG 219 London Road East, Batheaston, Bath, BA1 7NB
Court	High Court of Justice - The Business and Property Courts in Bristol
Court reference	2021-BRS-000006

Details relating to the Joint Administrators

Date of appointment	11 February 2021
Joint Administrators	M G Boughey and M I Field IP No 009611 and 009705
Joint Administrators' functions	All acts required to be done by the joint administrators, may be done by either or both, acting jointly or alone
Joint Administrators' address	90 Victoria Street, Bristol, BS1 6DP
Appointed by	the directors
Joint Administrator's contact telephone number	0117 928 1700
Previous Joint Administrators	T C H Ball - IP No 008018

L. & F. Jones Holdings Limited - In Administration
Trading Receipts & Payments Account

	Received / Paid period from 11 February 2021 to 10 August 2021 £	Received / Paid period from 11 August 2021 to 10 February 2022 £	Total Received / Paid £
SALES	(Note 3)		
Sales (Hotel)	622,788	739,867	1,362,656
Sales (Retail Stores)	158,368	-	158,368
Sales (Club membership fees)	46,898	30,144	77,042
Local restrictions support grant (Note 1)	4,714	-	4,714
	832,769	770,011	1,602,780
PURCHASES			
Purchases (Hotel)	(96,152)	(149,783)	(245,935)
Purchases (Retail Stores)	(87,344)	(3,055)	(90,399)
Purchases (Paypoint & Camelot)	(40,966)	-	(40,966)
Purchases (accrued but not yet invoiced) (Note 2)	(27,500)	27,500	-
	(251,962)	(125,338)	(377,300)
OTHER DIRECT COSTS			
Direct labour	(489,396)	(404,423)	(893,820)
Coronavirus Job Retention Scheme receipts	135,771	6,612	142,383
	(353,626)	(397,811)	(751,436)
TRADING EXPENDITURE:			
Indirect Labour	(396)	(1,298)	(1,694)
Rents	(10,582)	-	(10,582)
Rates	-	(625)	(625)
Heat, Light & Water	(38,450)	(75,702)	(114,152)
Travel	(76)	(133)	(209)
Telephone & internet	(3,863)	(3,067)	(6,930)
TV Licences	(1,103)	335	(767)
Insurance	(8,595)	(9,574)	(18,169)
Waste, Recycling & Hygiene	(4,710)	(3,810)	(8,520)
Hire of equipment	(5,661)	(5,466)	(11,127)
Repairs & maintenance	(12,032)	(33,821)	(45,853)
Sundry expenses	(636)	(785)	(1,421)
Sales commission	(19,941)	(49,436)	(69,378)
Vehicle Running Costs	(1,636)	(1,338)	(2,974)
Security	(1,099)	(580)	(1,678)
Software & IT Support (including Best Western fees)	(19,652)	(22,407)	(42,059)
PDQ machine rental & commission	(22,790)	(20,943)	(43,734)
Retail errors	(263)	218	(45)
Cash collection fees	(1,508)	-	(1,508)
Direct debit collection fees	(750)	(647)	(1,397)
Licences	(3,839)	(950)	(4,789)
	(157,582)	(230,030)	(387,612)
TRADING SURPLUS	69,599	16,832	86,432

Note 1: As the sites were being kept open for trading during the administration, the company was eligible to receive a grant from the local authority as a business effected by lockdown rules.

Note 2: Various purchases were approved by the administrators which had not been invoiced, an estimate was included in the prior period, this accrual has been unwound in the current period.

Note 3: The first reporting period, covered within my 6 month progress report, has been updated as some figures have been adjusted after they were reported.

L. & F. Jones Holdings Limited - In Administration
Receipts & Payments Account

	<i>Estimated to realise per Directors' Statement of Affairs</i>	Received / Paid period from 11 August 2021 to 10 February 2022	Received / Paid period from 11 February 2021 to 10 February 2022
	£	£	£
Fixed Charge Asset Realisations			
Centurion Hotel & Skills Centre	2,322,500	3,247,000	3,247,000
Batheaston convenience store	140,000	-	84,998
Wick convenience store	55,000	-	59,998
Goodwill		25,000	25,000
Intellectual Property		25,000	25,000
Seller's Records & Business Contracts		2	2
		3,297,002	3,441,998
Cost of Realisation re. Fixed Charge Assets			
Landlord rent arrears ransom		-	(3,000)
Legal Fees		(95,002)	(122,694)
Legal disbursements		(59)	(102)
Agents/Valuers fees		(69,500)	(86,500)
Agents' fees - stocktakes		(250)	(500)
Asbestos survey (Hotel)		(1,330)	(1,330)
EPC assessment (Hotel/ Skills Centre)		-	(1,245)
		(166,141)	(215,371)
Less: Secured Creditors			
NatWest Bank Plc		(864,334)	(864,334)
One Stop Business Finance		(483,184)	(483,184)
		(1,347,517)	(1,347,518)
Floating/ Uncharged Asset Realisations			
Deferred consideration	225,000	39,390	119,501
Furniture & equipment	104,000	177,999	178,003
Stock	20,000	-	13,812
Book debts	40,000	907	67,478
Rental income		500	1,500
Cash at credit card company		-	1,140
Cash in transit		-	1,797
Cash floats/safe		2,078	2,958
Supplier refunds		-	1,300
Sundry refunds		578	2,165
Trading Surplus		16,832	86,432
		238,284	476,086
Cost of Realisations re. Floating/ Uncharged Assets			
Administrators' Fees (Note 1)		(475,000)	(475,000)
Administrators' Disbursements		(1,649)	(1,649)
Bank Charges		(164)	(204)
Insurance of Assets		(25,089)	(36,807)
Pre-appointment costs		-	(18,142)
Employee Redundancy Pay & PILON		(23,330)	(23,330)
Pre-appointment deposits and vouchers		(67,767)	(86,855)
Statutory Advertising		-	(99)
		(592,999)	(642,086)
Balance of Funds in Hand			1,713,109
Surplus to transfer to Liquidator			
Current account (Non-interest bearing)			1,584,661
VAT receivable			128,823
Trade debtors			2,261
Monies due from/(to) Purchaser (Note 2)			707
Customer deposits (Note 3)			(3,343)
			1,713,109

Note 1: A significant element of the Administrators fees will relate to fixed charge assets, however, given that the surplus in fixed charge assets exceeds the fees, it does not alter the outcome to creditors if the costs were to be split and therefore costs were not incurred to calculate it.

Note 2: Certain trade debtor receipts and expenses are being received/paid by the purchasers of the Hotel. These positions are expected to be fully unwound over the coming weeks.

Note 3: Certain customer deposits have been received by the Administrators and will be provided to the purchaser should they complete the relevant bookings, or returned to the customer if necessary. These positions are expected to be fully unwound by July 2022

EXPENSES STATEMENT

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Incurred in previous period (£)	Incurred in current period (£)	Final Administration Expense (£)
Category 1 Expenses					
Professional advisors' costs					
Legal fees and disbursements	<p>Things LLP have been instructed to provide advice on and assist with the sale of the convenience stores.</p> <p>As a result of the work they have completed, they have charged £25,543. this work is largely in relation to the advice given, as well as negotiation of documents and correspondence with the purchaser of each Convenience Store.</p> <p>Additionally, they have undertaken a validity of security review at a cost of £1,500, as well as some additional legal work regarding submission of a K11 form for £170.</p> <p>£480 was also incurred for payment of the legal fees of the Batheaston landlord and a further £43 for disbursements.</p>	27,376	27,736	-	27,736
Legal fees and disbursements	<p>TLT Solicitors have been engaged to assist me generally during the administration.</p> <p>Initially they have advised the administrators regarding the legal titles, covenants, restrictions and charges on the Hotel/Skills Centre site. TLT Solicitors have, subsequently, been engaged to assist the administrators with the sale process of the Hotel/Skills Centre.</p> <p>This firm of lawyers was chosen based on their experience in insolvency matters.</p>	60,050	32,557	70,882	103,439
Agent's fees and disbursements	<p>We instructed Christie & Co, leading advisors for buying and selling businesses in the hotel sector, to assist with the sale of the Hotel and Skills Centre. Christie & Co led the marketing of the Hotel and Skills Centre. The key terms of their engagement are fees to be charged at 2% of sales realisations, subject to a minimum fee of £9,500 per property and a £9,500 abortive fee, plus disbursements. The estimated fee shown here is based on the value of the Hotel as shown in the Directors' Statement of Affairs, rather than the sale price which has been agreed. Accordingly, final costs in this regard will increase.</p> <p>Their disbursements are estimated to total £3,989 and include costs for advertising and marketing of the properties as well as the setup and maintenance of a data room.</p>	67,439	17,000	69,500	86,500
Agent's fees and disbursements - stocktake	Carr Stocktakers was instructed to perform a stock take at both Retail locations	1,000	500	-	500
Pension agents' fees and disbursements	<p>We instructed Insol Group Limited to carry out a review of the historic inactive pension schemes and advise the administrators on their obligations in this regard.</p> <p>Insol will charge a fee of £300 plus VAT for this service. There are additional charges should they need to wind up schemes and completion of an RP15 if required.</p> <p>This firm was chosen based on their experience in insolvency matters.</p>	300	-	300	300
Other expenses					
Corporation tax	<p>It is likely that corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.</p> <p>It is also possible that capital gains tax will be payable in respect of the disposal of the Hotel/Skills Centre and Convenience Stores.</p>	Uncertain	-	-	-
Statutory Advertising	Costs are paid to Courts Advertising for statutory advertisings requirements for the London Gazette advertisement of the notice of the appointment.	99	99	-	99
Asbestos Survey	Required in connection with the Hotel sale	-	-	1,330	1,330
EPC Assessment	Required in connection with the Hotel sale	1,245	1,245	-	1,245
Rent arrears	To facilitate the sale of the Wick convenience store a ransom payment was made to the landlord. However, this has the affect of reducing the total unsecured claims in this matter.	3,000	3,000	-	3,000

EXPENSES STATEMENT

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Incurred in previous period (£)	Incurred in current period (£)	Final Administration Expense (£)
Bank charges	Charges applied by the estate account bankers in order to facilitate various transactions through the estate bank accounts.	140	40	145	185
Insurance of assets	I am required to insure the Company's assets until they are disposed of. Furthermore, given the ongoing trading of the Company's businesses additional insurances are required. The cost estimate shown here is based on a 10-month trading and sale of asset period.	33,000	25,088	11,718	36,806
Joint Administrators' disbursements	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. A breakdown of expenses incurred in this manner include:	1,716	1,393	38	1,431
	• Postage - costs paid to third party provider, Postworks Limited for postage charges including circulars to creditors.	720	385	38	422
	• Specific bond	990	990	-	990
	• Land registry searches	6	6	-	6
	• Staff subsistence	-	13	-	13
These expenses have been incurred and have been re-charged to the estate.					
Total Category 1 Expenses		197,081	110,052	153,950	264,002
Category 2 Expenses					
These expenses require approval in the same manner as the office holder's remuneration.					
Mileage	This expense represents the costs of the office holder/their staff in travelling to the Hotel and Convenience Stores. These expenses have been incurred as a disbursement by this firm and have been re-charged to the estate	308	188	30	218
Total Category 2 Expenses		308	188	30	218
Mazars LLP Remuneration					
Joint Administrators' Pre-appointment costs	The pre-administration costs, approved by creditors, total £18,044 and disbursements of £98, plus VAT. Mazars LLP pre-appointment costs total £7,500. TLT solicitors were engaged to assist the Company with the statutory administration appointment process. TLT's costs total £6,744, plus disbursements of £62. Robin Allen, via RDA Interim Management Ltd, provided consultancy services in the pre-appointment period. RDA's costs total £3,800, plus disbursements of £36.	18,142	18,142	-	18,142
Joint Administrators' remuneration	Management of the Company's affairs in order to achieve the objective of the Administration. Realising and distributing the Company's assets and performing those tasks required as dictated by statute, best practice and ethical requirements.	493,970	278,039	207,409	485,448
Total Mazars LLP Remuneration		512,112	296,181	207,409	503,590
Total		709,501	406,420	361,390	767,810

Notes**Professional advisors**

The office holder's choice of the professional advisors listed above was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

The office holders have reviewed the costs incurred to date and are satisfied that they are reasonable in the circumstances of the case.

2. Category 2 Expenses

The office holders have reviewed the expenses which have been or are likely to be incurred in this matter and do not consider that there are any instances where payments could reasonably be perceived as presenting a threat to the office holders' objectivity or independence by virtue of a professional or personal relationship, including to an associate, and which require approval as a Category 2 Expense, other than those listed above.

L. & F. Jones Holdings Limited - In Administration
ANALYSIS OF TIME COSTS AND COMPARISON TO FEES ESTIMATE

The following table provides details of the Joint Administrators actual time costs incurred in the current reporting period, compared to the estimated costs as per the Fees Estimate. The table also includes the cumulative period from appointment to 10 February 2022, which provides details of the Administrators' total time costs since appointment.

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors is provided within the narrative summary of work undertaken at **Appendix D2**.

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

Fees Estimate				Actual time costs for the period 11 August 2021 to 10 February 2022			Cumulative time costs for the period 11 February 2021 to 10 February 2022		
Description of Work	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)
Admin & Planning	8.0	1,520.0	190	2.6	665.0	256	6.5	1,394	214
Taxation	125.0	38,750.0	310	37.0	15,961.0	431	112	40,135	358
Investigations	29.0	3,400.0	170	-	-	-	19.8	3,353	169
Realisation of Assets	275.0	85,250.0	310	135.0	43,210.0	320	299.6	92,634	309
Trading	935.0	233,750.0	250	385.8	88,096.0	228	928.9	211,044	227
Employees	30.0	5,400.0	180	3.1	455.0	147	26.4	4,352	165
Creditors	70.0	17,150.0	245	17.0	5,600.0	329	68.6	18,051	263
Reporting	100.0	22,000.0	220	53.2	11,306.0	213	94.1	19,740	210
Distributions	15.0	3,750.0	250	4.9	1,736.0	354	5.4	1,964	364
Cashiering	300.0	63,000.0	210	179.2	35,004.0	195	389.9	75,862	195
Statutory compliance	100.0	20,000.0	200	27.3	5,376.0	197	89.7	16,919	189
Totals	1,987.0	493,970.0	248.6	845.1	207,409	245.4	2,040.9	485,448	237.9

NARRATIVE SUMMARY OF WORK UNDERTAKEN

Introduction

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.

This summary should be read together with the Time Costs Analysis at Appendix D1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.

Work carried out in the current period**Administration and planning**

The following work has been undertaken:

- Completing case strategy notes
- Holding strategy meetings.
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Taxation

The following activities were undertaken in during the period includes:

- Advice surrounding the impact of asset sales on the Company's different tax liabilities.
- Calculation of tax liabilities following the completion of the sale of assets
- Preparation of post-appointment Corporation Tax and VAT returns, as required by statute.
- Assistance and guidance surrounding the Hotel's Option to Tax position.
- Specialist Tax and VAT review of sale contract for Hotel sale.

Whilst there is no direct financial benefit to creditors, much of the work done surrounding the Company's potential obligations surrounding the sale of assets ensures that deals and contracts are negotiated whereby the Company's tax liabilities resulting from any sales are done in the most effective way. As such, although no direct benefit, there will be more funds available to be distributed to creditors than if this work wasn't undertaken.

Investigations

As creditors will note from my previous report, upon conclusion of my investigations in the previous period, no further work has been undertaken in this regard.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure compliance with statutory duties.

Realisation of Assets

The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the report.

The main assets comprise of the following:

Hotel and Skills Centre
Batheaston Convenience Store
Wick Convenience Store
Deferred consideration
Stock
Book Debts

L. & F. Jones Holdings Limited - In Administration

NARRATIVE SUMMARY OF WORK UNDERTAKEN

Cash Floats
Sundry Refunds
Plant, Machinery and Motor Vehicles

In relation to the specific assets, the work completed during the period includes:

- Management of the sale process for the Hotel, involving extensive communications with agents, lawyers and the respective purchaser.
- Negotiation of sale contracts for the Hotel
- Attending the Hotel to observe stock valuations and to oversee the handover to the new purchaser.
- Seeking to recover deferred consideration/ reviewing reasons for non-payment and liaising with directors/ shareholders re. next steps to recover balances due.

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.

Due to the complexity of the Hotel and Skills Centre sale, the majority of work carried out in this regard has been done by senior staff members.

Trading

The Joint Administrators have continued to trade the Company since the end of the period of the last report. With the sale of the Hotel & Skills Centre completing on 10 December 2021, trading has now ceased. The following work has been completed in the period:

- Review and approval of daily stock orders.
- Review and processing of staff payroll and pension payments each month.
- Review and processing of payments and receipts on a daily basis.
- Trading bank account management including liaising with Company's bankers, bank account maintenance, including period reconciliations.
- Review of weekly management accounts and reconciliation to Administrators trading accounts
- Corresponding and communicating with suppliers & customers
- Winding down of trade, removing any undertakings currently in place with suppliers.
- Communication with suppliers to inform them of the sale, closing trading accounts and settling outstanding balances.

The above work has enabled the business to continue to trade while a sale for the Hotel & Skills Centre is completed. This has ensured that realisations are maximised for the benefit of the estate.

The above work is required to offer a period of stability for the Company's business and remove uncertainty. Continuing to trade allows the Joint Administrators to consolidate the Company's position, enhancing the value of the assets. The costs associated are considered appropriate in the circumstances.

Employees

The Company employed 63 employees. Only 3 employees having been made redundant, as mentioned in Section 6 of this report. The remaining employees at both Wick, Batheaston convenience stores and the Hotel have been transferred to the respective purchasers under TUPE.

Work undertaken in order to ensure that employee claims have been dealt with appropriately includes:

- Correspondence with employees with regards to the sale of the Hotel & Skills centre
- Preparation and issuing of letters to employees transferred under TUPE arrangements.
- Communicating with and preparing information for Insol Group Limited with regards to statutory reporting obligations in relation to pension schemes.

This work has not resulted in a direct financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements and to facilitate the sale of assets.

Creditors

There are approximately 291 unsecured creditor claims. In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Dealing with queries received from creditors, by telephone and in written correspondence.

L. & F. Jones Holdings Limited - In Administration

NARRATIVE SUMMARY OF WORK UNDERTAKEN

- Logging claims on case management systems.
- Correspondence with creditors regarding claims and dividend information.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors, however, it is anticipated that creditors will be repaid in full.

Distributions

Distributions have been paid to the secured creditors totalling 100p in the £, under the terms of Fixed Charges.

Work undertaken in respect of distributions include:

- Agreeing secured creditor claims to values on the Statement of Affairs as well as against the statutory charges against the Company.
- Payment of secured creditor claims following the agreement of values to the Statement of Affairs and statutory charges.

Further work regarding distributions to preferential, secondary preferential and unsecured creditors is likely to be done following the conversion from Administration to Creditors' Voluntary Liquidation, as set out in Section 6 of this report.

The work involved in agreeing and paying creditor claims provides a financial benefit though ensuring that the level of claims admitted for dividend purposes is correct and in distributing funds to creditors.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Preparation of the 6-monthly progress reports to provide creditors with an update of the progress of the Administration, issued to creditors on 10 September 2021.
- Preparation of this progress report to provide creditors with an update of the Administration, and the impending conversion to Creditors Voluntary Liquidation.
- Reporting to secured creditors and shareholders on progress during the Administration.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken includes:

- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

Statutory and Compliance

The work undertaken as required by statute and our internal procedures involves:

- Preparation and lodgement of statutory documents.
- Case monitoring and statutory compliance, including internal case reviews.

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.