

CVA3

Notice of supervisor's progress report in voluntary arrangement



Companies House



1 Company details

Company number 0 2 2 9 4 8 7 5

Company name in full Carpetright Plc

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

2 Supervisor's name

Full forename(s) Matthew David

Surname Smith

3 Supervisor's address

Building name/number 1 New Street Square

Street

Post town London

County/Region

Postcode E C 4 A 3 H Q

Country

4 Supervisor's name ^①

Full forename(s) Daniel Francis

Surname Butters

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

5 Supervisor's address ^②

Building name/number Four Brindleyplace

Street Birmingham

Post town B1 2HZ

County/Region

Postcode

Country

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

CVA3

Notice of supervisor's progress report in voluntary arrangement

6 Date of voluntary arrangement

Date

d	2	d	6	m	0	m	4	y	2	y	0	y	1	y	8
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

7 Period of progress report

Date from

d	2	d	6	m	0	m	4	y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Date to

d	2	d	5	m	0	m	4	y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

8 Progress report


☒ I attach a copy of the progress report

9 Sign and date

Supervisor's signature

Signature

X



X

Signature date

d	2	d	5	m	0	m	6	y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

CVA3

Notice of supervisor's progress report in 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	Robert Luff
Company name	Deloitte LLP
Address	Four Brindleyplace
	Birmingham
Post town	B1 2HZ
County/Region	
Postcode	
Country	
DX	
Telephone	+44 121 632 6000



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



**Carpetright Plc
(subject to a company
voluntary arrangement)("CVA")
("the Company")**

Progress report to creditors for the period 26 April 2019 to 25 April 2020 pursuant to Rule 2.41 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

Court Case No. 003050 of 2018
High Courts of Justice, Business and
Property Courts of England and
Wales

Company Number: 02294875

Registered Office:
c/o Purfleet Bypass,
Purfleet,
Essex,
RM19 1TT






Matthew David Smith and Neville Barry Kahn were appointed Joint Supervisors of Carpetright Plc by the Company's creditors on 26 April 2018 and its members on 30 April 2018. Daniel Francis Butters replaced Neville Barry Kahn upon his retirement on 2 August 2018. Matthew David Smith and Daniel Francis Butters are now the Joint Supervisors ("the Joint Supervisors").

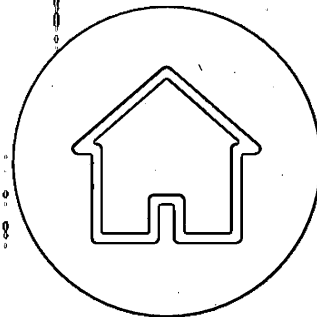
All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

In accordance with the terms of the CVA Proposal, the Joint Supervisors confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

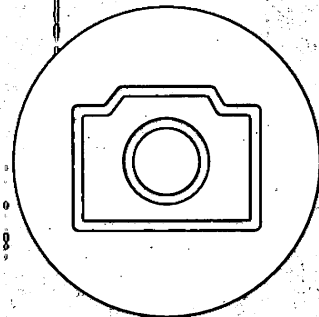
25 June 2020

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Key messages



Key messages

Joint Supervisors of the Company

Matthew David Smith
Daniel Francis Butters
Deloitte LLP
1 New Street Square
London
EC4A 3HQ

Contact details

Email: aabanks@deloitte.co.uk
Website:
www.deloitte.com/uk/carpentright
Tel: 0121 695 5827



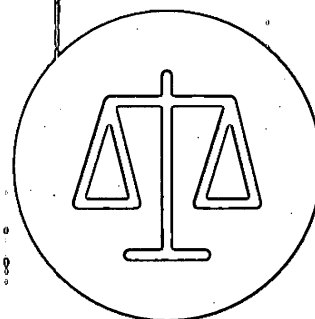
	Commentary
Progress of the CVA	<ul style="list-style-type: none">• We have dealt with landlord and creditor correspondence as and when received.• We have received a number of claims from landlords with respect to their claims against the Compromised Lease Fund which is due to be paid in or around March 2021.• As anticipated, there have been no receipts or payments incurred during the CVA to date.
Prospects for full implementation of the CVA – Covid 19 considerations	<ul style="list-style-type: none">• The Joint Supervisors ("We") confirm that, prior to the mandatory closure of all physical stores ("lockdown") on 23 March 2020 as a result of the coronavirus pandemic ("the pandemic"), we were not aware of any reasons to doubt the prospects for full implementation of the CVA.• However, the economic impact of the lockdown for the Company (and indeed for the global business community) is unprecedented with all retail stores closed and significant uncertainty remaining in the market with regards to lockdown emergence and its likely impact on future trading.• Whilst we can confirm that the Company is working closely with its advisers and key stakeholders to meet the unprecedented challenges now being faced as a result of the pandemic, we are unable at this point to provide any meaningful commentary as to the ongoing prospects for successful completion of the CVA in its current form.• We confirm that we will communicate further with creditors in due course/when the position is more clear.
Costs	<ul style="list-style-type: none">• Our fee as Joint Supervisors was sanctioned by the terms of the CVA on a time costs basis, estimated at £310,425.• During the period we have incurred time costs totalling £10,965 as detailed on pages 9-10.• No amounts were paid in the period. To date we have received payment totalling £51,919.50 from the Company in respect of the Joint supervisors time costs incurred. We anticipate the majority of our fees as Supervisors will be incurred agreeing claims and paying dividends from the Compromised Lease Fund.• We have incurred expenses of £632 to date which have not yet been recovered. Please refer to page 9 for further details.



Completion of the CVA

Summary

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Progress of the CVA Summary

Progress of the CVA

Work done during the report period

We have dealt with landlord and creditor queries as and when received. We have continued the review of all claims received in preparation for a distribution of the Compromised Lease Fund to Compromised Landlords in March 2021.

During the period of our appointment we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- case management; and
- statutory reporting;

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Receipts and Payment account

There have been no receipts and payments incurred during the CVA. This is as expected in line with the Proposals.

Payment of the Nominee and Supervisor fees have been made direct by the Company.

Joint Supervisors' receipts and payments account 26 April 2019 to 25 April 2020

£	SoA values	Notes	Period	To date
Receipts				
Total receipts	-		-	-
Payments				
Total payments			-	-
Balance				-

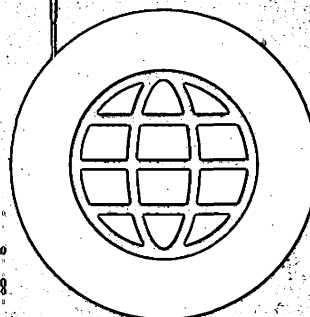




Information for creditors

Outcome for creditors

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Information for creditors

Outcome for creditors

Secured creditors

Secured creditors are not impacted by the CVA Proposal.

Preferential creditors

Employees were not impacted by the CVA and continue to be paid by the Company in the ordinary course of business.

Unsecured creditors

As detailed in the CVA proposal, a distribution of the Compromised Lease Fund to Compromised Landlords is expected to be made in March 2021.

Claims process

Considering the expected timescales of the dividend, we will be in contact with compromised creditors later in the CVA term to invite these creditors to submit claims in advance of a distribution from the Compromised Lease Fund. Further updates will be provided in future reports.

If you have not already done so, please download and complete a notice of claim form from the case website and send this to us at the address on page 3, marked for the attention of Aaron Banks. Alternatively, if you prefer, a hard copy claim form will be provided on request to Aaron Banks.

Exit

When the terms of the arrangement have been fulfilled the Joint Supervisors will file the statutory notices to bring the CVA to an end. It is estimated that this will be in second half of 2021.

Prospects for Full implementation of the Proposal

The Company is continuing to trade under the control of the directors. Whilst we can confirm that the Company is working closely with its advisers and key stakeholders to meet the unprecedented challenges now being faced as a result of the pandemic, we are unable at this point to provide any meaningful commentary as to the ongoing prospects for successful completion of the CVA in its current form.

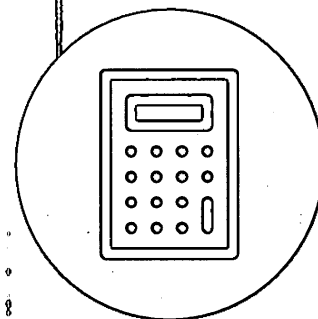




Fees and Expenses

Joint Nominees' Fee and Supervisors' Fees and Expenses

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Fees and Expenses

Joint Nominees' and Joint Supervisors' fees and expenses

Fees and Expense

Nominees' Fees and Expenses

A fee of £80,000 was sanctioned by the terms of the CVA as approved on 26 April 2018. The fee has been paid in full by the Company directly in the previous period.

The disbursements incurred by the Nominees have been paid by the Company.

Joint Supervisors' Fees and Expenses

Under the terms of the CVA our fee for acting as Joint Supervisors has been sanctioned on a time costs basis. Time costs for the entire CVA were estimated to be £310,425. During the period the Joint Supervisors incurred time costs of £10,965 as shown in the fees estimate on page 10, bringing total time costs incurred to date to £67,884.

To date £51,919.50 has been received from the company directly in relation to remuneration.

To date category 1 disbursements of £632 have been incurred in relation to:

- Stationery £106;
- Postage £296; and
- Bond £230.

To date these have not yet been recovered.



Fees and Expenses

Joint Supervisors fees and expenses

Joint Supervisors fees estimate for the period 26 April 2019 to 25 April 2020

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity	Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period			Actual Time and Costs since Appointment		
	Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	Hours incurred to date	Avg Rate £/h	Total time costs incurred to date (£)
Administrative activities	290.0	547	158,550	9.6	727	6,940	54.0	692	37,356
Summary of Time and Cost of Administrative / Statutory activities which are unlikely to generate a financial benefit	290.0	547	158,550	9.6	727	6,940	54.0	692	37,356
Creditors	200.0	513	102,600	5.9	682	4,025	51.8	590	30,529
Summary of Time and Cost activities which we consider are likely to generate a financial benefit	315.0	482	151,675	5.9	682	4,025	51.8	590	30,529
Total fees estimate	605.0	513	310,425	15.5	710	10,965	105.7	642	67,884



Deloitte.

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