

AM03


Notice of administrator's proposals



Companies House

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1 Company details

Company number	0 3 4 3 0 0 7 1	<p>→ Filling in this form Please complete in typescript or in bold black capitals.</p>
Company name in full	Celine Group Holdings Limited	

2 Administrator's name

Full forename(s)	Philip Lewis	
Surname	Armstrong	

3 Administrator's address

Building name/number	2nd Floor	
Street	110 Cannon Street	
Post town	London	
County/Region		
Postcode	E C 4 N 6 E U	
Country		

4 Administrator's name


Full forename(s)	Philip James	<p>① Other administrator Use this section to tell us about another administrator.</p>
Surname	Watkins	

5 Administrator's address

Building name/number	2nd Floor	<p>② Other administrator Use this section to tell us about another administrator.</p>
Street	110 Cannon Street	
Post town	London	
County/Region		
Postcode	E C 4 N 6 E U	
Country		

AM03

Notice of Administrator's Proposals

6	Statement of proposals	
	<input type="checkbox"/> I attach a copy of the statement of proposals	
7	Sign and date	
Administrator's Signature	<div>Signature</div> <div>✕  ✕</div>	
Signature date	<div><div>^d1^d2</div><div>^m1^m0</div><div>^y2^y0^y2^y0</div></div>	

AM03

Notice of Administrator's Proposals



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	Lydia Gaftarnik				
Company name	FRP Advisory Trading Limited				
Address	2nd Floor				
	110 Cannon Street				
Post town	London				
County/Region					
Postcode	E	C	4	N	6 E U
Country					
DX	cp.london@frpadvisory.com				
Telephone	020 3005 4000				



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

FRP

Celine Group Holdings Limited and Celine UK Newco 1 Limited ("the
Companies") (Both in Administration)
The Administrators' Proposals
12 October 2020

1. Introduction and circumstances giving rise to the appointment of the Administrators

FRP

Section	Content	The following abbreviations may be used in this report:	
1.	Introduction and circumstances giving rise to the appointment of the Administrators	FRP	FRP Advisory Trading Limited
2.	Conduct of the Administrations	The Companies	CGHL and CUK (Both in Administration)
3.	The Administrators' remuneration, disbursements and pre-administration costs	CGHL	Celine Group Holdings Limited
4.	Estimated outcome for creditors	CUK	Celine UK Newco 1 Limited
Appendix	Content	PLC	Debenhams PLC
A.	Statutory information about the Companies and the Administrations	DRL	Debenhams Retail Limited
B.	Group Structure Chart	DGHL	Debenhams Group Holdings Limited
C.	Administrators' Receipts & Payments Accounts	DPL	Debenhams Properties Limited
D.	Schedule of work and FRP disbursement policy	GTC	Glas Trust Corporation Limited
E.	Details of the estimated financial position of the Companies	The Administrators	Philip Lewis Armstrong and Philip James Watkins of FRP Advisory Trading Limited
		The Insolvency Rules	The Insolvency (England and Wales) Rules 2016
		CVL	Creditors Voluntary Liquidation
		CVA	Company Voluntary Arrangement
		SIP	Statement of insolvency practice
		QFCH	Qualifying floating charge holder
		HMRC	HM Revenue & Customs

1. Introduction and circumstances giving rise to the appointment of the Administrators

FRP

Philip Lewis Armstrong and Philip James Watkins were appointed as Administrators of the Companies on 19 August 2020.

This document, together with its appendices, forms the Administrators' statement of proposals to creditors in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules. The proposals are deemed delivered two business days after they are dated.

These proposals have been prepared from information available at the time of their preparation. Due to the global outbreak of Covid-19 and the UK's response to this, requiring working from home and necessarily a lack of access to physical files or other information, the Administrators advise that they may not have all the information required to ensure these proposals are both complete and accurate. Where there are errors and/or omissions the Administrators will endeavour to correct these where possible in their next report to you.

Certain statutory information about the Companies and the Administrations are provided at **Appendix A**.

Background information regarding the Companies

CGHL and CUK form part of the Debenhams group of companies ("Group"). An abridged structure chart of the Group is provided at Appendix B.

CGHL was incorporated on 1 September 1997 and was a subsidiary company of PLC. Its principal activity was as the holding company of DRL and DPL, the main trading entities within the Group. CGHL's previous registered name was Debenhams Group Holdings Limited ("DGHL"), which was changed on 2 July 2019.

PLC had entered into a £320m term facility (originally a revolving credit facility) (the RCF) with various financial institutions and was the issuer of £200m of 5.25% senior notes (the Notes). In late March 2019, PLC entered into a £200m new money facilities agreement with certain of the lenders and noteholders (the New Money Facilities), and an initial tranche was funded. The New Money Facilities were secured through

fixed and floating charges over substantially all of the Group's assets. As a condition of the New Money Facilities, the security granted by the Group companies (other than PLC) also secured liabilities of in respect of the RCF, the Notes and a portion of the pension liabilities on terms subordinated to the New Money Facilities.

On 9 April 2019, PLC was placed into administration. On the same day, PLC's shares in CGHL and certain assets were sold by way of a pre-packaged sale, to CUK.

CUK was incorporated on 22 March 2019 for the purpose of the purchase of PLC's shares and certain assets and is owned by certain of the Group's lenders.

As a part of this transaction, the New Money Facilities were refinanced by new facilities borrowed by CUK (the CUK Facilities) on broadly the same terms and subject to the same guarantee and security package as the New Money Facilities, except that the guarantee and security package provided by PLC was replaced with equivalent guarantees and security from CUK. The pre-packaged sale allowed for the full £200m under the Newco Facilities (formerly the New Money Facilities) to be made available.

On 23 January 2020, the primary debt obligations under the RCF and the Notes were transferred from PLC to CGHL.

Following the restructure of the Group in 2019, the Companies granted security in favour of GTC, as security trustee for the secured creditors, pursuant to the following security agreements:

Type of charge	Created	Delivered
Security agreement between, among others, DRL, DGHL, DPL and GTC as security trustee	29 March 2019	1 April 2019
Security agreement between, among others, DRL, DGHL, DPL and GTC as security trustee	9 April 2019	11 April 2019

1. Introduction and circumstances giving rise to the appointment of the Administrators

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Security Agreement between, CUK and GTC as security trustee	9 April 2019	11 April 2019
Second confirmatory security agreement between, among others, DRL, CGHL, DPL and GTC as security trustee	9 October 2019	21 October 2019
Confirmatory Security Agreement between CUK and GTC as security trustee	9 October 2019	18 October 2019
Third confirmatory security agreement between, among others, DRL, CGHL, DPL and GTC as security trustee	23 January 2020	28 January 2020
Second Confirmatory Security Agreement between CUK and GTC as security trustee	23 January 2020	28 January 2020

Appointment of the Administrators

Philip Lewis Armstrong and Philip James Watkins were duly appointed Administrators on 19 August 2020.

Events leading to the appointment of the Administrators

On 9 April 2020, following a period of uncertainty in the retail sector due to Covid-19 and existing financial pressure, DRL and DPL were placed into administration in order to protect the trading entities. In addition, steps have also been taken in Ireland and Hong Kong for those entities to be placed into liquidation.

As a consequence of the administration and liquidation of the subsidiary trading companies and with the financial impact on the CGHL and CUK, the director concluded that steps should be taken to place the Companies into Administration.

Following a meeting of the board, the director instructed solicitors to file Notices of Intention to Appoint Administrators, which were served on GTC and filed at Court on 14 August 2020.

2. Conduct of the administration

The objective of the administration

The Administrators think that objective (a), as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, being to rescue the Companies as a going concern, and objective (b), to achieve a better result for the Companies creditors as a whole than would be likely if the Companies had been wound-up (without first being in administration) will not be achieved due to the level of indebtedness and the value of the Companies' asset base.

As such, it is envisaged that objective (c) will be achieved, to realise property in order to make a distribution to one or more secured or preferential creditors.

The Administrators' actions

Details of work already undertaken or anticipated will be undertaken is set out in the schedule of work attached at **Appendix D**.

Premises Alcohol Licences

CGHL held a number of premises' alcohol licences in respect of the stores and distribution centre which DRL traded from.

Due to the effect of Administration on the alcohol licences, a firm of agents called Licenced Solutions were engaged by the Administrators to assist in holding the licences. This would enable the licences to be maintained for DRL. The costs incurred in respect of the transfers and any outstanding licencing costs will be settled as an expense of the DRL administration. There are no further premises alcohol licences to be surrendered or transferred.

Assets

The only assets in the Administrations are inter-company debtors due to CUK from DRL and DPL and investments held in CGHL.



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The realisation of assets is therefore dependent on the outcome of the DRL and DPL administrations.

Following approval of the Administrators' proposals the Administrators will continue to manage the affairs and business of the Companies and conduct the Administrations to achieve the purpose of the Administrations. Key matters to be undertaken include:

- Ensure all statutory and compliance matters are attended to;
- Investigate and, if appropriate, pursue any claims that the Companies may have against any person, firms or company whether in contract or otherwise, including any officer or former officer of the Companies, or any person, firm or company that supplies or has supplied goods or services to the Companies;
- The Administrators intend to await the outcome of the administrations of DRL and DPL, as the outcome for secured creditors is dependent on any distribution received from the subsidiary companies;
- Distribute realisations from the assets to the secured creditors (if applicable);
- Seek an extension of the Administrations if needed; and
- Pay all Administration expenses and bring the Administrations to an end when deemed appropriate by the Administrators.

Receipts and Payments Account

A copy of the Administrators' receipts and payment accounts to date are attached at **Appendix C**. There have been no realisations to date.

The directors' Statement of Affairs

The director of the Companies has been asked to submit Statements of Affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986. These will be filed at Companies House once received. A copy of the estimated balance for sheets are attached at **Appendix E**.

2. Conduct of the administration

FRP

Estimated Outcome Statement

The Administrators have not included an estimated outcome statement with a statement of expenses as the only costs incurred to date have been the Administrators' costs. The costs incurred in dealing with the premises' alcohol licenses will be settled as an expense of the administration of DRL.

Matters requiring investigation

The Administrators are required as part of their duties to establish what assets the Companies own and to consider the way in which the Companies business has been conducted. They are also required under the provisions of the Company Directors Disqualification Act 1986 to report to the Secretary of State for Business Energy and Industrial Strategy on the conduct of the director. If you have any information or concerns regarding the way in which the Companies business has been conducted, or have information regarding potential recoveries for the estate please contact the Administrators as soon as possible.

The end of the administration

The Administrations will end automatically after twelve months from the date of appointment of the Administrators. This period can be extended with consent of the creditors for up to twelve months or longer by application to the Court as required.

If the Administrators think the Companies have no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the Administration into liquidation is not appropriate they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the Administrations to an end and three months after the filing of the notice the Companies will be deemed to be dissolved.

If the Administrators are of the view that a dividend will become available to the unsecured creditors (should there be any and other than by virtue of the prescribed part) it is appropriate for the Companies to move from Administration into CVL

Celine Group Holdings Limited and Celine UK Newco 1 Limited (Both in Administration)
The Administrators' Proposals

pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986. If applicable the Administrators will take steps to place the Companies into CVL.

Should a dividend not become available to the unsecured creditors (should there be any) but it is still appropriate for the Companies to enter liquidation, the Administrators will petition the Court pursuant to Paragraph 79 of Schedule B1 to the Insolvency Act 1986 for an order to bring the Administrations to an end with a consequential order for the compulsory winding up of the Companies.

Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a liquidator, the proposed liquidators in a CVL are to be the Administrators or any successor office holder(s). Any act to be done by the liquidators may be done by all or any one of them. Pursuant to Paragraph 83(7)(a) of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

The liquidators in a compulsory winding up will be appointed by the Court and may be the Administrators, or any successor office holder(s).

If the Administrators are of the view that it is appropriate for the creditors to consider the approval of a CVA the proposed supervisors are to be the Administrators or any successor office holder(s). Creditors may nominate different supervisors when considering whether to approve the CVA proposals.

Decision of creditors

Based on information currently available, the Administrators think that the Companies have insufficient property to enable a distribution to be made to unsecured creditors (should there be any), except from the Prescribed Part if applicable. They are therefore not required to seek a decision from creditors as to whether they approve the Administrators' proposals pursuant to Paragraph 51 of Schedule B1 to the Insolvency Act 1986. The Administrators must however seek a decision from the

2. Conduct of the administration

FRP

creditors if requested to do so by creditors whose debts amount to at least 10% of the total debts of the individual company. The request must contain the particulars prescribed by rule 15.18 of the Insolvency Rules and be made within eight business days of the date of delivery of this report, in accordance with the Insolvency Rules.

The expenses of seeking the decision shall be paid by the creditor or creditors requesting the decision, who will be required to lodge a deposit with the Administrators security for their payment. The creditors may decide that the expenses of seeking the decision should be paid as an expense of the Administrations payable from the assets of the Companies.

In accordance with the Insolvency Rules where the Administrators have not sought a decision of the creditors, the proposals set out below will be deemed to have been approved by the creditors unless at least 10% by value of the creditors requisition a decision of creditors within eight business days of the date of delivery of this report.

3. The Administrators' remuneration, disbursements and pre-appointment costs

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Administrators' remuneration

A schedule of the work to be undertaken during the Administrations is set out at **Appendix D**.

The Administrators' remuneration will be drawn from the Companies assets and it is proposed that it will be charged by reference to the time incurred in attending to matters arising. The basis of the Administrators' remuneration has not yet been approved by creditors, and the Administrators have accordingly not drawn any remuneration in this case. Approval of the Administrators' fees will be a matter for the secured creditor in accordance with the Insolvency Rules.

Should the Companies subsequently be placed into liquidation and the Administrators appointed as liquidators, the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the liquidators' remuneration, in accordance with the Insolvency Rules.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Companies. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the Administration of the Companies, are paid by FRP at the HMRC approved mileage rate. It is proposed mileage is recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

Pre-administration costs charged or incurred by the Administrators

No pre-administration costs have been incurred by the Administrators.

Creditors' ability to challenge the Administrators' remuneration and expenses

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses under the Insolvency Rules following receipt of a progress report. Further details of

Celine Group Holdings Limited and Celine UK Newco 1 Limited (Both in Administration)
The Administrators' Proposals

these rights can be found in the Creditors' Guide to Fees which you can access by using the following link <https://creditors.frpadvisor.com/info.aspx> and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request.

4. Estimated outcome for the creditors

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Based on the information available to date and the assumptions made the Administrators set out below the anticipated the outcome for creditors:

Outcome for Secured Creditor

The expected return for GTC is dependent on the outcome of DRL and DPL's administration.

Outcome for Preferential Creditors

There are no preferential creditors.

Outcome for Unsecured Creditors

The Administrators are not aware of any unsecured creditors.

Prescribed Part

The Prescribed Part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The Prescribed Part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

As the Administrators are not aware of any unsecured creditors, the prescribed part shall not apply in this matter.

Appendix A

Statutory information about the Companies and the Administrations

FRP**COMPANY INFORMATION:**

Company name: Celine Group Holdings Limited

Other trading names: N/A

Date of incorporation: 1 September 1997

Company number: 03430071

Registered office: Second Floor, 110 Cannon Street, London EC4N 6EU

Previous registered office: 334 – 348, Oxford Street, London W1C 1JG

Business address: 334 – 348, Oxford Street, London W1C 1JG

Director: Jeffrey James Holder

Company secretary: N/A

The director does not hold any shares in CGHL.

ADMINISTRATION DETAILS:

Names of Administrators: Philip Lewis Armstrong and Philip James Watkins

Address of Administrators: FRP Advisory Trading Limited
2nd Floor, 110 Cannon Street, London EC4N 6EU

Date of appointment of Administrators: 19 August 2020

Court in which administration proceedings were brought: The High Court of Justice

Court reference number: 003347 of 2020

Date of notice of intention to appoint Administrators presented to Court: 14 August 2020

Administration appointment made by: Director

Consent to the notice to appoint an Administrator provided by the qualifying charge holder as follows:

The director gave written notice of their intention to appoint Administrators to GTC, as qualifying floating charge holder, in accordance with paragraph 26(1) of Schedule B1 and a copy of that notice was filed at Court on 14 August 2020 and each person to whom the notice was sent has consented to this appointment.

Appendix A

Statutory information about the Companies and the Administrations

The appointment of the Administrators included a declaration that they are acting jointly and severally as Administrators of the CGHL in accordance with Paragraph 100 of Schedule B1 to the Insolvency Act 1986.

The EC Regulation on Insolvency Proceedings will apply in this matter and accordingly the administration will constitute main proceedings.

Extracts from the financial statements available are summarised below:

Period Ended	Turnover £'000	Gross Profit £'000	Net Profit/ (Loss) £'000	Dividend paid £'000	P & L a/c c/fwd £'000
01.09.18	-	-	(1,000)	-	71,000
02.09.17	-	-	(900)	-	70,600
03.09.16	-	-	(800)	-	71,500
29.08.15	-	-	(800)	-	72,300
30.08.14	-	-	(800)	-	73,100

Appendix A

Statutory information about the Companies and the Administrations

FRP**COMPANY INFORMATION:**

Company name: Celine UK Newco 1 Limited

Other trading names: N/A

Date of incorporation: 22 March 2019

Company number: 11899940

Registered office: Second Floor, 110 Cannon Street, London EC4N 6EU

Previous registered office: 334 – 348, Oxford Street, London W1C 1JG

Business address: 334 – 348, Oxford Street, Londo, W1C 1JG

Director: Jeffrey James Holder

Company secretary: N/A

The director does not hold any shares in CUK.

ADMINISTRATION DETAILS:

Names of Administrators: Philip Lewis Armstrong and Philip James Watkins

Address of Administrators: FRP Advisory Trading Limited
2nd Floor, 110 Cannon Street, London EC4N 6EU

Date of appointment of Administrators: 19 August 2020

Court in which administration proceedings were brought: The High Court of Justice

Court reference number: 003348 of 2020

Date of notice of intention to appoint Administrators presented to Court: 14 August 2020

Administration appointment made by: Director

The director gave written notice of their intention to appoint Administrators to GTC, as qualifying floating charge holder, in accordance with paragraph 26(1) of Schedule B1 and a copy of that notice was filed at Court on 14 August 2020 and each person to whom the notice was sent has consented to this appointment.

Appendix A

Statutory information about the Companies and the Administrations

FRP

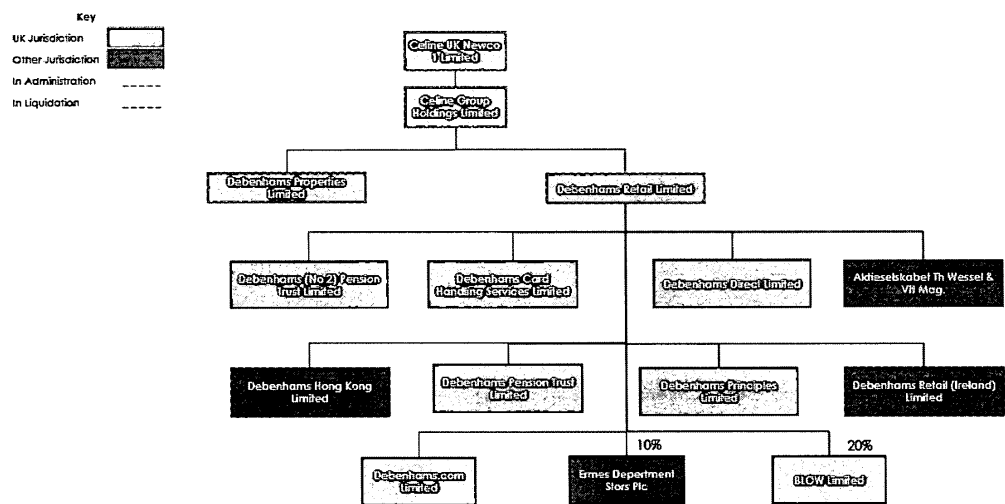
The appointment of the Administrators included a declaration that they are acting jointly and severally as Administrators of CUK in accordance with Paragraph 100 of Schedule B1 to the Insolvency Act 1986.

The EC Regulation on Insolvency Proceedings will apply in this matter and accordingly the administration will constitute main proceedings.

CUK has not filed any financial statements to date.

Appendix B
Group Structure Chart

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Celine Group Holdings Limited and Celine UK Newco 1 Limited (Both in Administration)
The Administrators' Proposals

Appendix C

Administrators' Receipts & Payments Account

FRP

**Celine Group Holdings Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 19/08/2020 To 09/10/2020 £	From 19/08/2020 To 09/10/2020 £
REPRESENTED BY	<u>NIL</u>	<u>NIL</u>
		<u>NIL</u>

Note:

**Celine UK Newco 1 Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 19/08/2020 To 09/10/2020 £	From 19/08/2020 To 09/10/2020 £
REPRESENTED BY	<u>NIL</u>	<u>NIL</u>
		<u>NIL</u>

Note:

Appendix D

Schedule of work and FRP disbursement policy

FRP

CELINE GROUP HOLDINGS LIMITED AND CELINE UK NEWCO 1 (BOTH IN ADMINISTRATION)

SCHEDULE OF WORK

The table below sets out a detailed summary of the work undertaken by the office holder(s) to date and details of the work it is anticipated will be undertaken by the office holder throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below.

Where work undertaken results in the realisation of funds (from the sale of assets, enhanced recoveries and potentially a reduction in creditor claims if the business has continued to trade, or recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK
<ul style="list-style-type: none">• The records received are complete and up to date;• There are no matters to investigate or pursue;• No financial irregularities are identified;• A committee of creditors is not appointed;• There are no exceptional queries from stakeholders;• Full co-operation of the directors and other relevant parties is received as required by legislation;• There are no health and safety or environmental issues to be dealt with; and• The case will be closed within 1 year.

Appendix D

Schedule of work and FRP disbursement policy

FRP

Note	Category	
1	ADMINISTRATION AND PLANNING Work undertaken to date	ADMINISTRATION AND PLANNING Future work to be undertaken
	General Matters Necessary administrative strategic work. Reviewing case strategy to ensure all immediate post appointment matters are attended to. Liaising with secured creditors and identifying any other significant creditors. Regulatory Requirements Completion of money laundering risk assessment procedures and know your client checks in accordance with the Money Laundering Regulations. Completion of take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act. Considering whether there are any other industry specific regulatory or statutory issues to address and to deal with them in the prescribed manner. Review the General Data Protection Regulation ("GDPR") in the context of the company and consider necessary actions required. Liaising with DRL, agents and solicitors in respect of the transfer and surrender of premises alcohol licenses in respect of DRL's trading premises. The last licence was transferred on 17 September 2020.	General Matters Regularly reviewing the conduct of the case and the case strategy and updating as required as required by the insolvency practitioners regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing. This aids efficient case management. Consider any ongoing liaison with secured and other creditors. Regulatory Requirements Ongoing adherence to Money Laundering Regulations and any other regulations specific to the company. Ongoing review and adherence to GDPR.

Appendix D

Schedule of work and FRP disbursement policy

FRP

	Case Management Requirements Determined and documented case strategy. Corresponding with accountants / auditors / insurers / solicitors and other advisors to request further information to assist in general enquiries. Setting up electronic files to be updated and maintained for the duration of the appointment. Filing all relevant papers and correspondence received and maintaining a diary system to ensure all matters are discharged in accordance with legislation. Compiling a forecast of the work that has been or is anticipated will be taken throughout the duration of the case. Updated checklists and diary management system.	Case Management Requirements Continue to monitor and document any proposed changes of strategy and implementation thereof. Conduct regular case and file reviews to monitor statutory compliance and case progression. Continue to correspond with accountants / auditors / insurers / solicitors and other advisors to obtain information to assist in general queries, as required. Maintaining electronic files on behalf of the Administrators. Continue to update checklists and diary management system. To assist the director where needed in producing CGHL and Newco's Statement of Affairs ("SOA").
2	ASSET REALISATION Work undertake to date None.	ASSET REALISATION Future work to be undertaken One of the main purposes of an insolvency process is to realise the insolvency assets and to ensure a fair distribution of the proceeds to the creditors in the correct order of priority as set out by legislation. The only anticipated assets in this case is any dividend received from the subsidiary in respect of the intercompany debtor position or from a return on the investments.
3	STATUTORY COMPLIANCE AND REPORTING Work undertaken to date Post-appointment Tax / VAT Dealing with tax and VAT matters arising following appointment. Liaising with HMRC.	STATUTORY COMPLIANCE AND REPORTING Future work to be undertaken Post-appointment Tax / VAT Dealing with post appointment VAT and or other tax returns as required.

Schedule of work and FRP disbursement policy

FRP

<p>Statutory Compliance and Reporting</p> <p>Dealing with all appointment formalities including notification to relevant parties, filings with the Court, the Registrar of Companies and statutory advertising.</p> <p>To calculate and protect the value of assets that are not subject to a charge by obtaining a bond to the correct level.</p> <p>Preparing and circulating the Administrators' proposals for the conduct of the Administration.</p>	<p>Statutory Compliance and Reporting</p> <p>To provide a statutory reports to various stakeholders at regular intervals and manage any queries arising therefrom. Copies of these reports are required to be filed at Court and the Registrar of Companies.</p> <p>To place legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims.</p> <p>Maintaining the bond at a sufficient level for the duration of the appointment.</p> <p>Obtaining approval to the basis of the Insolvency Practitioners fees from the relevant body of creditors.</p> <p>Obtain legal advice on the validity of the appointment to ensure all required documentation has been properly filed and submitted. In addition this would include a review of any security documentation to confirm the validity of charges.</p> <p>To deal with the statutory requirements in order to bring the case to a close and for the office holders to obtain their release from office; this includes preparing final reports for stakeholders, convening final meetings, statutory advertising and filing the relevant documentation with the Court and Registrar of Companies.</p>
<p>Statement of Affairs</p> <p>Issuing a SOA for completion and submission. Liaising and assisting the directors' representatives on queries regarding the completion of the SOA.</p>	<p>Statement of Affairs</p> <p>Updating case management system with the SOA details.</p> <p>Ensuring the SOA is filed with the Registrar of Companies in due course.</p>

Appendix D

Schedule of work and FRP disbursement policy

4	INVESTIGATIONS Work undertaken to date	INVESTIGATIONS Future work to be undertaken
	<p>Requesting all directors of the company both current and those holding office within 3 years of the insolvency to complete a questionnaire to assist in preparing the statutory return to the Department of Business Energy and Industrial Strategy ("DBEIS") in accordance with the Company Directors Disqualification Act.</p>	<p>Conducting initial enquiries into the conduct of the company, its officers and if appropriate associated parties through the interrogation of electronic and papers records.</p> <p>Considering information provided all stakeholders that might identify further assets or lines or enquiry for the office holder to explore if benefit to the estate is possible.</p> <p>The ongoing collation and review of all information received along with the preparation and submission of the conduct report to the Department for Business, Energy and Industrial Strategy under the Company Directors Disqualification Act 1986 – the contents of this report is confidential.</p> <p>Collection and review of the company books and records.</p>
5	CREDITORS Work undertaken to date	CREDITORS Future work to be undertaken
	<p>Secured Creditors</p> <p>Liaising with the secured creditors in relation to the appointment of the Administrators.</p> <p>Providing ongoing updates on the work undertaken to date and the future strategy.</p> <p>Preferential Creditors</p> <p>There are no preferential creditors in this case.</p> <p>Unsecured Creditors</p> <p>Writing to the creditors to advise of the Administration of the company.</p>	<p>Secured Creditors</p> <p>Continue to provide updates to the secured creditor on an ongoing basis.</p> <p>Preferential Creditors</p> <p>There are no preferential creditors in this case.</p> <p>Unsecured Creditors</p> <p>If sufficient funds are available to make a distribution to the unsecured creditors the office holder will write to all known creditors to notify of the possibility of a distribution and requested submission of claims.</p>

Appendix D

Schedule of work and FRP disbursement policy

FRP

	Update case management system with creditor details and amounts. Providing proof of debt forms to creditors to enable claims to be lodged.	Dealing with ad-hoc creditor queries. Lodging proof of debt forms as and when received. Liaising with HMRC to establish their claim and seeking tax advice to minimise claims and maximise returns to creditors where appropriate.
6	LEGAL AND LITIGATION Work undertaken to date	LEGAL AND LITIGATION Future work to be undertaken
	None.	To seek legal advice and intervention as and when needed throughout the assignment.

Appendix D

Schedule of work and FRP disbursement policy

FRP

FRP Advisory Trading Limited ("FRP")

DISBURSEMENT POLICY

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

There are two types of disbursements; direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

Category 1 disbursements:

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance.

Category 1 disbursements can be drawn without prior approval

Category 2 disbursements

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

Appendix E

Details of the estimated financial position of the Companies

FRP

Celine Group Holdings Limited
Registered Number: 3430071
Balance Sheet as at 29 August 2020

Fixed Assets	£
Investments	189,000,000
Current Liabilities	
Creditors: amounts falling due within one year	
Amounts owed to Group undertakings	- 97,200,000
Borrowings: Novated debt - RCF	- 194,200,000
Novated debt - Senior notes	- 121,100,000
	- 412,500,000
Provisions	-
	- 412,500,000
Net Current Liabilities	- 412,500,000
Total assets less current liabilities	- 223,300,000
Non-current liabilities	
Deferred tax liabilities	-
Provision	-
	-
Net Liabilities/assets	- 223,300,000
Equity	
Called up share capital	37,200,000
Share premium account	33,600,000
Capital Redemption Reserve	1,800,000
Retained earnings	- 295,900,000
Total shareholders' funds	- 223,300,000

Celine UK Newco 1 Limited
Registered Number: 11899940
Balance Sheet as at 29 August 2020

Fixed Assets	£
Investments	101,250,000
Current Assets	
Cash on hand	1
Prepayments	13,210
Debtors: Debenhams Retail Limited	87,185,737
Debenhams Properties Limited	490,959
	87,689,907
Current Liabilities	
Creditors: Amounts falling due within one year	
Interest accruals	- 13,942,437
Borrowings: Secured New Money Facility A	- 101,807,529
Secured New Money Facility B	- 98,192,471
	- 200,000,000
	- 213,942,437
	- 413,942,437
Net Current Liabilities	- 25,002,530
Total assets less current liabilities	- 25,002,530
	-
Net Liabilities	- 25,002,530
Equity	
Called up share capital	1
Profit and loss account	- 25,002,531
Total shareholders' funds	- 25,002,530

Celine Group Holdings Limited and Celine UK Newco 1 Limited (Both in Administration)
The Administrators' Proposals