In accordance with Rule 3.55 of the Insolvency (England & Wales) Rules 2016.

AM20

Notice of automatic end of administration

Companies House

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

1 Company details

Company number	0 3 9 5 8 4 2 3
Company name in full	Redcastle Finance 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 of England & Wales
Court case number	C R - 2 0 2 0 - 0 0 4 3 9 7

3 Former administrator's name

Full forename(s)	Matthew David
Surname	Smith

4 Former administrator's address

Building name/number	60 St Martin's Lane
Street	London
Post town County/ Region	WC2N 4JS
Postcode	
Country	

AM20

Notice of automatic end of administration

5 Former administrator's name ❶

Full forename(s)	Daniel Francis
Surname	Butters

❶ Other administrator
Use this section to tell us about another administrator.

6 Former administrator's address ❷

Building name/number	Peter House
Street	60 St Martin's Lane
Post town County/	London
Region	WC2N 4JS
Postcode	
Country	

❷ Other administrator
Use this section to tell us about another administrator.

7 Statement of appointment

~~I was~~/we were appointed as administrator(s) on:

Date	d 3	d 0	m 1	m 1	y 2	y 0	y 2	y 0

8 Appointor/applicant's name

Give the name of the person who made the appointment or the administration application

Full forename(s)	High Court of
Surname	Justice

Statement of ceasing to act

~~I~~/we give notice that ~~my~~/our appointment as administrator ceased to have effect on:

Date	d 3	d 0	m 1	m 1	y 2	y 0	y 2	y 1

Final progress report

☑ A copy of the final progress report is attached.

9 Sign and date

Former administrator's signature	Signature X X
Signature date	d 1 d 2 m 1 m 0 y 2 y 0 y 2 y 2

AM20

Notice of automatic end of administration

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: Wendy Packwood

Company name: Teneo Financial Advisory Ltd

Address: 156 Great Charles Street

Queensway

Post town: Birmingham

County/Region:

Postcode: B 3 3 H N

Country:

DX:

Telephone: +44 121 619 0150

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

Continuation page

Name and address of insolvency practitioner

✓ What this form is for
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶
Use extra copies to tell us of additional insolvency practitioners.

✗ What this form is NOT for
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☑ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	Daniel James
Surname	Smith

3 Insolvency practitioner's address

Building name/number	Peter House
Street	Oxford Street
Post town County/	Manchester
Region	
Postcode	M 1 5 A N
Country	

Teneo®

The Global CEO Advisory Firm

Court Case No. 004397 of 2020
High Court of Justice Business and Property Courts of
England and Wales Insolvency and Companies List
Company Number: 03958423

Registered Office: c/o Teneo Financial Advisory Limited
156 Great Charles Street, Queensway,
Birmingham, B3 3HN

Redcastle (Finance) Limited – formerly in administration and subject to a Fixed Charge Receivership (“the Company”)

Final progress report to creditors pursuant to rules 18.6 and 3.55 of the Insolvency (England & Wales) Rules 2016 (“the Rules”).

12 October 2022

Matthew David Smith, Daniel Francis Butters and Daniel James Mark Smith (“the former Joint Administrators”) were appointed Joint Administrators of Redcastle (Finance) Limited on 30 November 2020 by High Court of Justice.. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

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

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Key messages

Key messages

Former Joint Administrators of the Company

Matthew David Smith

Daniel Francis Butters

Daniel James Mark Smith

Teneo
156 Great Charles Street
Queensway
Birmingham
B3 3HN

Contact details

Arcadiacreditors@teneo.com

www.ips-docs.com

Achievement of the Former Joint Administrators' Proposals

- The Company's principal asset was its shares in its wholly owned subsidiary, Redcastle (214 Oxford Street) Limited ("Red 214"). Red 214 was owner of the former flagship store of TopShop/TopMan at 214 Oxford Street and was itself placed into administration with individuals from Interpath Advisory appointed as Administrators.
- On 18 January 2022, the Company's shares in Red 214 were sold by Receivers (appointed by the first secured creditor, (Situs Asset Management Limited) to Ingka Investments B.V ("Ingka") for £377.5m, the surplus of which in the sum of c.£27.4m has been paid to the Company. Please see page 7 for further details.
- The Company was part of a VAT Group. HMRC's c£18m claim against the members of the VAT group was paid by Red 214 as a part of the unsecured distribution within the Red 214 CVA. Red 214 then assigned its interest in the claim (i.e. to seek contribution from other Group entities) to the Company.
- As indicated in our last report to creditors, by decision of creditors taken on 27 October 2021. the period of the administration was extended by a further 12 months until 30 November 2022 to enable completion of outstanding matters. We have since been made aware that the extension was invalid and as a result of which the administration came to an automatic end on 30 November 2021.
- Following discussions with the Company's directors and legal advisers, steps are now being taken to place the Company into members' (i.e. solvent) voluntary liquidation to enable the Company's affairs to be fully wound down and any surplus funds will be distributed to the member.

Costs

- Our fees were fixed as a set amount of £135k plus VAT by a decision of creditors on 6 December 2021.However, as the decision was made after the period of the administration had come to an automatic end it is invalid.
- Please see pages 13 and 14 for further details.
- No costs or expenses were incurred since our last report. Please see page 9 for details.

Outcome for Creditors

- Secured creditors – The secured creditors have been repaid in full from other Group entities.
- Preferential creditors - There are no employees in the Company and thus no preferential claims are anticipated to be made.
- Unsecured creditors – Following the finalisation of an intercompany rationalisation deed, the sole claim against the Company due to Red 214 was waived. There are thus no known unsecured creditors.

Summary Proposals

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Steps taken	7
Costs	8

Summary of the Former Joint Administrators' Proposals

The Former Joint Administrators' Proposals

Our Proposals for the administration were:

- continuing to manage the affairs and any remaining assets of the Company and the settlement of all administration expenses; and
- assessing the affairs of the Company and reviewing and reporting on the conduct of its directors and, where required, providing assistance to any regulatory authorities with any investigation into the affairs of the Company or its management; and
- agreement of the claims of any secured, preferential and unsecured creditors against the Company unless we conclude, in our reasonable opinion, that the Company will have no assets available for distribution; and
- distributing funds to any secured and preferential creditors and, where applicable, to unsecured creditors under the Prescribed Part as and when their claims are agreed and funds permit, and to make distributions to unsecured creditors, other than out of the Prescribed Part if the court gives permission following an appropriate application; and
- that, following the realisation of assets and resolution of all matters in the administration, and as quickly and efficiently as is reasonably practicable, we will implement the most appropriate exit route to formally conclude the administration; and
- that, if the Company is to be placed into Creditors' Voluntary Liquidation ("CVL"), we (or any person appointed as a replacement office holder) propose to be appointed Joint Liquidators and for the purposes of section 231 of the Act the Joint Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

Extensions to the administration

The extension to the period of the administration as granted by decision of creditors on 27 October 2021 was invalid. The administration therefore ended on 30 November 2021.

Administrators' fees

As indicated on page 3, the decision of unsecured creditors regarding the fixing of our fee basis and the ability to draw our remuneration and expenses was made after the period of the administration had come to an automatic end and is thus invalid.

Summary
Proposals

Background

Background

Arcadia Group Limited (“AGL”) and its subsidiaries (“the Group”) operated as a retailer across eight well established brands; Topshop, Topman, Dorothy Perkins, Burton, Wallis, Evans, Miss Selfridge and Outfit along with associated centralised functions (many of which are undertaken by AGL) and property ownership entities.

As previously reported, the Company is a holding company and a wholly owned subsidiary of Redcastle Holdings Limited (itself a wholly owned subsidiary of AGL). It held no assets other than:

- A c. £220m (book value) intercompany receivable with a SOA estimated value of c. £10m due from its parent, Redcastle (Holdings) Limited (and which was matched by an intercompany payable due to Red 214); and
- Shares in its wholly owned subsidiary, Red214 which itself was placed into administration on 30 November 2020 and individuals from Interpath Advisory were appointed as administrators.

Steps taken during the administration

Shares in Red 214

We continued to liaise with Interpath Advisory regarding progress and sale of Red 214's principal asset, the former flagship store of TopShop/TopMan at 214 Oxford Street.

- As set out on page 3, on 25 October 2021, the Administrators of Red 214 accepted an offer of £377.5m from Ingka Investments B.V ("Ingka") for the Company's shares in Red 214 and on the same date, 25 October 2021, fixed charge receivers ("the Receivers"), also from Interpath Advisory, were appointed over the Company's shares in Red 214 in order to facilitate the sale. Red 214 also then entered into a CVA with its creditors on 17 November 2021, the terms of which being payment in full of agreed claims and the administration was brought to an end on12 January 2022 to enable the sale to Ingka ("the Red 214 Transaction") to complete on 18 January 2022.
- After discharge of sums due to Situs, the pension trustees, the CVA creditors (including HMRC) and related costs, the surplus on the sale of the shares of Red 214 was c.£27.4m all of which has been paid across to the Company as at the date of this report.
- Also, as part of the Red 214 Transaction and Red 214 CVA, by Deed dated 17 January 2022 between Red 214 and the Company:
  - the c£222m intercompany balance owed to it by the Company was extinguished; and
  - Any and all present and future rights held by Red 214 in relation to other Arcadia group entities was assigned to the Company.

Statutory tasks

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

- Case management actions, including updating the insolvency creditor portal for the case, filing and regular diary reviews to ensure compliance matters were dealt with accordingly;
- Statutory reporting, including the preparation of the Proposals and previous progress reports;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs ("HMRC") in respect of VAT and Corporation Tax matters.

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

Distributions to creditors

There were no distributions to any class of creditor.

Unrealised assets

The Arcadia VAT Group liability of £18,658,068.83 was settled by Red 214 through its CVA. VAT contribution claims are in the process of being marshalled across the Group, which lead to further recoveries for the Company pursuant to the Deed dated 17 January 2022.

Summary
Proposals

Costs

Third Party costs

Former Joint Administrators' – Category 1 Expenses

As indicated on page 3, no third party costs have been incurred since our last report. The following is a summary of costs incurred in prior reporting periods:

Legal Costs - Freshfields Bruckhaus Deringer LLP ("Freshfields"):

- Freshfields, who are experienced in this area, were engaged by us to assist with planning for the administrations and to undertake formalities of the administration appointments in relation to the Company and the wider Group including, but not limited to: drafting and preparation of Court documents and notices; Court attendance; and advice on timings and procedural aspects of the administration appointments.
- Freshfields were the principal legal advisors for the Company and the Former Joint Administrators. Their workstreams included, but were not limited to, general insolvency advice.
- In respect of this work, Freshfields billed £23.9k plus disbursements of £3.4k, both plus VAT. The Court ordered that legal costs relating to the administration application be paid as an expense of the administration and these costs have been paid.

Category 1 Expenses - Disbursements

We incurred disbursements of £230 as shown in the table below and which have not been recovered.

Redcastle Finco

£ (net)	Estimate	Incurred in previous period	Incurred in current period	Paid
Specific Penalty Bond	230	230	-	-
Total	230	230	-	-

Summary

Receipts and Payments

Redcastle Finance Limited
Former Joint Administrators' Receipts and Payments Account
30 November 2020 to 30 November 2021

£	Notes	SoA	Period	To date
Receipts				
Amounts Due from Group Undertakings		10,135,000	-	-
Loan from AGL	A		-	27,338.00
Total Receipts		10,135,000	-	27,338
Payments				
Legal Fees			-	(23,913)
Legal Disbursements			-	(3,425)
Total Payments			-	(27,338)
Balance			-	-
Made up of:				
				-
Balance in hand				-

A receipts and payments account is provided, detailing the transactions in the final period of the administration since our last report on 22 December 2021, and also summarising the transactions for the entire period of the administration.

Notes to receipts and payments accounts

A – Intercompany Loan

This represents repayment of funding provided out of AGL to cover legal costs and disbursements incurred by the Company of £23,193 and £3,425 respectively, plus VAT.

Subsequent R&P movement

As detailed on page 7, subsequent to the end of the reporting period, the sum of £27.4m was received by way of an equity distribution in relation to surplus on the sale of the Company's shares in Red 214.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

Information for creditors

Outcome for creditors 11

Information for creditors

Outcome for creditors

Secured creditors

The Company's records show that, at the date of our appointment, there were two secured creditors as shown below:

AG Pension Trust

A fixed charge dated 17 December 2019 in favour of AG Pension Trust ("the Pension Trust") to secure the sum of £185m. The sum of £184m was paid to the Pension Trust by AGL as follows:

- £167m on 5 February 2021;
- £6.4m on 12 February 2021; and
- £10.6m on 16 March 2021.

The balance of £1m was settled by the Receivers on the sale of the shares in 214 Red on 18 January 2022 in full settlement of The Pension Trust charge over the Company. No liability remains.

Situs Asset Management Limited ("Situs")

A fixed charge was created in favour of Situs dated 17 December 2019, in relation to a £310m facility prior to interest charges incurred. On 25 October 2021, Situs appointed receivers over the Company's shares in Red 214 as part of the transaction to deliver a sale of 214 Oxford Street, to be effected by share sale. The share sale completed on 18 January 2022 and Situs was paid in full. There are thus no known remaining liabilities to either of the secured creditors.

Preferential creditors

Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions

As the Company had no employees there are no preferential creditor claims.

Secondary Preferential Creditor

Secondary preferential debts are debts due to HMRC in respect of deducted taxes (including VAT, PAYE, student loan repayments, employee NICs and CIS deductions) on insolvency appointments falling on or after 1 December 2021.

As the appointment date for the Company pre dates 1 December 2020, the Secondary Preferential Debt provisions do not apply.

Prescribed Part

As detailed in the Proposals, the Company had no floating charge securities and therefore the Prescribed Part provisions will not apply to the Company.

Unsecured creditors

As per the Company records as at 30 November 2020, the sole creditor of the Company was Red 214.

As a part of the completion of the Red 214 share sale, an intercompany rationalisation deed was completed resulting in the waiving of the claim from Red 214 against the Company.

As such, there are no unsecured creditors of the Company.

End of the administration

As detailed on page 3, the administration came to an automatic end on 30 November 2021.

Following discussions with the Company's directors and legal advisers, steps are now being taken to place the Company into members' voluntary liquidation to enable the Company's affairs to be fully wound down and any surplus funds to be distributed to the member.

Remuneration and expenses

Former Joint Administrators' remuneration and Expenses 13

Remuneration and expenses

Former Joint Administrators' remuneration

Former Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.ips-docs.com.

Should you require a paper copy, please send your request in writing to us at the address on page 3 of this report and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed on 6 December 2021 by the unsecured creditors as a set amount of £135k plus VAT thereon. However, as the approval was granted after the period of the administration had ended it is not valid.

Former Joint Administrators – Category 2 Expenses

Whilst we have not recovered our fees or disbursements from the Company's estate, the below costs have been paid by Teneo Financial Advisory Limited in full settlement:

Deloitte Ireland

Deloitte Ireland - £7,212 plus VAT in respect of work in connection with preparation of appointment notifications and related matters.

Remuneration and expenses

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

Teneo®

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