

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 05982915

Company name in full Cote Restaurants Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)

Court number CR-2020-003820

3 Administrator's name

Full forename(s) Matthew Boyd

Surname Callaghan

4 Administrator's address

Building name/number 200 Aldersgate

Street Aldersgate Street

Post town London

County/Region

Postcode EC1A 4HD

Country UK


AM23

Notice of move from administration to dissolution

5	Administrator's name ①		① Other administrator Use this section to tell us about another administrator.
Full forename(s)	Andrew James		
Surname	Johnson		

6	Administrator's address ②		② Other administrator Use this section to tell us about another administrator.
Building name/number	200 Aldersgate		
Street	Aldersgate Street		
Post town	London		
County/Region			
Postcode	E C 1 A 4 H D		
Country	UK		

7	Final progress report	
<input checked="" type="checkbox"/> I have attached a copy of the final progress report		

8	Sign and date	
Administrator's signature	Signature 	
Signature date	d 2 1 m 0 9 y 2 0 y 2 2	

**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 Calvin Hung

Company name FTI Consulting LLP

Address 200 Aldersgate

Aldersgate Street

Post town London

County/Region

Postcode EC1A 4HD

Country UK

DX

Telephone +44 (0)20 3077 0119

**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 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. ❶
Attach this to the relevant form.
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
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Lisa Jane

Surname Rickelton

3 Insolvency practitioner's address

Building name/number 200 Aldersgate

Street Aldersgate Street

Post town London

County/Region

Postcode E C 1 A 4 H D

Country UK



Cote Group

Joint Administrators' Final Progress Report

For the period from 28 March 2022 to
21 September 2022

Entities Covered by this Report

Entity	Company Number	Court Reference
Taste Bidco Limited	09654975	CR-2020-003819
Cote Restaurants Limited	05982915	CR-2020-003820
Cote Restaurants Group Holdings Limited	08659502	CR-2020-003821
Cote Kitchens Limited	12599618	CR-2020-003828
Greenfields Meat Limited	09486138	CR-2020-003824
Cote Group (Bidco) Limited	08662633	CR-2020-003822
Jackson and Rye Restaurants Limited	08504197	CR-2020-003825
Limeyard Restaurants Limited	08207403	CR-2020-003823

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Glossary

Glossary

Abbreviation Definition

APA	Asset Purchase Agreement
BCP	BC Partners
BEIS	Department for Business, Energy and Industrial Strategy
c.	Approximately
CAHL	Cote at Home Limited
CDDA	Company Directors Disqualification Act 1986
CGBL	Cote Group (Bidco) Limited
CGFL	Cote Group (Financing) Limited
CHL	Cote Holdings Limited (Jersey holding company)
CKL	Cote Kitchens Limited
CRL	Cote Restaurants Limited, trading as Côte Brasserie
CRGHL	Cote Restaurants Group Holdings Limited
CT	Corporation Tax
CTL	Cote Topco Limited (Jersey holding company)
CVL	Creditor's Voluntary Liquidation
EBITDAP	Earnings Before Interest, Taxes, Depreciation, Amortization and Pension Income
GML	Greenfields Meat Limited
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England & Wales
IR16	Insolvency (England and Wales) Rules 2016 (as amended)
JRR	Jackson and Rye Restaurants Limited
LTO	Licence To Occupy (of Leasehold premises)
NDA	Non-Disclosure Agreement
PAYE	Pay-as-you-earn tax
RPS	Redundancy Payments Service
Sch B1	Schedule B1 to the Act
SIP	Statement of Insolvency Practice
SIP 2	Investigations by office holders in Administration and insolvent liquidations
SIP 7	Presentation of financial information in insolvency proceedings
SIP 9	Payments to insolvency office holders and their associates from an estate
SIP 16	Pre-packaged sales in Administrations
SSRCF/RCF	Super Senior Revolving Credit Facility
TBL	Taste Bidco Limited
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

Term

Act / IA86	Insolvency Act 1986 (as amended)
Administrations	The Administrations of the Cote Group entities
Appointment date	28 September 2020
Administrators / Joint Administrators / we / our / us /	Matthew Boyd Callaghan, Andrew James Johnson and Lisa Jane Rickelton
Cote Group / the Group / the Companies	Taste Bidco Limited, Cote Restaurants Limited, Cote Restaurants Group Holdings Limited, Cote Kitchens Limited, Greenfields Meat Limited, Cote Group (Bidco) Limited, Limeyard Restaurants Limited and Jackson and Rye Restaurants Limited
Lender / Secured Lender / Secured Creditor	Better Taste Holding 2 Limited ("BT2") and Partners Group (Guernsey) Limited. Following the transaction BT2 had priority over the first 10 million of additional realisations.
The Period / Final Period	From 28 March 2022 to 21 September 2022
The Proposals	The Joint Administrators' Statement of Proposals dated 7 October 2020
Preferential Creditors	Principally employee claims for unpaid wages (max £800 per employee), holiday pay, and certain unpaid pension contributions
Prescribed Part	Amount set aside for Unsecured Creditors from floating charge net realisations in accordance with Section 176A of the Act
NewCo/Purchasers	Cote Restaurant Group Limited, Cote Deliveries Limited and Greenfield Food Supply Limited (wholly owned subsidiaries of Partners Group)
Secured Debt	c.£150m comprising a £10m Super Senior Revolving Credit Facility and a unitranche £140m Senior Multicurrency Term Loan provided by Partners Group
Transaction	Pre-packaged sale of the Group's assets to the Purchasers, owned by the Lenders
Unsecured Creditors	Principally trade creditors, landlords, utility providers and HMRC



Introduction

Purpose of this Report

The Administrations have now come to an end. This is our final report to creditors and explains how the Administrations have been concluded since our previous report and confirms the final outcome for creditors.

- Matthew Boyd Callaghan, Andrew James Johnson and Lisa Jane Rickelton were appointed Joint Administrators of the Companies on 28 September 2020 by their directors.
- Statutory information relating to our appointments is set out at Appendix A as required by insolvency legislation.
- Since we issued our Proposals to creditors, we have concluded all matters that remained outstanding in the Administration at the time our Proposals were issued (which are discussed in detail later in this report).
- As a consequence of the above, we are in a position to conclude the Administrations and this final progress report explains both our work in the Administrations in the period since our previous progress report, as well as providing confirmation of the outcomes for the various classes of creditors in each of the Companies.
- As this is our final progress report, it also includes a summary of our Proposals pursuant to Rule 3.53(a) IR16. A full copy of the Proposals is available online at the website detailed opposite.
- We have also included certain legal notices regarding this report, our appointment and creditors' rights. Please note that no Creditors' Committee was formed in the Administrations.
- Each of the Administrations, with the exception of CKL, will conclude by moving to dissolution pursuant to Paragraph 84 of Schedule B1, as we consider that the Companies have no remaining property which permits a distribution to their creditors beyond the distributions that have already been made (as set out in this report).
- In relation to CKL, the Administration will end by moving the Company from administration to creditors voluntary liquidation pursuant to Paragraph 83 of Schedule B1. A dividend to creditors is available as a consequence of CKL not being subject to the Lenders' security and it will be distributed by the subsequently appointed liquidators in due course.
- If you have any queries regarding the content of this report or if you would like hard copies of any of the documents made available online, please contact us using the details provided opposite.

How to Contact Us

- Creditors can contact us using the preferred methods below:
Email: coteadministrators@fticonsulting.com
Post: Cote Group, c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD
Tel: 020 3727 1635
- Further information can be found online at:
<https://www.fticonsulting-emea.com/cip/cote-group-Administrations>
- Documents made available via the website will continue to be available for no less than two months after we cease to act as administrators.

Signed: 

Matthew Boyd Callaghan

Joint Administrator
Acting as agent and without personal liability

Background to the Administrations

In our previous statutory reports, we informed creditors that the business and assets of the Companies were sold immediately following our appointment. Below is a reminder of that transaction.

Background to the Companies and the Administrations

- We have previously provided a background to the Companies and the events leading up to the appointment of administrators in our Proposals and SIP16 Statement. These are not repeated here for the purposes of this report unless considered necessary or beneficial to do so. Therefore, creditors may wish to review this report in conjunction with our Proposals and SIP16 Statement.
- In summary, the Group operated 98 restaurants under the Côte Brasserie brand and a further three under the Jackson & Rye and Limeyard brands, employing 3,204 people across the UK. Like many other UK casual diners, the Group was heavily impacted by Covid-19. The nationwide lockdowns resulted in a c.30% decline in year-on-year revenue and profit (EBITDAP) for the period ending July 2020 and ultimately the Companies were unable to avoid insolvency.

Sale of the Business and Assets

- For reasons disclosed in the Proposals, the Companies were unable to avoid entering an insolvency process, however we reported that the majority of the Group's business and assets were sold via a pre-pack Administration to NewCo, a wholly owned subsidiary of Partners Group, immediately following our appointment as joint administrators.
- The Transaction minimised business disruption, ensuring continuity for the business and its suppliers and protecting the Group's employees, thereby preserving over 3,000 jobs.
- The total sale consideration was £56.5m, structured such that Partners Group reduced its claim in the Administration as a secured creditor by £56.5m as a result of the Transaction. The consideration was allocated between fixed and floating charge realisations.
- The Transaction (in particular, assets excluded from the sale) resulted in the maximum Prescribed Part being likely to be available for the Unsecured Creditors of CRL and smaller Prescribed Part funds being available in LRL, JRR, GML, CRGHL and TBL. Furthermore, the Purchasers committed to and have provided confirmation that they directly settled £3.0m of unsecured claims in CRL, which increased the dividend from the Prescribed Part for residual creditors.

Pre-pack Administration

- The term 'pre-pack Administration' refers to an insolvency process, in which the sale of all or part of a company's business or assets is negotiated with a purchaser prior to the appointment of an administrator and the administrator effects the transaction or transactions immediately on or shortly after appointment.
- Shortly after a sale, creditors must be provided with sufficient information such that a reasonable and informed third party would conclude that the pre-pack sale was appropriate and that the administrator has acted with due regard to the creditors' interests.

£600k

A maximum Prescribed Part of £600k was paid by CRL to its Unsecured Creditors

Smaller Prescribed Part funds were also paid to Unsecured Creditors of LRL, JRR, GML, CRGHL, TBL and CGBL.

+3,000 jobs saved

Number of jobs saved

The sale of the business included the transfer of over 3,000 jobs to the Purchasers, significantly reducing the level of claims against the Companies.

100%

Dividend to Preferential Creditors of LRL and JRR, no other entities had preferential creditors.

The reduced level of employee-related claims were paid in full from surplus floating charge realisations.



Summary of the Joint Administrators' Proposals

Summary of the Joint Administrators' Proposals

Our strategy was to complete the pre-pack sale of the Group's assets to the Purchasers in order to maximise returns and achieve a better result for creditors than if the Companies' were immediately wound up.

Background

- The Group operated 98 restaurants under the Côte Brasseries brand and a further three under the Jackson & Rye and Limeyard brands. It employed 3,204 people across the UK, specialising in freshly prepared French food in the midmarket casual dining sector and was predominately located in London and the South East of England.
- The Group was originally founded in August 2007 with the first restaurant opening in Wimbledon. The Group grew steadily through site expansion and was acquired by private equity firm CBPE Capital in 2013. BCP took a majority stake in July 2015.
- Debt funding was provided to the Group under a £150m unitranche facility provided by Partners Group. Additionally, Partners acquired the £10m RCF facility from a third party lender in the week leading up to the Transaction.
- The Group aimed to expand the range of brands it operated with the purchase of Jackson & Rye and Limeyard in 2016, at the time accounting for three sites and one site respectively.
- The Group was significantly impacted by Covid-19 and the national lockdowns; and was ultimately unable to avoid insolvency. On 28 September 2020, the directors appointed us as joint administrators.

Our Strategy

- The Companies' primary assets were trading names, plant (including kitchen equipment), fixtures and fittings, cash and leases at a number of sites across the country. The purpose of the Administrations was to achieve a better outcome for the creditors of the Companies (principally the Secured Creditors) by virtue of a pre-pack sale, than would have been the case had the Companies been wound up.
- The Transaction completed immediately following our appointment and in our Proposals and SIP 16 Statement we explained why the sale was considered to provide the best outcome in the circumstances. Those reports continue to be available on our website and therefore the content is not repeated in full here.

Work Anticipated

- In our Proposals, we anticipated undertaking the following work:
 - Co-ordinating lease assignments, surrenders and new leases for properties under a LTO and ensuring the costs of ongoing lease liabilities are met (funded by the Purchasers).
 - Realising any residual assets not transferred as part of the APA, including regular cash sweeps of residual balances held in pre-appointment accounts.
 - Distributing dividends to creditors, including preferential creditors and Prescribed Part funds to Unsecured Creditors.
 - Reporting on the Directors' conduct as required under CDDA.
 - Corresponding with redundant employees and creditors as and when necessary.
 - Completing statutory and compliance work including notifications, bonding, reporting, collection of books and records and internal reviews.
 - Managing the Companies; tax and VAT affairs, including the submission of appropriate post-appointment returns.

Outcome for Creditors

- The principal assets of the Group (with the exception of a leasehold property interest held by CKL) were subject to both fixed and floating charge security. The estimated return to the Secured Lenders was £56.5m (the credit bid by the Purchasers), leaving a shortfall to Partners of c.£93.5m. It was not anticipated that there would be any significant further returns to the Secured Creditors. However, there have been additional realisations that have increased the recoveries for the Secured Creditor by £3.3m.
- Some 53 employees were made redundant on the date of Administration. Our Proposals indicated that preferential creditors would be paid in full. We can confirm that the Group's preferential creditors have been paid in full.
- Except for CKL, we did not expect a return for Unsecured Creditors, other than by way of the Prescribed Part in certain cases, including a full Prescribed Part payment in CRL. These Prescribed Part payments have been made during the Administrations.



Progress of the Administrations

Realising the Assets - Properties

After the immediate sale of the business and assets, a significant amount of work was required in relation to the leasehold properties held by CRL. During the Period work required under the LTO has been completed.

Leasehold Properties

- As set out in the APA dated 28 September 2020, the Purchaser continued to occupy properties pursuant to the License to Occupy (LTO) agreements granted by the Joint Administrators whilst seeking to finalise lease assignments for those properties.
- During the Period, six assignments were completed and three properties were vacated. All sites had then either been assigned or vacated, and the property workstream in respect of transferring leases across to the Purchaser had been finalised. We then performed a final reconciliation of the LTO positions between the Purchaser and CRL.
- In total, 85 lease assignments completed during the CRL Administration and 16 sites were vacated by the Purchaser. Attempts were made to formalise surrenders with landlords at each of these vacated properties and formal surrenders were agreed for 11 of them. During the Period, the landlords of the remaining five properties were contacted, explaining that once we have vacated office and the company is dissolved, it will no longer be possible to agree a surrender with the relevant entities. No responses were received.
- In our previous report, we estimated that legal fees relating to property of £130k were expected to be incurred prior to closure of the Administrations, with this estimate covering the period 28 September 2021 to 21 September 2022. The actual amount incurred was £137k, of which £117k was incurred in this latest Period. All amounts have been paid.
- As set out previously, total legal fees were higher than anticipated due to the challenging nature of discussions with landlords and the Purchaser around assignments, specifically where there were a number of applications to assign.

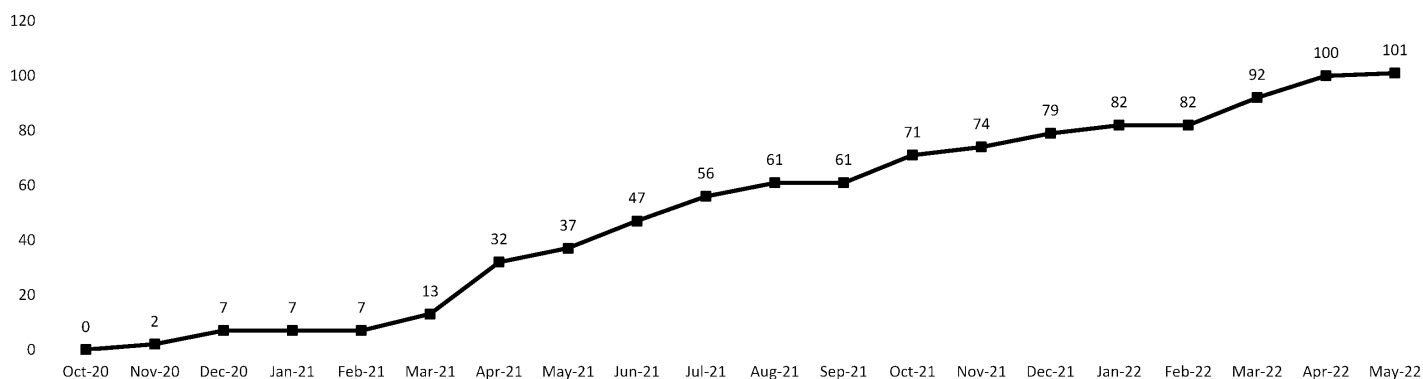
Additional Work

- A significant amount of time was spent in the Period in dealing with landlords and the Purchasers' staff in relation to the LTO, including:
 - Final invoices raised to the Purchasers for the anticipated property expenses to be incurred in the Period (as expected property workstreams completed during May 2022);
 - Payments made to landlords to facilitate completions;
 - Reviewing proposed assignments between the Purchasers alongside our legal advisors to ensure that any risk for CRL was mitigated;
 - Providing credit notes where CRL's liability had been extinguished, assignments had been agreed and a balance was due back to the Purchasers;
 - Discussing with the Purchasers the final position regarding LTO funds and the impact these had distributable funds available at the conclusion of the Administrations; and
 - Where the Purchasers had taken the decision that they were no longer seeking an assignment of a particular leasehold, we confirmed to the landlord that they (and CRL) had no remaining interest in the property and were therefore looking to agree a formal surrender of the lease.

Site Completions

All properties have been assigned or vacated. The final assignment completed in May 2022.

Cumulative Number of Properties either Assigned or Surrendered/Vacated



Leasehold Properties

- All assignments and vacations were completed by May 2022. The rate of completion increased after the first six months of our appointment and remained broadly steady thereafter.
- As set out previously, a number of the properties were vacated, however, formal surrenders have not been agreed at all of these properties. We wrote to all landlords where a surrender has not been agreed, setting out that once we vacate office as administrators and the Company is dissolved three months later, it will no longer be possible to agree a formal surrender with the Company. There were five properties where formal surrenders had not been agreed.

Dealing with Stakeholders and Creditors

Our work has included adjudicating on claims in relation to amounts owed to certain classes of creditors where a dividend may be available. We have also responded to queries received from creditors and other key stakeholders.

Preferential Creditors

- In our previous reports, we set out that there were only two Group entities where employees were made redundant and preferential claims arose as a result. For the avoidance of doubt, the date of the Administrations pre-date 1 December 2020, after which point HMRC became a second ranking preferential creditor.
- The distributions to the Preferential Creditors of JRR and LRL were made in June 2021, at a rate of 100p/£.
- ERA Solutions provided assistance to the employees who were made redundant and assisted us in relation to the calculation of the tax due on the preferential distribution.
- There were a number of un-presented cheques in relation to preferential claims. These cheques were cancelled, with amounts being transferred to the Insolvency Service (Unclaimed Dividends Account), from which creditors will be able to claim these balances.

Secured Creditors

- In the Final Period, we continued to work closely with the Secured Creditors, particularly with respect to the LTO and the fixed charge property workstreams. We have recently provided the Secured Creditor with an update as to their final recoveries under their security entitlements.
- Information on the final outcome for the secured creditors is set out later.
- As reported earlier in this report, significant time was spent in relation to the calculation of credit notes where we hold excess funds and liaising with landlords to facilitate assignment negotiations. Additionally, we continued to liaise with GLAS (acting as agents for the Secured Creditors) in relation to Secured Lender distributions.

Preferential Creditors

- Preferential Creditors are certain categories of Unsecured Creditors that have preferential status under insolvency legislation.
- They are typically employee-related debts in relation to arrears of wages and unpaid holiday pay, subject to statutory limits. The RPS becomes a preferential creditor in place of the employees once it has paid their statutory entitlements.

Unsecured Creditors

- Time spent in relation to queries from Unsecured Creditors increased in the Period due to the Prescribed Part distributions and questions in relation to claims and monies received. Throughout the Period, we continued to support Unsecured Creditors by providing information where possible and appropriate and redirecting queries to NewCo where appropriate.
- We held final discussions with utility suppliers to ensure smooth changes of tenancy at assigned, vacated and surrendered sites.
- See later in this report for details on the final Prescribed Part dividends to Group entities.
- All dividends have been distributed, with the exception of CKL which will shortly be placed into liquidation for the purposes of distributing funds to its creditors (as this cannot be done in an Administration without Court approval).

Managing the Companies' Affairs

Until the Companies are dissolved, they must continue to fulfil many of their usual obligations. In the Final Period, we continued to ensure these obligations were met.

VAT

- The final VAT returns were submitted during the Period, for the April 2022 and July 2022 quarters, both of which gave rise to VAT repayable amounts.
- The April 2022 quarter recovery was received during the Period and was utilised in meeting outstanding expenses of the Administration with the remainder paid to the secured creditor.
- The July 2022 quarter refund was not received in time and was therefore assigned to the Secured Creditor and will be paid (by HMRC) directly to their nominated bank account by way of a secured distribution due to them under the floating charge. The total amount of VAT assigned was £180k of which £170k was assigned and distributed in relation to Cote Restaurants Limited and £10k was assigned and distributed in relation to Limeyard Restaurants Limited.
- We submitted VAT deregistration forms to HMRC. At the time of writing, we had not received confirmation that these have been processed and as a consequence we were unable to submit a final VAT return. However, they would have been nil returns in any event.

Corporation Tax

- During the Period, returns were submitted for the period ended 28 September 2021 and a final period to 9 August 2022. There was no tax payable in either period.
- Preparation and submission of the returns was done in conjunction with our specialist tax team (with assistance from the Purchaser as custodian of certain records).
- We provided information and signed the relevant forms as required to allow the Purchaser's tax advisor to complete Section 198 elections for the benefit of the Purchaser.

PAYE

- Given the transfer or redundancy of all employees immediately on appointment, no PAYE filings have been required for the post-appointment period.
- Given preferential distributions have been made to the former employees of JRR and LRL, National Insurance and PAYE payable on these distributions was paid to HMRC during the previous period.

Treasury and Accounting

- An account of our receipts and payments for the Final Period covered by this report is provided at Appendix B.
- Receipts in the Period consist largely of:
 - Prescribed Part distributions received from other Group companies as a result of various inter-company claims.
 - CRL received a small amount of business rate refunds from local authorities following further collections carried out by our agents Gerald Eve. In June 2022, we instructed Gerald Eve to cease work effective at the end of August 2022, to enable the CRL Administration to conclude ahead of its second anniversary.
- Payments in the Period predominantly consist of:
 - Unpaid administrators' fees in LRL, JRR and CRL. More detail in relation to these is set out later in this report.
 - Legal fees and agents' fees paid by CRL. This included funds paid to PHD Advisory for their assistance in calculating landlord claims during the adjudication process for the Prescribed Part distribution.
 - Various distributions from a number of Group entities in relation to both Prescribed Part distributions and secured creditor distributions.



Outcomes for Creditors

Unsecured Creditors and the Prescribed Part

Dividends for Unsecured Creditors were paid in six of the eight Administrations, including a maximum Prescribed Part fund of £600k in CRL. No further dividends will be declared.

Unsecured Creditors

- There were insufficient funds to repay the Secured Lenders in full in the Administrations and therefore (in most cases) distributions to Unsecured Creditors only arose by virtue of the Prescribed Part, under Section 176A(2)(a) of the Act.
- As detailed earlier in this report, CKL is not subject to the Group security and consequently, a distribution to that entity's creditors will be made following CKL being moved from Administration to liquidation shortly.
- The maximum Prescribed Part of £600k was available for the Unsecured Creditors of CRL and was paid during the Period.
- The process for paying the Prescribed Part in CRL was contingent on all CRL property matters being completed to allow adjudication of landlord claims. As a consequence, the Prescribed Part distribution process at CRL began in May 2022 following the completion of the property workstreams, with payments being made in early August 2022.
- Due to intercompany receivables in TBL and CRGHL we also declared small Prescribed Part distributions in these entities. The receivables arose due to pre-Administration intercompany positions which enabled claims to be made in the Administration estates of other Group entities.
- JRR, LRL and GML paid a Prescribed Part dividend from consideration it received under the pre-pack Transaction.
- A summary of funds available to creditors is set out on the next page. No distribution was made by CGBL as the entity held no assets nor did it receive any benefit under intercompany receivables.

The Prescribed Part

- Under Section 176A of the Act, where after 15 September 2003 a company has granted floating charge security, a proportion of the net property of the company (achieved from floating charge asset realisations) must be made available for the benefit of the company's Unsecured Creditors.
- The Prescribed Part applies where there are net floating charge realisations (i.e. after costs of realisation) and is calculated as follows:
 - 50% of net property up to £10k;
 - Plus 20% of the net property in excess of £10k; and
 - Subject to a maximum of £600k (prior to the deduction of the costs of distributing).

There was no return to the Group's shareholders as there remained a material shortfall to the Group's creditors.

Secured and Preferential Creditors

In addition to Preferential Creditors being paid in full, we were able to make further distributions to the Secured Creditors due to additional floating charge realisations. No further dividends will be declared.

Creditor Returns							
Entity	CRL	JRR	LRL	CRGHL	TBL	CGBL	GML
Secured Claim	150,000,000	93,302,677	93,288,329	93,197,653	93,130,947	93,127,109	93,127,108
Return to Secured Creditor							
Fixed	(37,608,493)	(1)	(1)	(50,003)	(1)	(1)	(2,800,005)
Floating	(19,088,830)	(14,346)	(90,675)	(16,704)	(3,836)	0	(133,001)
Shortfall to Secured Creditors	93,302,677	93,288,329	93,197,653	93,130,947	93,127,109	93,127,108	90,194,102
Preferential Claims	n/a	23,728	21,304	n/a	n/a	n/a	n/a
Return to Preferential Creditors	n/a	(23,728)	(21,304)	n/a	n/a	n/a	n/a
Deficit to Preferential Creditors	n/a	-	-	n/a	n/a	n/a	n/a
Unsecured Claims	25,331,634	19,873,824	12,788,178	117,559,508	3,523,364	n/a	6,179,526
Return to Unsecured Creditors	(600,000)	(7,369)	(26,448)	(7,926)	(3,703)	n/a	(36,910)
Deficit to Unsecured Creditors	24,731,634	19,866,455	12,761,730	117,551,582	3,519,661	n/a	6,142,616

Secured Creditors

- At the time of appointment, some £150m of secured debt remained outstanding. The Secured Lenders then immediately acquired the Group via a credit bid for an amount of £56.5m. As a consequence of the Transaction, the Secured Lenders' claim reduced to £93.5m (of this remaining debt the first £10m of this debt was payable to Better Taste Holdings 2 Limited with any further amounts payable to Partners Group (Guernsey) Limited).
- This claim was further reduced during the Administrations by way of several additional secured creditor distributions totalling £3.5m (the majority £3.35m from CRL) and as a result of additional floating charge asset realisations including Business Rates refunds and a £1m Business Interruption Insurance claim.
- The flow of dividends in relation to intercompany receivables and the existence of the Lender's security, provided additional recoveries for the Lenders.

Preferential Creditors

- The Preferential Creditors were former employees of JRR and LRL in respect of holiday pay and arrears of wages. Dividends to Preferential Creditors are paid from floating charge realisations, after the costs of the Administration.
- Preferential Creditors in the estate of JRR and LRL were paid in full in June 2021, as set out previously. The total amount distributed was c.£45k (JRR: c.£23.7k, LRL: c.£21.3k), with a proportion of this amount paid to HMRC for employee PAYE and National Insurance.
- There were no Preferential Creditors in the other Administrations. The only other employing entity was CRL and all its employees (alongside employee related liabilities) transferred to the Purchasers under TUPE.



The Administration Process

Fulfilling our Statutory Duties

As a consequence of the Companies' insolvency, we had a number of responsibilities that latterly included updating creditors on our progress, seeking fee approval and arranging for the closure of the Administrations.

Joint Administrators' remuneration

- Our fees and disbursements, as set out in our Proposals and previous reports, were to be drawn on a fixed fee basis in the Administrations of JRR, LRL and CRL estates. We did not take a fee in respect of the other entities over which we have been appointed.
- As previously reported, where entities have no (or insufficient) assets to pay expenses of those Administrations, such costs have been paid by CRL on their behalf. Costs include insurance bonds and statutory advertising. This approach has been agreed with the Group's Secured Creditors, who were the only party impacted by the payment of these small amounts.
- Relevant approvals to draw our remuneration have been received from the Secured Creditors of CRL, JRR and LRL; and from the Preferential Creditors of JRR and LRL. These approvals were dated as follows:
 - **CRL** – Secured Creditor approval to draw a set fee of £1.43m (per our Proposals) was received on 2 February 2021. An increase of £150k was also approved by the Secured Creditors on 16 September 2021. At the same time, it was agreed that we may draw 100% of the VAT exclusive amount invoiced by CRL to the Purchasers in relation to work undertaken by us for the sole benefit of the Purchaser (and as a consequence of the extension of the LTO period beyond the 12 months initially granted). This work totalled c.£365k from the period commencing 29 September 2021 and the secured creditors agreed to our drawing of these fees in August 2022.
 - **JRR and LRL** - Secured Creditor approval to draw set amounts of £100k and £50k respectively (per our Proposals) was received on 2 February 2021. The Preferential Creditors also approved these set amounts by creditor decision procedures ending on 24 September 2021.
- During the Period, we drew final fees such that all approved amounts have been paid. This included drawing the above set amounts in JRR and LRL, as well as some £200k fixed fee remaining in relation to CRL. In addition, we drew the £365k plus VAT for additional property fees following agreement from the Secured Lender.

Discharge from liability

- In accordance with the Insolvency Act 1986, approval for our discharge from liability was sought from the relevant classes of creditors of each of the Companies. It was proposed that we be discharged from liability (in relation to any act of ours as joint administrators), at the time when our appointment ceases to have effect.
- Approval was sought from the Secured Creditors at CRL, TBL, CRGHL, CGBL, JRR, LRL and GML. Preferential Creditor approval was additionally sought in JRR and LRL as preferential dividends had been made. Approval was sought from Unsecured Creditors in CKL (where there are no secured or preferential creditors).
- We received the following approvals:
 - Secured Creditor approval on 2 February 2021;
 - Preferential Creditor approval on 24 September 2021; and
 - Unsecured Creditor approval in respect of CKL was received on 4 August 2022, following a Deemed Consent procedure.

Closure of the Administrations

- Now that we have concluded all matters in the Administrations, our appointments will cease to have effect and the Administrations will end, upon filing of the requisite notice at Companies House. Except for CKL, the Companies will be dissolved three months thereafter.
- CKL has c.£16k of funds in respect of consideration received as part of the pre-pack Transaction. The distribution of surplus funds to unsecured creditors cannot be done in an administration without a Court order. Therefore, in order for the distribution to be made by CKL, the company will move to creditors voluntary liquidation when our appointment ends.
- We will not be issuing any further reports in respect of the Administrations.



Appendices

Appendix A: Statutory Information

Information relating to all the Administrations.

Registered Office	c/o FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Former Registered Office	61 Berners Street, 2nd Floor, London W1T 3NJ		
Administrators' Names	Matthew Boyd Callaghan, Andrew James Johnson and Lisa Jane Rickelton		
Administrators' Address	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD		
Administrators' Regulator	ICAEW		
Court Name / Address	High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)		
Functions of Administrators	Pursuant to Paragraph 100 Sch B1, the Administrators may exercise any of the powers conferred on them by the Act jointly or individually		
Appointment Date	28 September 2020		
Appointer / Applicant	The Directors of the Companies pursuant to Paragraph 22 Sch B1. Pursuant to Paragraph 26(1) Sch B1, the appointer had given written notice of their intention to appoint.		
Objective being pursued	Purpose B: 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).		
EC Regulation	The EC Regulation on Insolvency Proceedings applies. The proceedings are main proceedings since the centre of main interest is in the United Kingdom.		
Security (except for CKL)	Fixed and floating charges over all of the Companies assets in favour of Glas Trust Corporation Limited, the security agent for the Secured Lenders		
Current Administration End Date	27 September 2022 (extended by one year with the consent of the relevant classes of creditors)		
Directors, Officers and their Shareholdings	Director Name	Status	Shareholding
	Alex Scrimgeour	Resigned 02/12/2020	Nil
	Strahan Wilson	Current director	Nil
	Kristina Zienko	Resigned 16/12/2020	Nil

Appendix A: Statutory Information

Information specific to each Administration.

Company Name	Previous Name(s)	Court Reference	Registered Number	Date of Incorporation	Trading Names
Taste Bidco Limited	N/A	CR-2020-003819	09654975	24 June 2015	N/A
Cote Restaurants Limited	Newincco 630 Limited	CR-2020-003820	05982915	31 October 2006	Cote Brasserie
Cote Restaurants Group Holdings Limited	Chablis Topco Limited	CR-2020-003821	08659502	21 August 2013	N/A
Cote Kitchens Limited	N/A	CR-2020-003828	12599618	13 May 2020	N/A
Greenfields Meat Limited	Chablis Restaurants Limited	CR-2020-003824	09486138	12 March 2015	N/A
Cote Group (Bidco) Limited	Chablis Bidco Limited	CR-2020-003822	08662633	23 August 2013	N/A
Jackson And Rye Restaurants Limited	Zentia (UK) Restaurants Limited	CR-2020-003825	08504197	25 April 2013	N/A
Limeyard Restaurants Limited	Grillshack Restaurants Limited, Newincco 1207 Limited	CR-2020-003823	08207403	10 September 2012	N/A

Appendix B: Receipts and Payments Accounts

Taste Bidco Limited

GBP	Notes	Statement of Affairs				Total		Notes	Statement of Affairs				Total
		Estimated to	28 Sep 2020	28 Mar 2022	28 Sep 2020				Estimated to	28 Sep 2020	28 Mar 2022	28 Sep 2020	
		Realise	- 27 Mar 2022	- 21 Sep 2022	- 21 Sep 2022	GBP			Realise	- 27 Mar 2022	- 21 Sep 2022	- 21 Sep 2022	
Fixed Charge Receipts													
Assigned Rights	1		1	-	1		Floating Charge Receipts						
Goodwill	1		-	-	-		Bank Interest	10		-	-	-	
Intangibles	2	1	-	-	-		Prescribed Part Receipts	15		-	7,635	7,635	
Intellectual Property	1		-	-	-		Subtotal			-	7,635	7,635	
Subtotal			1	-	1								
Fixed Charge Payments													
Inter-account payment			-	-	-		Floating Charge Payments						
Payments under LTO	3		-	-	-		Statutory Advertising	6		-	(95)	(95)	
Subtotal			-	-	-		Subtotal			-	(95)	(95)	
							Floating Charge Surplus/ (Deficit)			-	7,540	7,540	
Net Fixed Charge Assets			1	-	1		Net Realisations			1	7,540	7,541	
Distributions													
Fixed Charge Distribution	7	(150,000,000)	(1)	-	(1)								
Floating Charge Distribution	8		-	(3,836)	(3,836)								
Preferential Distribution	9		-	-	-								
Prescribed Part Distribution		(3,563,584)	-	(3,703)	(3,703)		Subtotal			(1)	(7,540)	(7,541)	
Subtotal			(1)	(7,540)	(7,541)								
Total Balance Held			-	-	-					-	-	-	

Appendix B: Receipts and Payments Accounts

Cote Restaurants Limited

Cote Restaurants Limited

GBP	Notes	Statement of Affairs			Total 28 Sep 2020 - 21 Sep 2022
		Estimated to Realise	28 Sep 2020 - 27 Mar 2022	28 Mar 2022 - 21 Sep 2022	
Fixed Charge Receipts					
Assigned Rights	1		1	-	1
Goodwill	1		3,624,984	-	3,624,984
Intangibles	2	18,024,988	14,400,000	-	14,400,000
Intellectual Property	1		1	-	1
IT Systems	1	1,800,000	1,800,000	-	1,800,000
Leasehold Land & Property	1	1,583,505	1,583,505	-	1,583,505
Plant & Machinery	1	16,200,000	16,200,000	-	16,200,000
Supply Contracts	1		1	-	1
Repayment under LTO	3		8,876,003	(216,567)	8,659,436
Deposits			55,817	-	55,817
Transferred Records	1		1	-	1
Office Holder Fees			-	438,039	438,039
Subtotal			46,540,314	221,472	46,761,786
Fixed Charge Payments					
Payments under LTO	3		(8,255,254)	(362,382)	(8,617,637)
Office Holder Fees			-	(365,033)	(365,033)
Subtotal			(8,255,254)	(727,415)	(8,982,669)
Net Fixed Charge Assets					
			38,285,060	(505,943)	37,779,116

GBP	Notes	Statement of Affairs			Total 28 Sep 2020 - 21 Sep 2022
		Estimated to Realise	28 Sep 2020 - 27 Mar 2022	28 Mar 2022 - 21 Sep 2022	
Floating Charge Receipts					
Insurance Refund	11		1,000,000	-	1,000,000
Bank Interest	10		860	522	1,382
Book Debts			196,167	-	196,167
Cash at Bank	1	27,773,165	18,853,400	1	18,853,400
Stock	1	1,530,000	1,530,000	-	1,530,000
Business Rates Refunds	4		188,872	3,309	192,181
Prescribed Part Receipts	15		-	24,738	24,738
Subtotal			21,769,299	28,570	21,797,869
Floating Charge Payments					
Office Holders Fees			(1,380,000)	(200,000)	(1,580,000)
Office Holders Expenses			-	(81)	(81)
Bank Charges			(570)	(165)	(735)
Data Compliance Costs			(80)	-	(80)
Insurance			(22,336)	(3,522)	(25,858)
Legal Fees			(416,601)	(117,369)	(533,970)
Postage and stationery			(3,825)	-	(3,825)
Specific Bond			(1,156)	-	(1,156)
Statutory Advertising	6		(1,036)	(95)	(1,131)
Business Rates Recovery Services	4		(26,374)	(695)	(27,069)
Irrecoverable VAT			(225)	-	(225)
Floating Inter-Account Payment			-	(18,300)	(18,300)
Agents Fees			-	(15,700)	(15,700)
Subtotal			(1,852,203)	(355,928)	(2,208,130)
Floating Charge Surplus/ (Deficit)					
			19,917,096	(327,358)	19,589,738
Net Realisations					
			58,202,156	(833,301)	57,368,855
Distributions					
Fixed Charge Distribution	7	(150,000,000)	(37,608,493)	-	(37,608,493)
Floating Charge Distribution	8		(17,610,840)	(1,549,522)	(19,160,362)
Preferential Distribution	9		-	-	-
Prescribed Part Distribution		(60,757,066)	-	(600,000)	(600,000)
Subtotal			(55,219,333)	(2,149,522)	(57,368,855)
Total Balance Held					
			2,982,823	(2,982,823)	-

Appendix B: Receipts and Payments Accounts

Cote Restaurants Group Holdings Limited

Statement of Affairs						Statement of Affairs					
		Estimated to	28 Sep 2020	28 Mar 2022	Total			Estimated to	28 Sep 2020	28 Mar 2022	Total
		Realise	- 27 Mar 2022	- 21 Sep 2022	- 21 Sep 2022			Realise	- 27 Mar 2022	- 21 Sep 2022	- 21 Sep 2022
GBP	Notes					GBP	Notes				
Fixed Charge Receipts						Floating Charge Receipts					
Assigned Rights	1		1	-	1	Floating Inter-Account Receipt			-	19	19
Goodwill	1		50,000	-	50,000	Bank Interest	10		-	3	3
Intangibles	2	50,003	-	-	-	Prescribed Part Receipts	15		-	24,722	24,722
Fixed Inter-Account Receipt	1		1	-	1	Subtotal			-	24,744	24,744
Supply Contracts	1		1	-	1						
Subtotal			50,003	-	50,003	Floating Charge Payments					
Fixed Charge Payments						Statutory Advertising	6		-	(95)	(95)
Inter-Account Payment			-	-	-	Floating Inter-Account Payment			-	(19)	(19)
Subtotal			-	-	-	Subtotal			-	(114)	(114)
Net Fixed Charge Assets						Floating Charge Surplus/ (Deficit)					
			50,003	-	50,003				-	24,630	24,630
						Net Realisations					
									50,003	24,630	74,633
						Distributions					
						Fixed Charge Distribution	7	(150,000,000)	(50,003)	-	(50,003)
						Floating Charge Distribution	8		-	(16,704)	(16,704)
						Preferential Distribution	9		-	-	-
						Prescribed Part Distribution		(117,599,828)	-	(7,926)	(7,926)
						Subtotal			(50,003)	(24,630)	(74,633)
						Total Balance Held					
									-	-	-

Appendix B: Receipts and Payments Accounts

Greenfields Meat Limited

Statement of Affairs						Statement of Affairs					
		Estimated to	28 Sep 2020 -	28 Mar 2022	Total			Estimated to	28 Sep 2020	28 Mar 2022	Total
GBP	Notes	Realise	27 Mar 2022	- 21 Sep 2022	28 Sep 2020	GBP	Notes	Realise	- 27 Mar 2022	- 21 Sep 2022	28 Sep 2020
Fixed Charge Receipts						Floating Charge Receipts					
Assigned Rights	1		1		1	Bank Interest	10		-	6	6
Goodwill	1		1	-	1	Stock	1	170,000	170,000	-	170,000
Intangibles	2	800,005	800,000	-	800,000	Subtotal			170,000	6	170,006
Intellectual Property	1		1	-	1	Floating Charge Payments					
IT Systems	1	200,000	200,000	-	200,000	Statutory Advertising	6		-	(95)	(95)
Plant & Machinery	1	1,800,000	1,800,000	-	1,800,000	Subtotal			-	(95)	(95)
Supply Contracts	1		1	-	1	Floating Charge Surplus/ (Deficit)					
Transferred Records	1		1	-	1				170,000	(89)	169,911
Subtotal			2,800,005	-	2,800,005	Net Realisations					
Fixed Charge Payments									2,970,005	(89)	2,969,916
Inter-Account Payment			-	-	-	Distributions					
Subtotal			-	-	-	Fixed Charge Distribution	7	(150,000,000)	(2,800,005)	-	(2,800,005)
Net Fixed Charge Assets						Floating Charge Distribution	8		(133,000)	(1)	(133,001)
			2,800,005	-	2,800,005	Preferential Distribution	9		-	-	-
						Prescribed Part Distribution		(6,196,025)	-	(36,910)	(36,910)
						Subtotal			(2,933,005)	(36,911)	(2,969,916)
						Total Balance Held					
									37,000	(37,000)	-

Appendix B: Receipts and Payments Accounts

Jackson and Rye Restaurants Limited

Jackson and Rye Restaurants Limited

GBP	Notes	Statement of Affairs		Total	
		Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2022 - 21 Sep 2022	28 Sep 2020 - 21 Sep 2022
Fixed Charge Receipts					
Intellectual Property	1		1	-	1
Subtotal			1	-	1
Fixed Charge Payments					
Inter-Account Payment			-	-	-
Subtotal			-	-	-
Net Fixed Charge Assets			1	-	1

GBP	Notes	Statement of Affairs		Total	
		Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2022 - 21 Sep 2022	28 Sep 2020 - 21 Sep 2022
Floating Charge Receipts					
Floating Inter-Account Receipt			-	20,037	20,037
Bank Interest	10		24	35	59
Cash at Bank	1		151,940	-	151,940
Subtotal			151,964	20,072	172,036
Floating Charge Payments					
Office Holders Fees			-	(100,000)	(100,000)
Car Leases	5		-	-	-
Data Compliance Costs			(80)	-	(80)
Employee Expenses	12		(2,670)	(185)	(2,855)
Legal Fees			(3,500)	-	(3,500)
Statutory Advertising	6		(95)	-	(95)
Floating Charge Payments			-	(20,037)	(20,037)
Sundry Expenses			-	(26)	(26)
Subtotal			(6,345)	(120,222)	(126,593)
Floating Charge Surplus/ (Deficit)			145,619	(100,150)	45,443
Net Realisations			145,620	(100,150)	45,444
Distributions					
Fixed Charge Distribution	7	(150,000,000)	(1)	-	(1)
Floating Charge Distribution	8		-	(14,346)	(14,346)
Preferential Distribution	9		(22,595)	(1,133)	(23,728)
Prescribed Part Distribution		(20,613,950)	-	(7,369)	(7,369)
Subtotal			(22,596)	(22,848)	(45,444)
Total Balance Held			123,024	(122,998)	

Appendix B: Receipts and Payments Accounts

Limeyard Restaurants Limited

GBP	Notes	Statement of Affairs			Total
		Estimated to 28 Sep 2020 - Realise	28 Mar 2022	28 Sep 2020 - 21 Sep 2022	
Fixed Charge Receipts					
Assigned Rights	1	1	-	1	1
Subtotal		1	-	1	1
Fixed Charge Payments					
Inter-Account Payment		-	-	-	-
Subtotal		-	-	-	-
Net Fixed Charge Assets		1	-	1	1

GBP	Notes	Statement of Affairs			Total
		Estimated to 28 Sep 2020 - Realise	28 Mar 2022	28 Sep 2020 - 21 Sep 2022	
Floating Charge Receipts					
Bank Interest	10	32	39	71	71
Cash at Bank	1	192,881	-	192,881	192,881
Subtotal		192,913	39	192,952	192,952
Floating Charge Payments					
Office Holders Fees		-	(50,000)	(50,000)	(50,000)
Data Compliance Costs		(80)	-	(80)	(80)
Employee Expenses	13	(2,670)	(155)	(2,825)	(2,825)
Legal Fees		(1,500)	-	(1,500)	(1,500)
Statutory Advertising	6	(95)	-	(95)	(95)
Sundry Expenses		-	(26)	(26)	(26)
Subtotal		(4,345)	(50,181)	(54,526)	(54,526)
Floating Charge Surplus/ (Deficit)		188,568	(50,141)	138,427	138,427
Net Realisations		188,569	(50,141)	138,428	138,428
Distributions					
Fixed Charge Distribution	7	(150,000,000)	(1)	-	(1)
Floating Charge Distribution	8	-	(90,675)	(90,675)	(90,675)
Preferential Distribution	9	(20,028)	(1,276)	(21,304)	(21,304)
Prescribed Part Distribution		(9,869,536)	-	(26,448)	(26,448)
Subtotal		(20,029)	(118,399)	(138,428)	(138,428)
Total Balance Held		168,540	(168,540)	-	-

Appendix B: Receipts and Payments Accounts

Cote Group (Bidco) Limited

GBP	Statement of Affairs					Total	GBP	Statement of Affairs					Total
	Notes	Estimated to Realise	28 Sep 2020 - 27 Mar 2022	28 Mar 2022 - 21 Sep 2022	28 Sep 2020 - 21 Sep 2022			Notes	Estimated to Realise	28 Sep 2020 - 27 Mar 2022	28 Mar 2022 - 21 Sep 2022	28 Sep 2020 - 21 Sep 2022	
Fixed Charge Receipts													
Assigned Rights	1		1	-	1	Floating Charge Receipts							
Subtotal								Floating Inter-Account Receipt		-	-	-	
								Subtotal		-	-	-	
Fixed Charge Payments													
Inter-Account Payment			-	-	-	Floating Charge Payments							
Subtotal								Legal Fees		-	-	-	
								Subtotal		-	-	-	
Net Fixed Charge Assets						1		-		1			
Floating Charge Surplus/ (Deficit)													
Net Realisations													
										1	-	1	
Distributions													
Fixed Charge Distribution								7	(150,000,000)	(1)	-	(1)	
Floating Charge Distribution								8		-	-	-	
Preferential Distribution								9		-	-	-	
Prescribed Part Distribution									(100,645,657)	-	-	-	
Subtotal										(1)	-	(1)	
Total Balance Held													
											-		

Appendix B: Receipts and Payments Accounts

Cote Kitchens Limited

		Statement of Affairs			Total
		Estimated to	28 Sep 2020 -	28 Mar 2022	28 Sep 2020
GBP	Notes	Realise	27 Mar 2022	- 21 Sep 2022	- 21 Sep 2022
Receipts					
Leasehold Land & Property	1	16,495	16,495	-	16,495
Repayment under LTO	3		105,294	15,787	121,081
Bank Interest	10		8	17	25
Subtotal		16,495	121,797	15,804	137,601
Payments					
Payments under LTO	3		(91,114)	(29,465)	(120,578)
Bank Charges			-	(15)	(15)
Insurance			(370)	-	(370)
Subtotal		-	(91,483)	(29,480)	(120,963)
Total Balance Held					
		16,495	30,313	(13,675)	16,638

Appendix B: Notes to the Receipts and Payments Accounts

1. Business and asset consideration for the pre-pack sale of substantially all the business and assets of the Group, as detailed in the proposals dated 7 October 2020.
2. Intangibles (per the Statement of Affairs) includes assigned rights, goodwill, intellectual property and transferred records.
3. As per the APA, NewCo fully indemnified the Administrations for costs relating to leases operating under the LTO. This includes rent, service charge, utilities, and licence fees.
4. Business rates refunds received as a result of work undertaken by Gerald Eve, as instructed by the Administrators. The amounts shown are net of fees charged which amount to 15% of total realisations (£27,069).
5. Car leases paid on behalf of NewCo. 50% of VAT on these leases were non-recoverable.
6. Payment made from the estate of CRL on behalf of all entities in the Group with the exception of JRR and LRL.
7. Distribution to the chargeholder in CRL comprises value attributed to stock and cash as per APA.
8. Floating charge distributions to the chargeholder in JRR and LRL paid after meeting costs of the Administration.
9. Preferential creditor distributions were paid net of tax at JRR and LRL and the PAYE was paid to HMRC in this Period.
10. Interest bearing accounts.
11. An insurance refund was granted for a COVID-19 business interruption claim.
12. Expenses incurred in relation to employment advice offered by ERA Solutions in respect of the redundancies at JRR and LRL.
13. All values are exclusive of VAT, unless otherwise stated.
14. There is no chargeholder in CKL, therefore the Receipts and Payments Account shows assets and expenditure only. The balance will be transferred to the liquidators' account following their appointment.
15. Prescribed Part receipts from other Group Entities.
16. Creditor Amounts per the Statement of Affairs are shown against the various distributions shown on the Receipts & Payments account i.e Fixed & Floating Charge Distributions (shows Secured Creditor Claims), Prescribed Part Distribution (shows unsecured creditor claims), and Preferential Distribution (shows total of preferential claims).

Appendix C: Joint Administrators' Remuneration and Expenses

This appendix provides additional information in respect of our fees and expenses and the work undertaken during the Administrations.

Proposed Basis of Remuneration

- In our Proposals we explained that we would be proposing that our remuneration be fixed as a set amount and that remuneration totalling £1.58m would be drawn from the estates of CRL, JRR and LRL only. The table opposite shows the allocation by entity.
- At the time of the Transaction and as part of assessing the level of Prescribed Part funds and associated fees, we provided an estimate of our costs for the likely work required in relation to the Administrations; and agreed in principle with the Secured Creditors that we would fix our fees at this level. A set fee basis was therefore considered to be most suitable for the circumstances of the Administrations. The set fee also provided the Secured Creditors with a degree of certainty in their outcome from the Administrations.
- The set fee was based on the initial estimate of work required to progress and conclude the Administrations (within one year of appointment). However, given the number of property assignments that remained to be agreed within CRL, the Administrations were extended beyond their first anniversary. As a consequence of the additional statutory and other work required, the set fee was increased by £150k for CRL with the approval of the Secured Creditors.
- It was also agreed with the Secured Creditors that we may draw 100% of the VAT exclusive amount invoiced by CRL to the Purchasers in relation to work undertaken by us for the sole benefit of the Purchaser (and as a consequence of the extension of the LTO period beyond the 12 months initially granted). The total amount incurred in relation to this work was c.£365k. Better Taste Holdings 2 Limited, placed CRL in funds to meet this amount.
- We believe that our remuneration was a reasonable and fair reflection of the work performed in the Administrations.
- Later we have set out the various workstreams undertaken during the Administrations. All work anticipated at the start of the Administrations has now been undertaken and concluded, with the purposes of the administration having now been achieved.

Fee by Entity					
Entity	Initial set fee (£000)	Additional fee (£000)	Total set fee (£000)	Fees paid by the Purchaser (£000)	Total Fee
Limeyard Restaurants Limited	50	-	50	-	50
Jackson & Rye Restaurants Limited	100	-	100	-	100
Cote Restaturants Limited	1,430	150	1,580	365	1,945
Total	1,580	150	1,730	365	2,095

Approval of Fee Basis

- Approval was required in relation to both the basis and quantum of the set fee for CRL, JRL and LRL. Such approval was required from the Secured Creditors (and in the case of JRL and LRL, the Preferential Creditors also) prior to any remuneration being drawn.
- Approvals have been obtained as follows:
 - Secured Creditor approval was received on 2 February 2021 to the basis and the amount of the initial set fee in CRL, JRR and LRL. The increase in CRL of £150k was approved by the Secured Creditor on 16 September 2021.
 - At the same time as the increase, it was agreed that we may draw 100% of the VAT exclusive amount invoiced by CRL to the Purchasers in relation to work undertaken by us for the sole benefit of the Purchaser (and as a consequence of the extension of the LTO period beyond the 12 months initially granted).
 - In relation to JRR and LRL, the Preferential Creditors approved the same set fee basis and quantum through a decision by correspondence ending on 24 September 2021. As set out above, the Secured Creditors had previously approved this on 2 February 2021.

Appendix C: Joint Administrators' Remuneration and Expenses

Further details of our work to date in the Administrations and any financial benefit for creditors.

Category	Description	Rationale/ Benefit to Creditors
Administration & Planning	<ul style="list-style-type: none"> ■ Case planning - devising appropriate strategies for all entities and dealing with the cases and giving instructions to relevant staff members to undertake specific workstreams as and when required. ■ Issuing the statutory notifications to creditors and others required on appointment as office holder, including gazetting the office holders' appointments. ■ Routine administrative tasks, such as setting up case files, dealing with routine correspondence. ■ Obtaining specific penalty bonds (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate). Reviewing the adequacy of the bond on a quarterly basis. ■ Seeking consent for extensions to the period of the Administrations and filing the relevant notices with the Registrar of Companies. 	<ul style="list-style-type: none"> ■ Statutory / compliance requirement, and to ensure efficient project management
Investigations	<ul style="list-style-type: none"> ■ Where required: recovering, listing and reviewing the books and records for the cases. ■ Submitting online returns on the conduct of the directors for each of the eight entities as required by the Company Directors Disqualification Act. ■ Conducting initial investigations with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.. ■ Liaising with the Companies' directors in relation to the completion of the Statement of Affairs. ■ Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors. 	<ul style="list-style-type: none"> ■ Statutory requirement and to assess whether any potential claims existed against third parties for the benefit of creditors
Realisation of Assets	<ul style="list-style-type: none"> ■ Completing a sale process of substantially all the assets in the Group. ■ Monitoring of quantum and timing of Business Rates refunds. ■ Liaising with the Companies' bankers regarding pre-appointment accounts and arranging for periodic transfers of funds, including pre-appointment debtors, and closure of the accounts. ■ Liaise with insurers and provide supporting data in relation to a Business Interruption claim. 	<ul style="list-style-type: none"> ■ Realisation of assets and value for creditors

Appendix C: Joint Administrators' Remuneration and Expenses

Further details of our work in the Administration and any financial benefit for creditors.

Category	Description	Rationale/ Benefit to Creditors
Landlords & Property	<ul style="list-style-type: none"> ■ Arranging suitable insurance over assets including the leasehold properties where LTOs have been granted. ■ Regularly monitoring the suitability and appropriateness of the insurance cover in place. ■ Administration of lease surrenders and correspondence with non-retained landlords. ■ Administration of LTO's for retained sites, including invoicing and payment of rent during the LTO period. ■ Handling the surrender of non-retained landlords and dealing with the claims these landlords have in the relevant Administrations. ■ Accounting for receipts and payments from both the Purchasers and landlords in relation to the license to occupy. ■ Reviewing and completing on assignments agreed between the landlords, Purchasers and the Companies. ■ Continued correspondence with the Purchasers in relation to the assignments and issues faced at various of the leasehold properties. 	<ul style="list-style-type: none"> ■ Required under the terms of the APA, and LTO which provided significant benefit to the Companies' creditors.
Creditors	<ul style="list-style-type: none"> ■ Obtaining information from the case records about employee claims. ■ Completing documentation for submission to the Redundancy Payments Service. ■ Corresponding with employees regarding their claims. ■ Liaising with third party providers instructed on the case to assist in dealing with employee claims; obtaining reports and updates from them on the work done. ■ Dealing with creditor correspondence, emails and telephone conversations regarding their claims. ■ Maintaining up to date creditor information on the case management system. ■ Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend. ■ Calculating and paying dividends to Preferential Creditors in JRR and LRL. ■ Calculating a Prescribed Part dividend in CRL and others. ■ Issuing the notice of declaration of dividend to Preferential Creditors. ■ Issuing the notice of declaration of dividend to Unsecured Creditors. ■ Paying tax deducted from the dividends paid to employees. 	<ul style="list-style-type: none"> ■ Statutory requirements and required for orderly case management. Dividends represent the distribution of available assets to creditors in respect of their claims.

Appendix C: Joint Administrators' Remuneration and Expenses

Further details of our work in the Administration and any financial benefit for creditors.

Category	Description	Rationale/ Benefit to Creditors
Tax	<ul style="list-style-type: none"> ■ Preparing and filing VAT returns. ■ Preparing and filing Corporation Tax returns. ■ Seeking closure clearance from HMRC and other relevant parties. 	<ul style="list-style-type: none"> ■ Statutory requirements, but necessary to ensure tax is accounted for accurately and on time to ensure no financial detriment to creditors.
Reporting	<ul style="list-style-type: none"> ■ Preparing, reviewing and issuing Proposals to the creditors and members. ■ Filing the Proposals at Companies House. ■ Reporting on the outcome of the approval of the Proposals to the creditors, Companies House and the Court. ■ Reporting to the Lenders on the progress of the Administration. ■ Preparing, reviewing and issuing six-monthly progress reports to creditors. ■ Filing progress reports at Companies House. ■ Preparing, reviewing and issuing final reports to creditors. ■ Filing final reports and notices at Companies House. 	<ul style="list-style-type: none"> ■ Required by statute and to inform creditors on the progress of the Administrations
Technology	<ul style="list-style-type: none"> ■ Where required, registering with the Information Commissioners Office to ensure GDPR compliance. 	<ul style="list-style-type: none"> ■ Compliance/legal requirement

Appendix C: Joint Administrators' Remuneration and Expenses

We have not incurred any disbursements during the Administrations. However, we engaged several third parties to undertake work which (in some cases) we could have done ourselves.

Expenses

- The table below provides an analysis of expenses. Category 1 expenses are payments to independent third parties where there is specific expenditure directly referable to the case. The type of disbursements that may be charged as a Category 1 expense to a case generally comprise of external supplies of incidental services specifically identifiable to the case such as postage, statutory case advertising, invoiced travel, external printing, room hire, and document storage.
- Also chargeable were any properly reimbursed expenses incurred by personnel in connection with the case. Approval from creditors is not required for these expenses to be drawn.
- Category 2 expenses are costs that may include shared or allocated costs. We would require approval before drawing Category 2 expenses. The body of creditors who approve our fees would also have responsibility for approving of Category 2 expenses.
- An estimate of our anticipated Category 1 expenses are set out in the table below. No Category 2 expenses were incurred.

Estimated Expenses by Category

Type of Cost	Category	Total Estimate (£000)	Total Incurred (£000)
Postage	Category 1	5	0
Stationary	Category 1	5	0
Total		-	10

- £81 of Category 1 expenses have been paid as at 14 September 2022. No category 2 expenses have been paid.

Professional Advisory and Subcontracted Work

- The table below provides details of professional advisors and subcontractors that we have engaged on this project. The use of subcontractors is in relation to work that we could have done, but that we have outsourced.

Professional Advisors and Subcontracted Work

Advisor/Subcontractor	Service Provided	Basis of fee arrangement
ERA Solutions	Employee Claims	Fixed fee based on number of employees
Burges Salmon	Legal Advice	Time Costs
Gerald Eve	Business Rates Recovery	15% of cash realisations
AON UK Limited	Insurance services	Insurance premiums, plus IPT

- Our choice of ERA Solutions to assist with employee claims, Burges Salmon to provide legal support and Gerald Eve to assist with historic business rates recoveries was based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment.
- We also considered that the basis on which they will charge their fees was reasonable in the circumstances of the case. Other than the legal advice and insurance services, the work could have been undertaken by our teams, but we have outsourced this work as we consider it to be more cost effective and the providers have relevant specialist experience.
- We have also utilised the services of other teams within FTI Consulting LLP to assist with the Administration process. The fees of our tax and strategic communications teams have been included within the set fees. By working closely with our internal teams, we believe a more coordinated and cost-effective approach to the Administration workstreams has been possible.

Appendix C: Joint Administrators' Remuneration and Expenses

Our expenses estimate increased compared to our initial estimates as a direct result of the additional work required in dealing with the property portfolio.

- As set out in the table below, the estimated expenses in relation to AON UK Limited and Burges Salmon were higher than initial estimates for the following reasons:
 - **AON UK Limited** – The additional insurance premium payable was a consequence of the assignments taking longer to complete than anticipated.
 - **Burges Salmon** – In our previous report, we estimated that legal fees relating to property of £130k were expected to be incurred prior to closure of the Administrations, with this estimate covering the period 28 September 2021 to 21 September 2022. The actual amount incurred was £137k, of which £117k was incurred in this latest Period. All amounts have been paid. As set out previously, total legal fees were higher than anticipated due to the challenging nature of discussions with landlords and the Purchaser around assignments, and specifically where there were a number of applications to assign.

Estimate of Costs (Excl VAT)

Payee	Type of Cost	Costs Incurred (£)					Previous Estimated Total
		28 Sept 2020-27 March 2021	28 March 2021 - 27 March 2021	28 Sept 2021 - 27 March 2022	28 March 2022 - 21 Sept 2022	Total: Sept 2020 - Sept 2022	
AON UK Limited	Bonding & Insurance	12,734	7,235	3,522	3,522	27,013	19,970
EPE Reynell	Gazetting	1,036	-	-	95	1,131	1,036
ERA Solutions	Employee Claims	2,940	960	-	340	4,240	3,900
Burges Salmon	Legal Support	168,966	227,726	19,910	117,369	533,971	499,942
Total		185,676	235,921	23,432	121,326	566,355	524,848

Appendix D: Legal Notices

We have set out below some important notices regarding this report and the appointment of administrators.

■ About this report

This report has been prepared by the Joint Administrators solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration.

It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company [or any other company in the Group].

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

■ 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 the leave of the Court, may, in writing, request the Joint Administrators of the Company to provide additional information regarding remuneration or expenses to that already supplied within this document. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 IR16.

■ 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 the leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 18.36 or 18.37 IR16), challenging the amount or the basis of the remuneration which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such application must be made within eight weeks of receipt by the applicant(s) of the report detailing the remuneration and/or expenses in question, in accordance with Rule 18.34 IR16.

■ Data Protection

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of its insolvency practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website at <https://www.fticonsulting-emea.com/~media/Files/emea-files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>



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