



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 5 9 8 2 9 1 5

Company name in full Cote Restaurants Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Matthew Boyd

Surname Callaghan

### 3 Administrator's address

Building name/number 200 Aldersgate

Street Aldersgate Street

Post town London

County/Region

Postcode E C 1 A 4 H D

Country United Kingdom

### 4 Administrator's name ①

Full forename(s) Andrew

Surname Johnson

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 200 Aldersgate

Street Aldersgate Street

Post town London

County/Region

Postcode E C 1 A 4 H D

Country United Kingdom

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
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**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 **Puneet Singh Muker**

Company name **FTI Consulting LLP**

Address **200 Aldersgate**

**Aldersgate Street**

**Barbican**

Post town **London**

County/Region

Postcode **E C 1 A 4 H D**

Country

DX

Telephone **07814 358498**

**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.

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**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://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. ①  
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

① 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

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 United Kingdom



Cote Group

# Joint Administrators' Progress Report

For the period from 28 March 2021 to 27  
September 2021

## Entities Covered by this Report

Entity	Company Number
Taste Bidco Limited	09654975
Cote Restaurants Limited	05982915
Cote Restaurants Group Holdings Limited	08659502
Cote Kitchens Limited	12599618
Greenfields Meat Limited	09486138
Cote Group (Bidco) Limited	08662633
Jackson and Rye Restaurants Limited	08504197
Limeyard Restaurants Limited	08207403

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## Glossary



## GLOSSARY



# Glossary

Abbreviation	Definition	Term	Meaning
APA	Asset Purchase Agreement	Act	Insolvency Act 1986 (as amended)
BCP	BC Partners	Administrations	The Administrations of the Cote Group entities
BEIS	Department for Business, Energy and Industrial Strategy	Appointment date	28 September 2020
c.	Approximately	Administrators	Matthew Boyd Callaghan, Andrew James Johnson and Lisa Jane Rickelton
CAHL	Cote at Home Limited	/ Joint Administrators	
CDDA	Company Directors Disqualification Act 1986	/ we / our / us /	
CGBL	Cote Group (Bidco) Limited	Cote Group	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
CGFL	Cote Group (Financing) Limited	/ the Group	
CHL	Cote Holdings Limited (Jersey holding company)	/ the Companies	
CKL	Cote Kitchens Limited	Lender / Secured Lender	Better Taste Holding 2 Limited and Partners Group (Guernsey) Limited
CRL	Cote Restaurants Limited, trading as Côte Brasserie	/ Secured Creditor	
CRGHL	Cote Restaurants Group Holdings Limited	The Period	From 28 September 2020 to 27 March 2021
CT	Corporation Tax	The Proposals	The Joint Administrators' Statement of Proposals dated 7 October 2020
CTL	Cote Topco Limited (Jersey holding company)	Preferential creditors	Principally employee claims for unpaid wages (max £800 per employee), holiday pay, and certain unpaid pension contributions
CVL	Creditor's Voluntary Liquidation	Prescribed Part	Amount set aside for unsecured creditors from floating charge net realisations in accordance with Section 176A of the Act
EBITDAP	Earnings Before Interest, Taxes, Depreciation, Amortization and Pension Income	NewCo/Purchasers	Cote Restaurant Group Limited, Cote Deliveries Limited and Greenfield Food Supply Limited (wholly owned subsidiaries of Partners Group)
GML	Greenfields Meat Limited	Secured Debt	c.£150m comprising a £10m Super Senior Revolving Credit Facility and a unitranche £140m Senior Multicurrency Term Loan provided by Partners Group
HMRC	HM Revenue & Customs	Transaction	Pre-packaged sale of the Group's assets to the Purchasers, owned by the Lenders
ICAEW	Institute of Chartered Accountants in England & Wales	Unsecured creditors	Principally trade creditors, landlords, utility providers and HMRC
IR16	Insolvency (England and Wales) Rules 2016 (as amended)		
JRR	Jackson and Rye Restaurants Limited		
LTO	Licence to occupy 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		



# Introduction

## INTRODUCTION



# Introduction

- Matthew Callaghan, Andrew Johnson and Lisa Rickelton were appointed Joint Administrators of the following companies on 28 September 2020 by their directors:
  - 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
- Pursuant to Rule 18.6 IR16, we are required to provide creditors with reports setting out what has happened in the Administrations at six-monthly intervals.
- This report covers the period from 28 March 2021 to 27 September 2021 and contains:
  - An explanation of the work we have undertaken during the Period and how the Administrations have progressed;
  - An update on the estimated outcome for each class of creditor;
  - Details of the work we still need to undertake before the Administrations can be concluded;
  - A statement of our receipts and payments in each of the insolvency estates and details of expenses we have incurred;
  - An update on our remuneration for acting as Joint Administrators; and
  - Further information required by statute regarding our appointment as Joint Administrators.
- Details surrounding the Administrations can also be found in our Proposals dated 7 October 2020, and our previous six monthly progress report dated 27 April 2021 which continues to be available online at: <https://www.fticonsulting-emea.com/cip/cote-group-administrations>
- If you are unfamiliar with insolvency, we have included as an appendix a brief overview that you may wish to read before continuing to read this report.
- Certain legal notices regarding this report, our appointment and creditors' rights are also included as an appendix.

### How to Contact Us

- Creditors can contact us using the preferred methods below:

Email: [coteadministrators@fticonsulting.com](mailto: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>

### Actions Required by Creditors

- As explained in our Proposals and later in this report, a small dividend may be available for unsecured creditors in certain of the Companies.
- **Creditors of CRL, JRR, LRL, GML and CKL should submit their claims to us as soon as possible, to the above address.**
- There is not expected to be any dividend for unsecured creditors of TBL, CRGHL or CGBL subject to any returns received from an intercompany prescribed part distributions received from CRL.

# Background to the Administration

In our Proposals and SIP16 Statement to creditors, we reported 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 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. 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. There may also be small Prescribed Part funds available for the creditors of JRR, LRL and GML. Furthermore, the Purchasers committed to directly settling £3.0m of unsecured claims in CRL, which increases the dividend from the Prescribed Part for residual creditors. Of the £3m that the Purchasers committed to pay and based on the most recent information provided, we understand that £2.98m has been confirmed as having been settled to date.

**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

Available to unsecured creditors

The maximum Prescribed Part of £600k is likely to be available to the unsecured creditors of CRL as a result of the Transaction.

~3,000 jobs

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 company.

100%

Dividend to preferential creditors

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



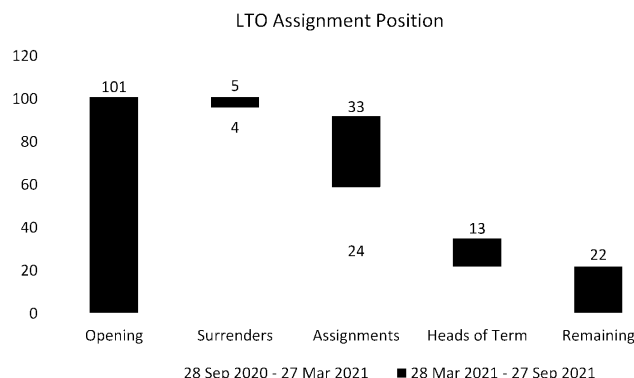
## **Progress of the Administrations**

## Realising the Assets

**After the immediate sale of the business and assets, there remained a significant amount of work to do in the Administrations, particularly in relation to the leasehold properties held by Cote Restaurants Limited.**

### 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.
- As shown alongside, to date, 57 lease assignments have completed, with around 13 more leases having agreed Heads of Terms to assign. Surrenders have been finalised at nine sites which were originally retained after the Transaction.
- An extension to the LTO for an additional six months has been agreed (now expiring on 27 March 2022) in order to facilitate the assignment of the remaining leases.
- Significant legal fees have been incurred as a result of access, prolonged occupation and assignment issues at various leasehold properties. As a consequence, legal fees incurred to date have been higher than our initial estimate set out in our Proposals. This increase in legal fees is not expected to impact the amount to be paid to CRL's unsecured creditors under the Prescribed Part due to the magnitude of floating charge realisations and will only impact the Secured Lenders, who have been made aware of the additional costs.



A significant amount of time continues to be spent in dealing with landlords and the Purchasers' staff in relation to the LTO, which has included the following during the Period:

- Monthly invoices raised to the Purchasers for the anticipated property expenses to be incurred in the following month;
- Monthly/bimonthly payment runs on invoices received from landlords at unassigned sites;
- Reviewing proposed assignments between the Purchasers alongside our legal advisors to ensure that any risk for CRL is mitigated;
- Providing credit notes where CRL's liability has been extinguished, assignments have been agreed and a balance is due back to the Purchasers;
- Dealing with an extension of the LTO beyond the first 12 months and liaising with our legal advisors in relation to this;
- Discussing with the Purchasers the current position regarding LTO funds held by us; and
- Where the Purchasers have taken the decision that they are no longer seeking an assignment of a particular leasehold, we have been required to confirm to the landlord that they (and CRL) have no remaining interest in the property and are therefore looking to agree a surrender of the lease.

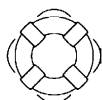
## Realising the Assets

**Our work in relation to various other assets is summarised below. These realisations include a recovery of £1m from a business interruption claim the Group had against its insurers for the impact of Covid-19 on the business.**



### Business Rates

- As previously set out, Gerald Eve LLP has been instructed to recover any historic business rates overpayments.
- During the Period, rates recoveries totalling c.£112k were made, bringing recoveries to date to a total of c.£141k (net of fees charged by Gerald Eve). We understand that a further c.£15k refund is expected to be received imminently.
- As at 18 October 2021, Gerald Eve has estimated total realisations of up to c.£250k. The timing and likelihood of future realisations remains unclear and in due course, we will therefore be required to evaluate the benefits of keeping the Administrations open, given the associated costs of doing so.



### Business Interruption Insurance Claim

- During the Period, we continued to liaise with the insurers and provided supporting data in relation to the Business Interruption claim.
- We established that the return from this policy would be capped at £1m and that the decline in trading performance was significantly worse than this policy limit. As a consequence, we were therefore able to clearly demonstrate that the amount that should be paid out in relation to the claim should be the maximum £1m.
- Following conversations with the insurers, in July 2021, we received payment of £1m from the insurers. Subsequently, we distributed £700k to the Secured Lender, holding the balance as a provision for any potential tax liability pending clarification of the tax position. It is anticipated that in due course this amount will be distributed to the Secured Lender as no further tax liability is expected based on current information.



### Pre-administration Bank Accounts

- Since appointment, we have recovered £196k from sweeps of the pre-administration bank accounts.
- During the Period, we have liaised with HSBC to understand the quantum of funds still flowing into the pre-administration accounts. We understand that a historic business rates refund has been paid into this account alongside residential rent in relation to flats above the Richmond site.
- Once HSBC has confirmed the extent to which funds continue to flow into this account, we will establish whether there is any continued benefit to creditors in keeping these accounts open.
- A further sweep of the accounts to recover legacy balances is being progressed alongside HSBC and we anticipate a further receipt of funds within the next few weeks.

## Dealing with Stakeholders and Creditors

**Our work includes adjudicating on claims and amounts owed to certain classes of creditors where a dividend may be available. We also respond to queries that we receive from creditors and other key stakeholders.**

### Preferential Creditors

- In our last report, we explained that we had given notice of our intention to distribute a first and final distribution to the preferential creditors of JRR and LRL. As previously reported, these were the only two Group entities where employees were made redundant and preferential claims arose as a result.
- Throughout the Period, we have maintained a regular dialogue with our specialist agents (ERA Solutions) and have dealt with employee queries as they have arisen.
- ERA Solutions has continued to provide assistance to the employees who were made redundant and have assisted us in relation to the preferential distribution made during the Period.
- As is typical in an insolvency process, the RPS replaces an employee as a creditor by paying certain claims on behalf of the insolvent employer (including holiday pay and notice pay up to a statutory limit).
- We received the finalised preferential claim from the RPS and therefore during the Period we were able to adjudicate all preferential claims. It was necessary to request additional information from certain creditors in support of their claims.
- Following the adjudication of claims, a first and final preferential dividend of 100p/£ was declared for the preferential creditors of both JRR and LRL in 28 June 2021. The total net amount distributed was c.£32k (JRR: c.£18k, LRL: c.£14k). We are currently liaising with HMRC in relation to the payment of PAYE and NI.
- There are a number of un-presented cheques in relation to preferential claims. Should these not be cashed within six months of receipt, we will cancel the cheques and transfer the amounts to the Insolvency Service (Unclaimed Dividends Account), from which creditors will be able to claim these balances.

### Secured Creditors

- We continue to work closely with the Secured Creditors, particularly with respect to the LTO and the fixed charge property workstream.
- Significant time has been spent calculating the LTO on a monthly basis in relation to property/rental costs, the associated calculation of credit notes where we hold excess funds and liaising with landlords to facilitate assignment negotiations.
- Additionally, we continue to liaise with GLAS (acting as agents for the Secured Creditors) in relation to distributions, further details of which are set out on the previous slide and later in this report.

### Unsecured Creditors

- We continue to receive regular queries from unsecured creditors. Throughout the Period we have assisted unsecured creditors by providing information where possible and redirecting queries to NewCo where appropriate.
- We have also assisted in the novation of various pre-appointment supplier agreements to the Purchasers, where this service was required for the ongoing business.
- Finally, we continue to liaise with utility suppliers to ensure smooth changes of tenancy at assigned, vacated and surrendered sites.
- See later in this report for details on the anticipated dividends to certain of the Companies.

**All preferential creditors of the Group have received a distribution of 100p in the £ during the Period**



## Managing the Companies' Affairs

**Until such time as the Companies' are dissolved, they must continue to fulfil many of their usual obligations. Whilst appointed to manage the affairs of the Companies, we are responsible for ensuring these obligations are met.**

### VAT

- Two VAT returns have been submitted during the Period; for the quarters ending 30 April 2021 and 31 July 2021. For both periods there were refunds due back to the Group totaling £479,576.54 and £99,667.29 respectively.
- A further VAT return will be due for the period ending 31 October 2021.

### Corporation Tax

- During the Period, corporation tax returns for the periods ending 26 July 2020 and 27 September 2020 have been submitted for each of the Companies.
- Preparation and submission of the returns has required the collation of information for the Companies (with assistance from the Purchaser as custodian of certain records) and working alongside our specialist tax team.
- Corporation tax returns for the period ending 27 September 2021 are currently being prepared and will be submitted shortly.

### PAYE

- Given the transfer or redundancy of all employees immediately on appointment, no PAYE filings have been required for the post-appointment period. However, where preferential distributions have been made to the former employees of JRR and LRL, National Insurance and PAYE payable on these distributions has been calculated and will shortly be paid to HMRC.

### Treasury and Accounting

- An account of our receipts and payments for the period covered by this report is provided at Appendix B.
- Receipts in the Period consist largely of the Business Interruption claim proceeds received from the insurers and LTO funds received from the Purchasers in order to meet ongoing property liabilities.
- Payments in the Period predominantly consist of:
  - payments made to landlords for the period of occupation under the LTO;
  - the Secured Creditor distribution following the receipt of the business interruption claim settlement proceeds;
  - the preferential distribution made to the former employees of JRR and LRL; and
  - legal fees for work undertaken in completing assignments with the landlords and the Purchasers, as well as general advice regarding the Administrations.

## Fulfilling our Statutory Duties

**As a consequence of the Companies' insolvency, we have a number of ongoing responsibilities that include updating creditors on our progress and arranging for the period of the Administrations to be extended.**

### Statutory Investigations

- As previously explained, we submitted information in regard to the conduct of the Companies' directors to BEIS. The content of our investigatory findings is confidential; however, it was concluded that there were no recovery actions relating to the directors' conduct that should be pursued.
- No further information has come to light during the Period that has required further investigation regarding the directors' conduct or any potential asset recovery actions.

### Extensions to the period of the Administrations

- We considered that it was necessary to extend the period of the Administrations for each of the entities to allow for all outstanding matters to be resolved in an orderly manner; including the transfer (or otherwise) of the remaining leasehold properties and distribution of funds to unsecured creditors where appropriate.
- A request to extend the Administrations was approved by the Secured Creditors for all entities other than CKL which did not have any secured creditors.
- For both JRR and LRL, the preferential creditors also approved the extension of those Administrations by way of a decision by correspondence (with a decision date of 24 September 2021).
- In relation to CKL, the extension of the Administration was approved by the unsecured creditors, also by way of a decision by correspondence (with a decision date of 24 September 2021).
- As this was the first extension of the Administrations, only the consent of the relevant classes of creditors was required, with each of the Administrations being extended for a period of 12 months to 27 September 2022. In the unlikely event that a further extension is required, an application to court will be needed closer to the time.
- Having sought and obtained the relevant approvals, notices of the extensions have been delivered to creditors via our website and filed with Companies House.

### Joint Administrators' remuneration

- Our fees and disbursements, as set out in our Proposals and previous report, are to be drawn on a fixed fee basis in the Administrations of JRR, LRL and CRL estates. We do not expect to 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 are 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 also 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).
  - **JRR** - Secured Creditor approval to draw a set fee of £100k (per our Proposals) was received on 2 February 2021. The preferential creditors approved the same basis and quantum through a decision by correspondence ending on 24 September 2021.
  - **LRL** - Secured Creditor approval to draw a set fee of £50k (per our Proposals) was received on 2 February 2021. The preferential creditors approved the same basis and quantum through a decision by correspondence ending on 24 September 2021.
- Our fees drawn in the Period total £1.38m plus VAT in CRL. No fees have yet been drawn in respect of either JRR or LRL.

## Fulfilling our Statutory Duties

**Other statutory duties also include seeking approval to the time at which we are discharged from liability in respect of our actions as Joint Administrators.**

### Exit route from Administration

- The Administrations may end at different times and in different ways, however at the present time, we expect each of the Companies to move to dissolution once its Administration is concluded.
- On current information, we expect to conclude all Group entities' Administrations within the next 12 months and no further extensions to the period of the Administration are currently believed to be necessary.

### Discharge from liability

- In accordance with the Insolvency Act 1986, approval for the timing of our discharge from liability was sought from the relevant classes of creditors of each of the Companies.
- In this case, approval was sought from the Secured Creditors at CRL, TBL, CRGHL, CGBL, JRR, LRL and GML. Whilst during the period Preferential creditor approval was additionally sought at JRR and LRL (because preferential dividends had been made).
- During the Period we received the following approvals:
  - Secured Creditor approval on 2 February 2021; and
  - Preferential creditor approval on 24 September 2021.
- Having received the aforementioned approvals in respect of our discharge from liability, the only outstanding approval we require is the unsecured creditor approval at CKL.
- A resolution seeking discharge from liability was sort by decision by correspondence dated 24 September 2021 from CKL's creditors.
- However, no creditor responded in relation to the resolution seeking the Joint Administrators discharge from liability so the Joint Administrators' will therefore seek to engage with creditors in relation to their discharge in due course.

### Discharge from liability

- Pursuant to Paragraph 98 of Schedule B1 to the Act, our discharge from liability in respect of our actions as Joint Administrators of each of the Companies takes effect at the specific time appointed by either the court, the creditors (either via the creditors' committee or by decision of the creditors) or, in specific circumstances, by the secured and (if appropriate) preferential creditors.





## **Estimated Outcomes for Creditors**

## Secured and Preferential Creditors

**Secured Creditor distributions of c.£836k were made during the Period from the Administration of CRL. Preferential claims in JRR and LRL were paid in full.**

### Secured Creditors

- Prior to the Administrations, the Secured Lenders had made available to TBL (as borrower), loan facilities in the aggregate amount of £173 million, with TBL, CRGHL, CGBL, CRL, JRR, LRL and GML granting fixed and floating security over their assets to the security agent acting on behalf of the Secured Lenders.
- At the date of appointment, £150m of the facilities remained outstanding, with the Secured Lenders acquiring the Group via a credit bid in the amount of £56.5m. Accordingly, the Secured Lenders' claim at the start of the Period was £93.5m.
- In July 2021, we made a further distribution totalling £836,473, comprising of £700k in respect of the Business Interruption claim plus an additional distribution of c.£136k from cash received on appointment. Following payment of these amounts, the Secured Lenders' claim into the Administration estates has reduced to £92.7m.
- The final return to the Secured Lenders is uncertain, although based on current information, we expect there to be a further distribution to Secured Creditors from CRL. This is in addition to the £57.3m reduction in the Secured Debt to date.
- After the costs of the Administrations and (in JRR and LRL) having paid the preferential claims in full, we also expect further distributions to the Secured Lenders from JRR, LRL and GML. Prescribed Part funds will be ring-fenced from these amounts and be available for unsecured creditors; however, these are expected to be minimal.
- As set out in our previous reports, there is not expected to be any further return to the Secured Creditors from the Administrations of TBL, CRGHL and CGBL as there are not expected to be any asset realisations into these estates, beyond the amounts already distributed under the fixed charge.

### 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.
- Since December 2020, HMRC is also a preferential creditor for certain specified debts but ranks behind the preferential debts described above.

### Preferential Creditors

- The known preferential creditors are 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.
- The total amount distributed was c.£32k (JRR: c.£18k, LRL: c.£14k), with tax and National Insurance totalling c.£8k to be paid to HMRC.
- There are not expected to be any preferential creditors in the other Administrations. The only other employing entity was CRL and all CRL employees transferred to the Purchasers under TUPE.

## Unsecured Creditors and the Prescribed Part

**Dividends for unsecured creditors are expected in five of the eight Administrations, including the maximum Prescribed Part fund of £600k in CRL. Payment is expected within the next 12 months.**

- We continue to believe that there will be insufficient funds to repay the Secured Lenders in full in the Administrations and therefore a distribution to unsecured creditors will only arise by virtue of the Prescribed Part, under Section 176A(2)(a) of the Act.
- The maximum prescribed part, being £600k (before costs), is expected to be available for the unsecured creditors of CRL. We believe there will also be a Prescribed Part available in the estates of JRR, LRL and GML. We have estimated the Prescribed Part amounts in each of the entities where such a distribution is anticipated:
- There is not expected to be any return to unsecured creditors of TBL, CRGHL and CGBL as there are not expected to be any realisations into these estates.
- As set out throughout this report, CKL is not subject to the Group security and consequently, dependent on the level of Administration costs, we anticipate a small dividend to unsecured creditors of less than 1p/£.

Prescribed Part by Entity	
Entity	Prescribed Part ('£000)
Cote Restaurants Limited	600
Greenfields Meat Limited	37
Jackson and Rye Restaurants Limited	9
Limyard Restaurants Limited	17
<b>Total (before costs)</b>	<b>663</b>

- We are not yet in a position to determine the exact rate of dividend payable to unsecured creditors, as claims have not yet been fully adjudicated. Payments are made pro-rata to the size of the claims.
- We anticipate commencing the process of making a Prescribed Part dividends in JRR, GML and LRL in the next three months. It is anticipated that by way of intercompany receivables held by TBL, CRGHL and CGBL they are expected to participate in prescribed part distributions payable at the above entities.
- The process for paying the Prescribed Part in CRL is contingent on all CRL property assignments and surrenders having completed (to allow adjudication of landlord claims). Therefore, we anticipate that the dividend in CRL will take longer and will have commenced within six months of the date of this report.

### 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).

### Shareholders






- There will be no return to the Group's shareholders as there will be a material shortfall to the Group's creditors.



## Key Matters Remaining

## Work We Still Need To Do

The remaining steps that need to be taken ahead of concluding the Administrations are shown below, in addition to certain periodic statutory duties we must fulfil whilst we remain appointed.

Area	<b>Property</b> 	<b>Other assets</b> 	<b>Tax / VAT</b> 	<b>Distributions</b> 	<b>Closure</b> 
Work Required	<ul style="list-style-type: none"> <li>Agree a further extension of the LTO from the end of March 2022 (if and where required).</li> <li>Coordinate remaining lease assignments (or surrender and new leases) of LTO properties with the Purchaser.</li> <li>Make payments of rental expenses and other associated property costs due under the LTO.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to pursue recoveries in relation to business rates.</li> <li>Undertake a further sweep of the Companies pre-administration bank accounts to ensure all legacy funds are recovered.</li> <li>Where applicable, pursue any value available to CRL in respect of lease premiums.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to submit quarterly VAT returns.</li> <li>Submit corporation tax returns for the post-appointment period.</li> <li>Deal with any tax issues in relation to the pre-packaged transaction.</li> <li>Seek clearance from HMRC to close the Administrations.</li> </ul>	<ul style="list-style-type: none"> <li>Pay PAYE and NI due on the preferential dividends in JRR and LRL.</li> <li>Agree the claims of unsecured creditors for the estates in which dividends are envisaged (likely to be in CRL, JRR, GML, LRL and CKL only).</li> </ul>	<ul style="list-style-type: none"> <li>Progress any other matters required to wind-down the Companies' affairs generally prior to the Administrations concluding and the Companies being moved to dissolution.</li> <li>Ensure clearance to conclude each of the appointments is provided by HMRC.</li> </ul>
Timing	<ul style="list-style-type: none"> <li>Completion of this area of work is largely dependent on the Purchaser's negotiations with the various landlords.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing and subject to there being an expected financial benefit for creditors in continuing this work.</li> </ul>	<ul style="list-style-type: none"> <li>Periodic and ongoing.</li> </ul>	<ul style="list-style-type: none"> <li>Within the next six to 12 months and (in CRL) subject to the conclusion of property transfers.</li> </ul>	<ul style="list-style-type: none"> <li>Dependent on property negotiations in CRL due to Prescribed Part timings and the circularity of intercompany flows.</li> </ul>



## KEY MATTERS REMAINING



## Our Next Report to Creditors

- We are required to provide a further progress report to all creditors within one month of the end of the period ending 27 March 2022, or when the Administrations come to an end, whichever is sooner.
- That report will be placed on our website, details of which were provided at the beginning of this report.
- All documents will be retained on the website and will remain live until two months after the conclusion of the proceedings.
- If you require hard copy documents, please contact the Cote Administrators at FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD and you will be provided, free of charge, a hard copy of documents posted to the website, either now or in the future.
- If you have any specific queries in relation to this report or the Administrations in general, please contact us using the details given above.

For and on behalf of the Companies

A handwritten signature in black ink, appearing to read 'MBC'.

**Matthew Boyd Callaghan**  
Joint Administrator

- The affairs, business and property of the Companies are being managed by the Joint Administrators, who act as agents of the Companies and without personal liability.
- The Joint Administrators are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under Section 390A(2)(a) of the Insolvency Act 1986.
- The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>



## 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 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 of Sch B1 to the Act, 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 of Schedule B1 of the Act. Pursuant to Paragraph 26(1) of Schedule 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 company's assets in favour of Glas Trust Corporation Limited, the security agent for the Secured Lenders												
Current Administration End Date	27 September 2022												
Directors, Officers and their Shareholdings	<table><tr><th>Director Name</th><th>Status</th><th>Shareholding</th></tr><tr><td>Alex Scrimgeour</td><td>Resigned 02/12/2020</td><td>Nil</td></tr><tr><td>Strahan Wilson</td><td>Current director</td><td>Nil</td></tr><tr><td>Kristina Zienko</td><td>Resigned 16/12/2020</td><td>Nil</td></tr></table>	Director Name	Status	Shareholding	Alex Scrimgeour	Resigned 02/12/2020	Nil	Strahan Wilson	Current director	Nil	Kristina Zienko	Resigned 16/12/2020	Nil
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 Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total: 28 Sep 2020 - 27 Sep 2021
<b>Fixed Charge Receipts</b>					
Assigned Rights	1		1	-	1
Goodwill	1		-	-	-
Intangibles	2	1	-	-	-
Intellectual Property	1		-	-	-
Fixed Inter-account receipt			-	-	-
IT Systems	1		-	-	-
Leasehold Land & Property	1		-	-	-
Plant & Machinery	1		-	-	-
Repayment under LTO	3		-	-	-
Supply Contracts	1		-	-	-
Transferred Records	1		-	-	-
<b>Subtotal</b>			<b>1</b>	<b>-</b>	<b>1</b>
<b>Fixed Charge Payments</b>					
Inter-account payment			-	-	-
Payments under LTO	3		-	-	-
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Fixed Charge Surplus/ (Deficit)</b>					
			<b>1</b>	<b>-</b>	<b>1</b>
<b>Distributions</b>					
Fixed Charge Distribution	7		(1)	-	(1)
Floating Charge Distribution	8, 9		-	-	-
Preferential Distribution	10		-	-	-
<b>Subtotal</b>			<b>(1)</b>	<b>-</b>	<b>(1)</b>
<b>Total Balance Held</b>					
			<b>-</b>	<b>-</b>	<b>-</b>
<b>Made Up As Follows</b>					
Vat Control	13		-	-	-
Floating Charge Account	11		-	-	-
<b>Total</b>			<b>-</b>	<b>-</b>	<b>-</b>

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total: 28 Sep 2020 - 27 Sep 2021
<b>Floating Charge Receipts</b>					
Floating Inter-account receipt			-	-	-
Insurance Refund	12		-	-	-
Bank Interest			-	-	-
Book Debts			-	-	-
Cash at Bank	1		-	-	-
Stock	1		-	-	-
Business Rates Refunds	4		-	-	-
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Floating Charge Payments</b>					
Office Holders Fees			-	-	-
Bank Charges			-	-	-
Car Leases	5		-	-	-
Data Compliance Costs			-	-	-
Insurance			-	-	-
Employee Expenses			-	-	-
Legal Fees			-	-	-
Postage and stationery			-	-	-
Specific Bond	7		-	-	-
Statutory Advertising	6		-	-	-
Irrecoverable VAT	5		-	-	-
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Floating Charge Surplus/ (Deficit)</b>					
			<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Realisations</b>					
			<b>1</b>	<b>-</b>	<b>1</b>

## Appendix B: Receipts and Payments Accounts

### Cote Restaurants Limited

		Statement of Affairs		Total 28 Sep 2020 - 27 Sep 2021	
GBP	Notes	Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021- 27 Sep 2021	
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
Fixed Inter-account receipt			-	-	-
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
Repayment under LTO	3		7,971,036	1,447,511	9,418,548
Supply Contracts	1		1	-	1
Transferred Records	1		1	-	1
Subtotal			45,579,529	1,447,511	47,027,041
Fixed Charge Payments					
Inter-account payment			-	(15,000)	(15,000)
Payments under LTO	3		(2,863,913)	(3,016,678)	(5,880,591)
Subtotal			(2,863,913)	(3,031,678)	(5,895,591)
Fixed Charge Surplus/ (Deficit)		-	42,715,617	(1,584,166)	41,131,450
Distributions					
Fixed Charge Distribution	7		(37,608,493)	-	(37,608,493)
Floating Charge Distribution	8, 9		(15,883,777)	(836,473)	(16,720,250)
Preferential Distribution	10		-	-	-
Subtotal			(53,492,270)	(836,473)	(54,328,743)
Total Balance Held			7,164,089	(2,945,349)	4,218,739
Made Up As Follows					
Vat Control	13		37,923	105,799	143,723
Floating Charge Account	11		7,126,165	(3,051,149)	4,075,016
Total			7,164,089	(2,945,349)	4,218,739

		Statement of Affairs			Total 28 Sep
GBP	Notes	Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021- 27 Sep 2021	2020 - 27 Sep 2021
Floating Charge Receipts					
Floating Inter-account receipt			-	-	-
Insurance Refund	12		-	1,000,000	1,000,000
Bank Interest			315	251	566
Book Debts			196,167	-	196,167
Cash at Bank	1	17,773,165	16,375,313	-	16,375,313
Stock	1	1,530,000	1,530,000	-	1,530,000
Business Rates Refunds	4		30,187	90,235	120,422
Subtotal		19,303,165	18,131,982	1,090,486	19,222,468
Floating Charge Payments					
Office Holders Fees			-	(1,380,000)	(1,380,000)
Bank Charges			(195)	(195)	(390)
Car Leases	5		(4,387)	-	(4,387)
Data Compliance Costs			(40)	(40)	(80)
Insurance			(11,578)	(7,235)	(18,814)
Employee Expenses			-	-	-
Legal Fees			(168,966)	(227,726)	(396,692)
Postage and stationery			(3,825)	-	(3,825)
Specific Bond	7		(1,156)	-	(1,156)
Statutory Advertising	6		(1,036)	-	(1,036)
Irrecoverable VAT	5		(57)	-	(57)
Subtotal			(191,240)	(1,615,196)	(1,806,436)
Floating Charge Surplus/ (Deficit)			17,940,742	(524,710)	17,416,032
Net Realisations			60,656,359	(2,108,876)	58,547,482

## Appendix B: Receipts and Payments Accounts

### Cote Restaurants Group Holdings Limited

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021- 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
<b>Fixed Charge Receipts</b>					
Assigned Rights	1		1	-	1
Goodwill	1		50,000	-	50,000
Intangibles	2	50,003	-	-	-
Intellectual Property	1		1	-	1
Fixed Inter-account receipt			-	-	-
IT Systems	1		-	-	-
Leasehold Land & Property	1		-	-	-
Plant & Machinery	1		-	-	-
Repayment under LTO	3		-	-	-
Supply Contracts	1		-	-	-
Transferred Records	1		1	-	1
<b>Subtotal</b>			<b>50,003</b>	<b>-</b>	<b>50,003</b>
<b>Fixed Charge Payments</b>					
Inter-account payment			-	-	-
Payments under LTO	3		-	-	-
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Fixed Charge Surplus/ (Deficit)</b>		<b>-</b>	<b>50,003</b>	<b>-</b>	<b>50,003</b>
<b>Distributions</b>					
Fixed Charge Distribution	7		(50,003)	-	(50,003)
Floating Charge Distribution	8, 9		-	-	-
Preferential Distribution	10		-	-	-
<b>Subtotal</b>			<b>(50,003)</b>	<b>-</b>	<b>(50,003)</b>
<b>Total Balance Held</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Made Up As Follows</b>					
Vat Control	13		-	-	-
Floating Charge Account	11		-	-	-
<b>Total</b>			<b>-</b>	<b>-</b>	<b>-</b>

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021- 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
<b>Floating Charge Receipts</b>					
Floating Inter-account receipt			-	-	-
Insurance Refund	12		-	-	-
Bank Interest			-	-	-
Book Debts			-	-	-
Cash at Bank	1		-	-	-
Stock	1		-	-	-
Business Rates Refunds	4		-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Floating Charge Payments</b>					
Office Holders Fees			-	-	-
Bank Charges			-	-	-
Car Leases	5		-	-	-
Data Compliance Costs			-	-	-
Insurance			-	-	-
Employee Expenses			-	-	-
Legal Fees			-	-	-
Postage and stationery			-	-	-
Specific Bond	7		-	-	-
Statutory Advertising	6		-	-	-
Irrecoverable VAT	5		-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Floating Charge Surplus/ (Deficit)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Realisations</b>			<b>50,003</b>	<b>-</b>	<b>50,003</b>

## Appendix B: Receipts and Payments Accounts

### Greenfields Meat Limited

		Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021- 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
GBP	Notes				
Fixed Charge Receipts					
Assigned Rights	1		1	-	1
Goodwill	1		1	-	1
Intangibles	2	800,005	800,000	-	800,000
Intellectual Property	1		1	-	1
Fixed Inter-account receipt			-	-	-
IT Systems	1	200,000	200,000	-	200,000
Leasehold Land & Property	1		-	-	-
Plant & Machinery	1	1,800,000	1,800,000	-	1,800,000
Repayment under LTO	3		-	-	-
Supply Contracts	1		1	-	1
Transferred Records	1		1	-	1
Subtotal			2,800,005	-	2,800,005
Fixed Charge Payments					
Inter-account payment			-	-	-
Payments under LTO	3		-	-	-
Subtotal			-	-	-
Fixed Charge Surplus/ (Deficit)		-	2,800,005	-	2,800,005
Distributions					
Fixed Charge Distribution	7		(2,800,005)	-	(2,800,005)
Floating Charge Distribution	8, 9		(170,000)	-	(170,000)
Preferential Distribution	10		-	-	-
Subtotal			(2,970,005)	-	(2,970,005)
Total Balance Held			1	-	1
Made Up As Follows					
Vat Control	13		-	-	-
Floating Charge Account	11		-	-	-
Total			-	-	-

		Statement of Affairs	Total 28 Sep		
GBP	Notes	Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021- 27 Sep 2021	2020 - 27 Sep 2021
<b>Floating Charge Receipts</b>					
Floating Inter-account receipt			-	-	-
Insurance Refund	12		-	-	-
Bank Interest			-	-	-
Book Debts			-	-	-
Cash at Bank	1		-	-	-
Stock	1	170,000	170,001	-	170,001
Business Rates Refunds	4		-	-	-
<b>Subtotal</b>		<b>170,000</b>	<b>170,001</b>	<b>-</b>	<b>170,001</b>
<b>Floating Charge Payments</b>					
Office Holders Fees			-	-	-
Bank Charges			-	-	-
Car Leases	5		-	-	-
Data Compliance Costs			-	-	-
Insurance			-	-	-
Employee Expenses			-	-	-
Legal Fees			-	-	-
Postage and stationery			-	-	-
Specific Bond	7		-	-	-
Statutory Advertising	6		-	-	-
Irrecoverable VAT	5		-	-	-
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Floating Charge Surplus/ (Deficit)</b>			<b>170,001</b>	<b>-</b>	<b>-</b>
<b>Net Realisations</b>			<b>2,970,006</b>	<b>-</b>	<b>-</b>



## Appendix B: Receipts and Payments Accounts

### Jackson and Rye Restaurants Limited

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
<b>Fixed Charge Receipts</b>					
Assigned Rights	1		1	-	1
Goodwill	1		-	-	-
Intangibles	2	1	-	-	-
Intellectual Property	1		-	-	-
Fixed Inter-account receipt			-	-	-
IT Systems	1		-	-	-
Leasehold Land & Property	1		-	-	-
Plant & Machinery	1		-	-	-
Repayment under LTO	3		-	-	-
Supply Contracts	1		-	-	-
Transferred Records	1		-	-	-
<b>Subtotal</b>			<b>1</b>	<b>-</b>	<b>1</b>
<b>Fixed Charge Payments</b>					
Inter-account payment			-	-	-
Payments under LTO	3		-	-	-
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Fixed Charge Surplus/ (Deficit)</b>			<b>-</b>	<b>1</b>	<b>1</b>
<b>Distributions</b>					
Fixed Charge Distribution	7		(1)	-	(1)
Floating Charge Distribution	8, 9		-	-	-
Preferential Distribution	10		-	(18,179)	(18,179)
<b>Subtotal</b>			<b>(1)</b>	<b>(18,179)</b>	<b>(18,180)</b>
<b>Total Balance Held</b>			<b>150,436</b>	<b>(20,402)</b>	<b>130,034</b>
<b>Made Up As Follows</b>					
Vat Control	13		294	96	390
Floating Charge Account	11		150,142	(20,498)	129,644
<b>Total</b>			<b>150,436</b>	<b>(20,402)</b>	<b>130,034</b>

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
<b>Floating Charge Receipts</b>					
Floating Inter-account receipt			-	-	-
Insurance Refund	12		-	-	-
Bank Interest			6	7	13
Book Debts			-	-	-
Cash at Bank	1	151,509	151,940	-	151,940
Stock	1		-	-	-
Business Rates Refunds	4		-	-	-
<b>Subtotal</b>		<b>151,509</b>	<b>151,946</b>	<b>7</b>	<b>151,954</b>
<b>Floating Charge Payments</b>					
Office Holders Fees			-	-	-
Bank Charges			-	-	-
Car Leases	5		-	-	-
Data Compliance Costs			(40)	-	(40)
Insurance			-	-	-
Employee Expenses			(1,470)	(480)	(1,950)
Legal Fees			-	(1,750)	(1,750)
Postage and stationery			-	-	-
Specific Bond	7		-	-	-
Statutory Advertising	6		-	-	-
Irrecoverable VAT	5		-	-	-
<b>Subtotal</b>			<b>(1,510)</b>	<b>(2,230)</b>	<b>(3,740)</b>
<b>Floating Charge Surplus/ (Deficit)</b>			<b>150,436</b>	<b>(2,223)</b>	<b>148,214</b>
<b>Net Realisations</b>			<b>150,437</b>	<b>(2,223)</b>	<b>148,215</b>

## Appendix B: Receipts and Payments Accounts

### Limeyard Restaurants Limited

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
<b>Fixed Charge Receipts</b>					
Assigned Rights	1		1	-	1
Goodwill	1		-	-	-
Intangibles	2	1	-	-	-
Intellectual Property	1		-	-	-
Fixed Inter-account receipt			-	-	-
IT Systems	1		-	-	-
Leasehold Land & Property	1		-	-	-
Plant & Machinery	1		-	-	-
Repayment under LTO	3		-	-	-
Supply Contracts	1		-	-	-
Transferred Records	1		-	-	-
<b>Subtotal</b>			<b>1</b>	<b>-</b>	<b>1</b>
<b>Fixed Charge Payments</b>					
Inter-account payment			-	-	-
Payments under LTO	3		-	-	-
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Fixed Charge Surplus/ (Deficit)</b>			<b>-</b>	<b>1</b>	<b>1</b>
<b>Distributions</b>					
Fixed Charge Distribution	7		(1)	-	(1)
Floating Charge Distribution	8, 9		-	-	-
Preferential Distribution	10		-	(16,065)	(16,065)
<b>Subtotal</b>			<b>(1)</b>	<b>(16,065)</b>	<b>(16,066)</b>
<b>Total Balance Held</b>			<b>191,379</b>	<b>(18,036)</b>	<b>173,344</b>
<b>Made Up As Follows</b>					
Vat Control	13		294	96	390
Floating Charge Account	11		191,085	(18,132)	172,954
<b>Total</b>			<b>191,379</b>	<b>(18,036)</b>	<b>173,344</b>

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
<b>Floating Charge Receipts</b>					
Floating Inter-account receipt			-	-	-
Insurance Refund	12		-	-	-
Bank Interest			8	9	17
Book Debts			-	-	-
Cash at Bank	1	192,881	192,881	-	192,881
Stock	1		-	-	-
Business Rates Refunds	4		-	-	-
<b>Subtotal</b>		<b>192,881</b>	<b>192,889</b>	<b>9</b>	<b>192,899</b>
<b>Floating Charge Payments</b>					
Office Holders Fees			-	-	-
Bank Charges			-	-	-
Car Leases	5		-	-	-
Data Compliance Costs			(40)	-	(40)
Insurance			-	-	-
Employee Expenses			(1,470)	(480)	(1,950)
Legal Fees			-	(1,500)	(1,500)
Postage and stationery			-	-	-
Specific Bond	7		-	-	-
Statutory Advertising	6		-	-	-
Irrecoverable VAT	5		-	-	-
<b>Subtotal</b>			<b>(1,510)</b>	<b>(1,980)</b>	<b>(3,490)</b>
<b>Floating Charge Surplus/ (Deficit)</b>			<b>191,379</b>	<b>(1,971)</b>	<b>189,409</b>
<b>Net Realisations</b>			<b>191,380</b>	<b>(1,971)</b>	<b>189,410</b>

## Appendix B: Receipts and Payments Accounts

### Cote Kitchens Limited

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
<b>Fixed Charge Receipts</b>					
Assigned Rights	1	-	-	-	-
Goodwill	1	-	-	-	-
Intangibles	2	-	-	-	-
Intellectual Property	1	-	-	-	-
Fixed Inter-account receipt		-	-	15,000	15,000
IT Systems	1	-	-	-	-
Leasehold Land & Property	1	16,495	16,495	-	16,495
Plant & Machinery	1	-	-	-	-
Repayment under LTO	3	-	75,661	14,634	90,294
Supply Contracts	1	-	-	-	-
Transferred Records	1	-	-	-	-
<b>Subtotal</b>			<b>92,155</b>	<b>29,634</b>	<b>121,789</b>
<b>Fixed Charge Payments</b>					
Inter-account payment		-	-	-	-
Payments under LTO	3	-	(27,652)	(63,462)	(91,114)
<b>Subtotal</b>			<b>(27,652)</b>	<b>(63,462)</b>	<b>(91,114)</b>
<b>Fixed Charge Surplus/ (Deficit)</b>		<b>-</b>	<b>64,504</b>	<b>(33,828)</b>	<b>30,675</b>
<b>Distributions</b>					
Fixed Charge Distribution	7	-	-	-	-
Floating Charge Distribution	8, 9	-	-	-	-
Preferential Distribution	10	-	-	-	-
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Balance Held</b>			<b>64,231</b>	<b>(33,920)</b>	<b>30,311</b>
<b>Made Up As Follows</b>					
Vat Control	13	-	(9,540)	9,696	156
Floating Charge Account	11	-	73,771	(43,616)	30,155
<b>Total</b>			<b>64,231</b>	<b>(33,920)</b>	<b>30,311</b>

GBP	Notes	Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
<b>Floating Charge Receipts</b>					
Floating Inter-account receipt		-	-	-	-
Insurance Refund	12	-	-	-	-
Bank Interest		2	3	5	
Book Debts		-	-	-	-
Cash at Bank	1	-	-	-	-
Stock	1	-	-	-	-
Business Rates Refunds	4	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>2</b>	<b>3</b>	<b>5</b>
<b>Floating Charge Payments</b>					
Office Holders Fees		-	-	-	-
Bank Charges		-	-	-	-
Car Leases	5	-	-	-	-
Data Compliance Costs		-	-	-	-
Insurance		(274)	(95)	(370)	
Employee Expenses		-	-	-	-
Legal Fees		-	-	-	-
Postage and stationery		-	-	-	-
Specific Bond	7	-	-	-	-
Statutory Advertising	6	-	-	-	-
Irrecoverable VAT	5	-	-	-	-
<b>Subtotal</b>		<b>(274)</b>	<b>(95)</b>	<b>(370)</b>	<b>(370)</b>
<b>Floating Charge Surplus/ (Deficit)</b>		<b>(272)</b>	<b>(92)</b>	<b>(364)</b>	<b>(364)</b>
<b>Net Realisations</b>		<b>64,231</b>	<b>(33,920)</b>	<b>30,311</b>	<b>30,311</b>

## APPENDICES



# Appendix B: Receipts and Payments Accounts

## Cote Group (Bidco) Limited

		Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
GBP	Notes				
Fixed Charge Receipts					
Assigned Rights	1		1	-	1
Goodwill	1		-	-	-
Intangibles	2	1	-	-	-
Intellectual Property	1		-	-	-
Fixed Inter-account receipt			-	-	-
IT Systems	1		-	-	-
Leasehold Land & Property	1		-	-	-
Plant & Machinery	1		-	-	-
Repayment under LTO	3		-	-	-
Supply Contracts	1		-	-	-
Transferred Records	1		-	-	-
Subtotal			1	-	1
Fixed Charge Payments					
Inter-account payment			-	-	-
Payments under LTO	3		-	-	-
Subtotal			-	-	-
Fixed Charge Surplus/ (Deficit)		-	-	1	1
Distributions					
Fixed Charge Distribution	7		(1)	-	(1)
Floating Charge Distribution	8, 9		-	-	-
Preferential Distribution	10		-	-	-
Subtotal			(1)	-	(1)
Total Balance Held			-	-	-
Made Up As Follows					
Vat Control	13		-	-	-
Floating Charge Account	11		-	-	-
Total			-	-	-

		Statement of Affairs Estimated to Realise	28 Sep 2020 - 27 Mar 2021	28 Mar 2021 - 27 Sep 2021	Total 28 Sep 2020 - 27 Sep 2021
GBP	Notes				
<b>Floating Charge Receipts</b>					
Floating Inter-account receipt			-	-	-
Insurance Refund	12		-	-	-
Bank Interest			-	-	-
Book Debts			-	-	-
Cash at Bank	1		-	-	-
Stock	1		-	-	-
Business Rates Refunds	4		-	-	-
<b>Subtotal</b>		-	-	-	-
<b>Floating Charge Payments</b>					
Office Holders Fees			-	-	-
Bank Charges			-	-	-
Car Leases	5		-	-	-
Data Compliance Costs			-	-	-
Insurance			-	-	-
Employee Expenses			-	-	-
Legal Fees			-	-	-
Postage and stationery			-	-	-
Specific Bond	7		-	-	-
Statutory Advertising	6		-	-	-
Irrecoverable VAT	5		-	-	-
<b>Subtotal</b>			-	-	-
<b>Floating Charge Surplus/ (Deficit)</b>			-	-	-
<b>Net Realisations</b>			<b>1</b>	-	<b>1</b>

## 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 Eves, as instructed by the Administrators. The amounts shown are net of fees charged which amount to 15% of total realisations (£5,327 to date).
5. Car leases paid on behalf of NewCo, fully indemnified. 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.
7. Distribution to chargeholder in CRL comprises value attributed to stock and cash as per APA.
8. Floating charge distributions to chargeholder in JRR and LRL will be paid after meeting costs of the administration and preferential creditors.
9. Balance represents cash balances remaining in administrator accounts after a pre-appointment account transfer is made to the Purchaser, with the exception of CKL. Some £170k of the cash balance at CRL will be made available to GML to meet the costs of the administration and a payment due to unsecured creditors under the prescribed part.
10. Preferential creditor distributions have been paid net of tax at JRR and LRL.
11. Interest bearing accounts.
12. An insurance refund was granted for a COVID-19 business interruption claim.
13. Vat Control is the net VAT receivable/ payable at the end of the Period.
14. All values are exclusive of VAT, unless otherwise stated.

## 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 fee 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 and 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 in CRL, the Administrations have been extended beyond their first anniversary. As a consequence of the additional work, the set fee has been increased by £150k for CRL with the approval of the Secured Creditors.
- In addition, 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).
- We continue to believe that our remuneration is a reasonable and fair reflection of the work performed and still required in the Administrations.
- Earlier in this report we explained the main areas of our work in the Administrations. In this appendix we provide more information on these key areas of work, with an indication as to whether this work is ongoing (O), completed (C) or intended future work (F). We have also indicated the rationale for undertaking the work, for example, whether it is required by statute or in compliance with the SIPs, or whether it had a potential direct benefit for creditors.

Fee by Entity			
Entity	Initial set fee (£000)	Additional set fee (£000)	Total set fee (£000)
Limeyard Restaurants Limited	50	-	50
Jackson & Rye Restaurants Limited	100	-	100
Cote Restatutants Limited	1,430	150	1,580
<b>Total</b>	<b>1,580</b>	<b>150</b>	<b>1,730</b>

### Approval of Fee Basis

- Approval is required in relation to both the basis and quantum of the set fee for CRL, JRL and LRL. Such approval is 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 Creditors 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 in the Administration and any financial benefit for creditors.

Category	Description	Rationale/ Benefit to Creditors
<b>Administration &amp; Planning</b>	<ul style="list-style-type: none"> <li>■ 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 (O).</li> <li>■ Issuing the statutory notifications to creditors and others required on appointment as office holder, including gazetting the office holders' appointments (C).</li> <li>■ Routine administrative tasks, such as setting up case files, dealing with routine correspondence (O).</li> <li>■ Obtaining specific penalty bonds (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate) (C). Review of this bond on a quarterly basis (O).</li> <li>■ Reporting on the outcome of the approval of the Proposals to the creditors, Companies House and the Court. (C)</li> <li>■ Cashiering – including opening, maintaining and managing the office holders' estate bank accounts, processing of receipts and payments and bank reconciliations (O).</li> <li>■ Undertaking periodic reviews of the progress of the cases, including six- month progress reports to creditors (O).</li> <li>■ Seeking consent for extensions to the period of the Administrations and filing the relevant notices with the Registrar of Companies (C).</li> </ul>	<ul style="list-style-type: none"> <li>■ Statutory / compliance requirement, and to ensure efficient project management</li> </ul>
<b>Investigations</b>	<ul style="list-style-type: none"> <li>■ Where required: recovering, listing and reviewing the books and records for the cases (C).</li> <li>■ Submitting online returns on the conduct of the directors for each of the eight entities as required by the Company Directors Disqualification Act (C).</li> <li>■ 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. (C).</li> <li>■ Liaising with the Companies' directors in relation to the completion of the Statement of Affairs (C).</li> <li>■ 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 (C).</li> </ul>	<ul style="list-style-type: none"> <li>■ Statutory requirement and to assess whether potential claims against third parties for the benefit of creditors</li> </ul>
<b>Realisation of Assets</b>	<ul style="list-style-type: none"> <li>■ Completing a sale process of substantially all the assets in the Group (C).</li> <li>■ Monitoring of quantum and timing of Business Rates refunds (O)</li> <li>■ 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 (O).</li> <li>■ Liaise with insurers and provide supporting data in relation to Business Interruption claim (C).</li> </ul>	<ul style="list-style-type: none"> <li>■ Identify, assess and seek to realise value for creditors</li> </ul>

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



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

## Appendix C: Joint Administrators' Remuneration and Expenses

**We have not incurred any disbursements since our appointment. However, we have 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 expenses 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 will be 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 do require approval before drawing Category 2 expenses. The body of creditors who approve our fees also have responsibility for approving of Category 2 expenses.
- An estimate of our anticipated Category 2 expenses are set out in the table below. There have been no Category 1 expenses incurred to date, nor are any expected to be incurred.

#### Estimated Expenses by Category

Type of Cost	Category	Incurred to date (£000)	Estimated to be incurred (£000)	Total Incurred (£000)
Postage	Category 1	-	5	5
Stationary	Category 1	-	5	5
<b>Total</b>		-	<b>10</b>	<b>10</b>

- No Category 1 or Category 2 expenses have been paid as at 27 September 2021.

### 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 represented value for money for creditors. 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 has increased compared to our previous report as a direct result of the additional and prolonged work 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 have increased compared to our previous estimates for the following reasons:

- **AON UK Limited** – The additional insurance premium payable is a consequence of the number of assignments having been completed in the first year of the administration being significantly below what was initially anticipated. Consequently, the continued insurance required at these properties is more than expected.
- **Burges Salmon** - the estimate for legal fees has increased because of time spent in various proceedings brought by certain landlords. As well as several consents for application to assign leases on current terms having been made to landlords of LTO properties where terms could not be agreed with the Purchaser.

### Estimate of Costs (Excl VAT)

Payee	Type of Cost	Costs Incurred to Date			Estimates		Previous estimated total (£)
		28 Sep 2020 - 27 Mar 2021 (£)	28 Mar 2021- 27 Sep 2021 (£)	Total 28 Sep 2020 - 27 Sep 2021 (£)	Estimated Future (£)	Estimated Total (£)	
AON UK Limited	Bonding & Insurance	12,734	7,235	19,970	-	19,970	11,853
EPE Reynell	Gazetting	1,036	-	1,036	-	1,036	1,036
ERA Solutions	Employee claims	2,940	960	3,900	-	3,900	3,935
Burges Salmon	Legal support	168,966	230,976	399,942	100,000	499,942	385,216
<b>Total</b>		<b>185,676</b>	<b>239,171</b>	<b>424,847</b>	<b>100,000</b>	<b>524,847</b>	<b>402,040</b>

## Appendix D: An Introduction to Insolvency

**If you are unfamiliar with an insolvency process, please read this page which describes the typical work and role of an insolvency practitioner. This is only a general overview and does not necessarily reflect our work in this case.**

### What is an insolvency process?

There are several types of insolvency process, but all are intended to achieve the same basic objective: to realise assets that the company owns and repay (to the extent possible) what it owes to creditors.

The type of process depends on the circumstances and the amount distributable to creditors (in accordance with statutory priorities) depends on the value of assets, the costs of the process and level of claims received.

### What is an insolvency practitioner?

Commonly referred to as an 'IP', an insolvency practitioner is an experienced and qualified individual who is licensed and authorised to act in relation to an insolvent company, partnership or person.

IPs typically use the staff and resources of their own firm to complete the work, supported by third party professionals and other specialists as required.

IPs are routinely monitored by their professional body to ensure continued adherence to standards.

### Realising the Assets

The IP evaluates possible options and pursues the best route for maximising value for creditors. Options could include an immediate sale of the business, a period of ongoing trading (prior to a sale) or a closure/wind-down of operations.

The costs of realising the assets can vary significantly, so an IP is looking to maximise the net value (after costs). Securing the ongoing employment of the workforce can materially reduce claims against the company.

Work done on realising the assets has a direct financial benefit for creditors.

### Managing the Company's Affairs

Until such time as the company is dissolved, it must continue to fulfil many of its usual obligations, such as submitting VAT/tax returns and keeping adequate accounting records.

Whilst appointed to manage the affairs of the company, the IP is responsible for ensuring these obligations are met. Support from VAT/tax specialists in insolvency situations helps to ensure accuracy and minimise liabilities.

Other work might include complying with any licensing or regulatory requirements.

### Dealing With Creditors

It can take several months, often longer, but if and when funds become available, the IP will distribute these to creditors once their claims have been received and agreed.

As secured creditors usually have priority rights over the assets, the amount left over for other non-preferential unsecured creditors can often be very small.

IPs keep creditors updated on their work, either through periodic reports or responding to their queries and correspondence.

### Fulfilling our Statutory Duties

The impact of an insolvency can be wide ranging, so IPs are required to issue notices and periodic reports to notify those affected parties and keep them updated.

The company's affairs and conduct its directors must also be investigated to see whether any asset recovery (or other actions) need to be taken.

Whilst this work does not have any direct financial benefit for creditors, the purpose of insolvency law is to protect the interests of creditors.

Regular internal case reviews ensure the process progresses cost effectively and on a timely basis.

## Appendix E: Legal Notices

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

### ■ Opting Out of Correspondence

Creditors have the right to elect to opt out of receiving further communication about the insolvency procedure.

Any creditor may elect to become an opted-out creditor at any time, by delivering a dated notice of the request, in writing to me. An opted-out creditor remains as such for the duration of the proceedings unless the opt out is revoked by a further notice in writing, dated and delivered to us.

A creditor becomes (or ceases to be) an opted-out creditor when the notice is delivered to us.

The opt out will not apply to the following:

- a notice which the Insolvency Act 1986 requires to be delivered to all creditors without expressly excluding opted-out creditors;
- a notice of a change in the officeholder or a notice of a change in our contact details, or
- a notice of a dividend or proposed dividend or a notice which the court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs.

Opting-out will not affect a creditor's entitlement to receive dividends should any be paid to creditors or a creditors' rights to vote in a decision procedure or to participate in a deemed consent procedure, although any creditor who opts-out will not receive notice of it.

Any creditor who opts out will be treated as having opted out in respect of consecutive insolvency proceedings of a different kind in respect of the same company.

### ■ 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.

### ■ 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 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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