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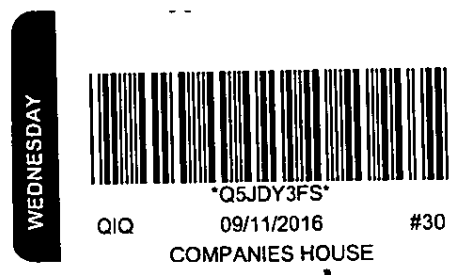
**Coastline Cash & Carry Limited In Liquidation
(‘the Company’)**

Joint Liquidators’ progress report

31 October 2016

**Lindsey Cooper and Keith Algie
Joint Liquidators**

**RSM Restructuring Advisory LLP
3 Hardman Street
Manchester M3 3HF**



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1 Purpose of report

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the Company with information relating to the progress of the liquidation in the period from 15/9/2015 to 14/9/2016

This report has been prepared solely to comply with the statutory requirements of Rule 4.49B of the Insolvency Rules 1986 (as amended). The purpose of the report is to provide creditors and members with information relating to the progress of the Winding Up in the period from 15/9/2015 to 14/9/2016. It has not been prepared for use in respect of any purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

RSM Restructuring Advisory LLP was previously named Baker Tilly Restructuring and Recovery LLP until 26 October 2015. Neither the Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

2 Joint Liquidators' appointment

Lindsey Cooper and Keith Algie of RSM Restructuring Advisory LLP, 3 Hardman Street, Manchester M3 3HF were appointed Joint Liquidators of Coastline Cash & Carry Limited on 15 September 2015 by The Secretary of State.

3 Receipts and payments summary

We attach as Appendix B a summary of our receipts and payments for the period from 15/9/2015 to 14/9/2016.

VAT basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

4 Creditors' claims

Creditors' claims as set out in the Statement of Affairs totalled £7,244,736.

The Joint Liquidators do not intend to adjudicate on any creditor claims submitted until such time there are funds to be distributed to unsecured creditors.

4.1 Dividend prospects for creditors

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix A, including any amount under the prescribed part. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs.

In accordance with Rules 4.186 and 11.7 of the Insolvency Rules 1986 no dividend will be distributed as insufficient funds have been realised.

4.2 Prescribed part

The 'Prescribed Part' is a statutory amount of the Company's assets subject to a floating charge to be set aside for the benefit of the Company's non-preferential creditors.

There are no creditors secured by charges over the assets and undertakings of the Company. There is therefore no requirement to estimate the amount of the prescribed part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

5 Conduct of the winding-up in the previous twelve months

Transactions on the company bank account

The Joint Liquidators have undertaken a forensic review of the transactions on the company bank account, specifically to ascertain whether all such transactions were wholly and exclusively for the purposes of the business

Investigation continues in relation to excessively large cash lump sum withdrawals from the company bank account. In the region of £5m appears to have been paid in away in such cash withdrawals

In comparison to the overall level of trade of the company this sum is considered to be suspicious and as such full explanations and substantiating documentation are required from the former directors in respect of substantiating the purpose of such transactions and the nature of the payments

Section 236 Insolvency Act 1986

Enquiries continue with various parties who appear to have been recipients of fund transfers from the company to ascertain the purposes of such transactions and to further ascertain whether these represent transactions wholly and exclusively for the purpose of business

These enquiries include but are not limited to the company's former accountant and professional advisers, to ascertain whether their office hold books and records or other information in respect of the of the business

Gareth Leslie Price – former director

Mr Price has yet to fully co-operate with the Joint Liquidators in their investigation of the purpose of transactions and the provision of books and records, specifically sales and purchase invoices which would substantiate the purpose of funds paid out of the company bank account

In the continued absence of his co-operation the Joint Liquidators will take advice from their solicitor in respect of the consideration of the Private Examination of Mr Price, in order to progress this matter

5 1 Realisation of assets

There have been no assets realised in the period of this report

5 2 Investigations

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Innovation and Skills in relation to the conduct of the directors

The content of this report remains confidential between the Joint Liquidators and the department

5 3 Administration and planning

Statutory Bond The statutory bond was put in place following appointment of the Joint Liquidators, to secure their proper performance. To ensure that the interests of creditors continue to be protected, the bond level will be reviewed periodically

KPI – management reviews These are undertaken regularly in line with RSM Restructuring Advisory LLP best practice, to ensure proper performance and case progression are maintained

Annual Reports Are prepared and will be published in line with statutory requirements. In order to minimise costs and in the interests of resource efficiency these reports will be made available to creditors in electronic format via the RSM Restructuring Advisory LLP web-site

Legal advice Legal advice is taken as and when appropriate. Due to the complexity of this matter, legal advisers have remained instructed throughout the period of appointment

5.4 Potential claim for compensation for mis-selling of interest rate hedging product

As you may be aware, a settlement agreement was recently reached between the Financial Conduct Authority ('FCA') and certain major banks, in relation to the sale of interest rate hedging products

Investigation to date has not disclosed any bank holding security over the assets or undertakings of the company, to which such products would attach

It is not currently considered that any products would have therefore been sold to the company and no further actions are considered in relation to the possibility of compensation for the potential miss-sale of the same

6 Matters preventing closure

This matter is connected to various other companies in liquidation which have fallen under suspicion of evasion of tax and VAT. It is likely that this investigation will be continued concurrently to this matter

Further the progress of this matter will require the full co-operation of the former director, as discussed. Legal advice is required in respect of the possibility of Private Examination of the former director

Subject which there may be potential rights of action to be pursued against the former director or other parties who have potentially enjoyed personal benefit of funds paid away from the company

6.1 Assets remaining to be realised

There are no assets remaining to be realised

7 Joint Liquidators' remuneration, disbursements and expenses

7.1 Basis of remuneration

The Joint Liquidators' remuneration is subject of approval by creditors. The appropriate resolution and estimated time costs budget will be issued under separate cover for the consideration of creditors

7.2 Remuneration and Disbursements incurred in the period from 15/9/2015 to 14/9/2016

In accordance with insolvency legislation the Joint Liquidators' are required to report "remuneration charged". This reflects the time charged to the case and is the maximum that can be taken in fees by the Joint Liquidators. It does not necessarily reflect the amount of remuneration that will ultimately be taken by the Joint Liquidators in remuneration

7.2.1 Joint Liquidators' remuneration

Joint Liquidators have incurred time costs of £10,676 in respect of work done in the current period (a summary of which is set out in Appendix G). Details of the sums drawn in respect of remuneration for the period covered by this report are set out in the receipts and payments account (Appendix B)

Attached are the following

- Appendix C RSM Restructuring Advisory LLP's Charging, Expenses and Disbursements Policy Statement
- Appendix D Joint Liquidators' Charge Out and Disbursement Rates,
- Appendix E Category 2 Disbursements Table,
- Appendix G Joint Liquidators' Time Cost Analysis for the period set out above,

7.2.2 Joint Liquidators' disbursements

The basis of the Joint Liquidators' drawing disbursements is to be considered by creditors. A resolution in respect of the same will be issued together that dealing with the drawing of the Joint Liquidators Fees

7.3 Total remuneration incurred and paid to date since appointment

The Joint Liquidators have incurred time costs of £11,564.25 since the date of our appointment in accordance with the resolution set out above. This remains outstanding and has been fully provided for.

Should you require any further information please do not hesitate to contact David Pritchard who is dealing with this matter on my behalf at david.pritchard@rsmuk.com

7.4 Joint Liquidators' statement of expenses

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period.

8 Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

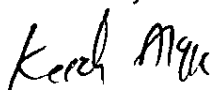
Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the Liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Liquidators Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <http://rsm-insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Should you have any further queries please do not hesitate to contact me.

Yours faithfully



Keith Algie
RSM Restructuring Advisory LLP
Joint Liquidator

Lindsey Cooper is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales.
Keith Algie is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales.
Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

Appendix A

Statutory, dividend and other information

Company name	Coastline Cash & Carry Limited
Company number	07507554
Court & reference	In the No of
Date of appointment	15 September 2015
Joint Liquidators	Lindsey Cooper and Keith Algie
Functions	The Joint Liquidators' appointment specified that they would have power to act jointly and severally The Joint Liquidators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment
Date of incorporation	27 January 2011
Previous company names	N/a
Trading name	N/a
Trading address	Unit 17 Freemans Parc, Penarth Road, Cardiff South Glamorgan, CF11 8TW
Principal activity	60249- Freight Transport by road not elsewhere classified
Registered office	RSM Restructuring Advisory LLP 3 Hardman Street Manchester M3 3HF 45 Bolney Avenue, Peacehaven BN10 8HG

Dividends	Owed	Paid	Estimated future prospects
Secured creditor (1)	n/a	n/a	n/a
Secured creditor (2)			
Preferential creditors	n/a	n/a	n/a
Unsecured creditors	£7,244,736	nil	The Joint Liquidators are not yet in a position to consider distribution to unsecured creditors

Receipts and Payments Abstract 1074623 - Coastline Cash & Carry Limited In Liquidation

Bank, Cash and Cash Investment Accounts From 13/09/2015 To 12/09/2016

SOA Value £	13/09/2015 to 12/09/2016		Total to 12/09/2016	
	£	£	£	£
	ASSET REALISATIONS			
0 00	Deposit on Inland Revenue Petition	1,250 00	1,250 00	
		1,250 00		1,250 00
	COST OF REALISATIONS			
0 00	DTI Fees	(2,400 00)	(2,400 00)	
0 00	ISA Quarterly Charges	(88 00)	(88 00)	
		(2,488 00)		(2,488 00)
		(1,238 00)		(1,238 00)
0 00				
	REPRESENTED BY			
	Insolvency Service Account (ISA) -		(1,238 00)	
				(1,238 00)
				(1,238 00)

APPENDIX C

RSM Restructuring Advisory LLP

Charging, expenses and disbursements policy

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for RSM Restructuring Advisory LLP Manchester are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements
- A resolution to consider approving category '1' disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Manchester will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate

Appendix D

RSM Restructuring Advisory LLP

Joint Liquidators' current charge out and disbursement rates

Hourly charge out rates		
	Rates at commencement £	Current rates £
Partner	395	435
Directors / Associate Directors	350	385
Manager	n/a	n/a
Assistant Managers	190	209
Administrators	130	171
Support staff	130	143

Category 2 disbursement rates	
Internal room hire	£165
Subsistence	£25 per night (from 3 rd September 2013) £23 per night (up to 2 nd September 2013)
Travel (car)	38p per mile (up to and including 31 March 2010) 40p per mile (from 1 April 2010) 42 5p per mile (from 1 April 2011)
'Tracker' searches	£10 per case

Appendix E

RSM Restructuring Advisory LLP

Joint Liquidators' category 2 disbursements table

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, type and purpose	Paid £	Unpaid £
None incurred or recharged to the case	n/a	n/a
Total	n/a	n/a

Appendix F

Statement of expenses incurred by the Joint Liquidators in the period from 15/9/2015 to 14/9/2016

Type and purpose	Incurred in period £
Insolvency Services Account Quarterly Fee	88 00
Total	88 00

Appendix G

Joint Liquidators' time cost analysis for the period from 15/9/2015 to 14/9/2016

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From Jan 2003	Administration and Planning									
	Appointment	0.0	1.6	1.1	0.0	0.0	0.0	2.7	£ 769.00	284.81
	Background information	0.0	0.0	6.0	0.0	0.0	0.0	6.0	£ 1,140.00	190.00
	Case Management	0.0	4.9	2.4	0.0	0.0	0.0	7.3	£ 2,174.00	297.81
	Director(s)/debtor/bankrupt	0.0	0.4	2.4	0.0	0.0	0.0	2.8	£ 596.00	212.86
	Post-appointment - general	0.0	0.0	0.4	0.0	0.0	0.0	0.4	£ 76.00	190.00
	Receipts and Payments	0.1	0.0	0.0	0.0	1.4	0.0	1.5	£ 221.50	147.67
	Total	0.1	6.9	12.3	0.0	1.4	0.0	20.7	£ 4,976.50	240.41
	Investigations									
	DTI/Official Receiver	0.0	0.0	0.6	0.0	0.0	0.0	0.6	£ 114.00	190.00
	Investigations/CDDA	0.0	3.7	0.0	0.0	13.5	0.0	17.2	£ 3,927.50	228.34
	Total	0.0	3.7	0.6	0.0	13.5	0.0	17.8	£ 4,041.50	227.05
	Realisation of Assets									
	Debtors & sales finance	0.0	0.5	0.0	0.0	0.0	0.0	0.5	£ 175.00	350.00
	Total	0.0	0.5	0.0	0.0	0.0	0.0	0.5	£ 175.00	350.00
	Creditors									
	Other Creditor Meetings and Reports	0.0	0.0	3.6	0.0	0.0	0.0	3.6	£ 684.00	190.00
	Unsecured Creditors	0.0	0.3	1.3	0.0	0.0	0.0	1.6	£ 352.00	220.00
	Total	0.0	0.3	4.9	0.0	0.0	0.0	5.2	£ 1,036.00	199.23
	Case Specific Matters - Legal Matters									
	Legal Matters	0.0	0.3	1.8	0.0	0.0	0.0	2.1	£ 447.00	212.86
	Total	0.0	0.3	1.8	0.0	0.0	0.0	2.1	£ 447.00	212.86
	Total Hours (From Jan 2003)	0.1	11.7	19.6	0.0	14.9	0.0	46.3	£ 10,676.00	230.58
	Total Time Cost (From Jan 2003)	£ 39.50	£ 4,098.00	£ 3,724.00	£ 0.00	£ 2,814.50	£ 0.00	£ 10,676.00		
Total Hours		0.1	11.7	19.6	0.0	14.9	0.0	46.3	£ 10,676.00	230.58
Total Time Cost		£ 39.50	£ 4,098.00	£ 3,724.00	£ 0.00	£ 2,814.50	£ 0.00	£ 10,676.00		
Average Rates		395.00	350.26	190.00	0.00	188.89	0.00	230.58		

NOTES TO APPENDIX G

Joint Liquidators' time cost analysis

a) Administration and planning

This includes dealing with the commencement of the case administration, statutory filing of appointment documents with Companies' House, requesting the submission of the Statement of Affairs and filing it at Companies' House, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to handling receipts and payments, VAT and corporation tax issues such as the monthly VAT returns, pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, obtaining company searches, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, statutory receipts and payments accounts, dealing with (including the winding up of) company pension schemes where applicable.

b) Investigations

Where appropriate this will include such matters as investigation of pre-appointment transactions in accordance with the relevant Statement of Insolvency Practice (SIP 2), preparing reports / returns in accordance with the Company Directors' Disqualification Acts and the investigation of any potential antecedent transactions such as transactions at under value and preferences which may result in legal action resulting in a recoverable asset.

c) Realisation of assets

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

d) Trading

Where the Company has continued trading following the Joint Liquidators' appointment our staff will have had to set up accounts with suppliers in order to trade on an ongoing basis. Payments to suppliers and general correspondence with these have been undertaken. Where trading has ceased, accounts will have been closed and final bills paid. Other matters will also have been dealt with in accordance with the usual trading obligations such as dealing with employees and payroll.

e) Creditors

Queries from and correspondence with creditors and employees have been necessary aspects of the case administration process. The preparation of the Joint Liquidators' proposals has been undertaken including the attendant aspects of providing and obtaining the required information, convening the creditors' meeting etc. A brief report on the outcome of the creditors' meeting and the report on the first six months of the administration period have both been prepared.

f) Case specific matters

Any case specific matters will generally be set out in the body of the report but will commonly include meetings, correspondence and telephone calls relating to specific issues in the case which do not fall into any of the categories set out above and are specific to the case in question. This may include work done in relation to litigation, general advice or other major issues.