



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

1 Company details

Company number	0	8	0	1	3	8	3	5
Company name in full	Luxury For Less Limited t/a Soak.com							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Andrew
Surname	Poxon

3 Administrator's address

Building name/number	Leonard Curtis							
Street	Riverside House							
	Irwell Street							
Post town	Manchester							
County/Region								
Postcode	M	3		5	E	N		
Country								

4 Administrator's name ①

Full forename(s)	Sean
Surname	Williams

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

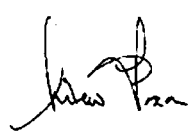

Building name/number	Leonard Curtis							
Street	Riverside House							
	Irwell Street							
Post town	Manchester							
County/Region								
Postcode	M	3		5	E	N		
Country								

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	d	1	d	9	m	0	m	9	y	2	y	0	y	2	y	1	
To date	d	1	d	8	m	0	m	3	y	2	y	0	y	2	y	2	
7	Progress report																
<input checked="" type="checkbox"/> I attach a copy of the progress report																	
8	Sign and date																
Administrator's signature	Signature 																
Signature date	d	1	d	2	m	0	m	4	y	2	y	0	y	2	y	2	

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Mary Dempsey**

Company name **Leonard Curtis**

Address **Riverside House**

Irwell Street

Manchester

Post town

County/Region

Postcode **M 3 5 E N**

Country

DX

Telephone **0161 831 9999**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register.
- ☒ You have attached the required documents.
- ☒ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**LUXURY FOR LESS LIMITED T/A SOAK.COM
(IN ADMINISTRATION)**

Registered Number: 08013835

Court Ref: CR-2020-MAN-000318

High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD)

**Joint Administrators' Fourth Progress Report
progress report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period
19 September 2021 to 18 March 2022**

12 April 2022

**Andrew Poxon and Sean Williams - Joint Administrators
Leonard Curtis**

Riverside House, Irwell Street, Manchester M3 5EN

Tel: 0161 831 9999 Fax: 0161 831 9090

General email: recovery@leonardcurtis.co.uk

Ref: M/20/MDE/L594K/1010

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**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”) to provide creditors with an update on the progress of the Administration of Luxury For Less Limited t/a Soak.com (“the Company”) for the period from 19 September 2021 to 18 March 2022. This is the Joint Administrators’ Fourth progress report to creditors.
- 1.2 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to “the period of this report”, this specifically means 19 September 2021 to 18 March 2022, being the period since the end of the period covered by the last progress report.

2 STATUTORY INFORMATION

- 2.1 Andrew Poxon and Sean Williams were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD), number CR-2020-MAN-000318 on 19 March 2020. The Administration appointment was made by the Directors. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the Manchester office of Leonard Curtis, which is situated at Riverside House, Irwell Street, Manchester, M3 5EN.
- 2.3 The principal trading addresses of the Company were Attleborough House, Townsend Drive, Attleborough Fields Industrial Estate, Nuneaton, Warwickshire, CV11 6RU and 6 Garston Shore Road, Speke, Liverpool, L24 8AA. The business traded under its registered name and the name Soak.com.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was Attleborough House Townsend Drive, Attleborough Fields Industrial Estate, Nuneaton, Warwickshire CV11 6RU. Following the appointment, this was changed to Riverside House, Irwell Street, Manchester, M3 5EN. The registered number of the Company is 08013835.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company’s main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS’ PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators’ approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were deemed approved by the general body of creditors on 26 May 2020.

- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.
- 3.4 The objective of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in administration).
- 3.5 In the opinion of the Joint Administrators, this objective is likely to be achieved as there is a reasonable prospect of a dividend being available to unsecured creditors by virtue of a Prescribed Part dividend, which we anticipate would not have been possible if the Company had been wound up without first being in administration.
- 3.6 In the event that the aforementioned objective cannot be achieved, it is considered that the objective with regards to the realisation of property in order to make a distribution to one or more secured or preferential creditors has been achieved. There have been sufficient funds available to enable a distribution to have been made to each of the secured creditors, National Westminster Bank plc ("NatWest"), Wolseley Limited ("Wolseley") and Soak Topco Limited ("Topco"), with potential further distributions due to Topco. A distribution has also been made to preferential creditors. The preferential dividend paid during the period of this report equates to 100 pence in the pound on admitted claims, totalling £175,901.56. It should also be noted that a prescribed part will be distributed to unsecured creditors in due course, however the timing and quantum of the prescribed part distribution is dependent on the prospective realisation of the remaining assets detailed in Section 4 of this report.
- 3.7 As detailed in previous progress reports, Topco entered into Liquidation on 7 October 2020, and therefore any further distributions to them under their floating charge will be distributed to their estate.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 19 September 2021 to 18 March 2022.

Cash at Bank / Potential VAT Refund

- 4.2 As advised in our previous reports, the Company operated banking facilities with NatWest. The bank accounts were frozen following the appointment of the Joint Administrators, with a combined credit on the account of £779,387.67.
- 4.3 We initially received the sum of £478,570.45 from one of the Company's NatWest accounts however the other account was subject to a Duties and Customs Bond in favour of HMRC ("the Bond"). The funds within the bonded account totalling £300,819.53 could not be released to the estate until HMRC had confirmed that the liabilities had been paid in full under the Bond and provided the necessary release forms to NatWest.
- 4.4 On 23 July 2020 the sum of £95,597.68 was claimed by HMRC under their Bond for outstanding Customs, Duty and VAT payments due for the pre-appointment period and paid from the bond monies. We have received confirmation from NatWest that HMRC submitted their release. Following receipt of this confirmation the remaining balance has been requested to be transferred to the case bank account relating to the Administration by the Joint Administrators and funds totalling £205,221.85 has been received into the estate. For the purposes of the report the gross sum of £300,819.53 has been recorded in the receipts and payments account attached at Appendix B (included within 'Balance at Bank').
- 4.5 During the period of the Administration, further discussions have been held with the director regarding the amount of VAT payable whereby he stated that the bond should not have included any VAT element as the agreement related to Customs Duty payments only. He also stated that he does not believe that the sums provided by HMRC reflect an accurate portrayal of the Customs Duty due as tax may be levied against items that never left the port due to the ongoing Covid-19 pandemic.

- 4.6 During the previous period to which this report relates, the Joint Administrators have requested further documentation from HMRC relating to the Bond to review against the Directors' statements. Upon receipt of the information relating to the Bond it was noted that the Bond covered both Import and Export VAT as well as Customs Duty which, based on the supporting evidence supplied by HMRC, appears to support their draw down but this information is subject to further scrutiny, if required.
- 4.7 In relation to the importation tax levied against items which may never have left port we were informed by HMRC that their taxation system would only levy against items which were brought into the UK and placed in a bonded warehouse, therefore it does not appear that any additional tax has been incurred in error.
- 4.8 The Joint Administrators have concluded their investigations into this matter and are of the opinion that there are no additional amounts due back to the estate at this time in relation to the drawing of the Bond from NatWest. If further information is provided by HMRC, and the situation changes, further updates will be provided to creditors in our next progress report.

Rebate from China

- 4.9 As discussed in our previous progress reports, shortly after the onset of the Administration the Directors advised that one of the Company's suppliers located in China provided a yearly rebate system rather than offering discounts. As this rebate is due from a company within another jurisdiction there are potential litigation risks in pursuing the supplier for this rebate.
- 4.10 During the previous reporting period the Joint Administrators have undertaken the process of identifying the various transactions relating to this rebate and had these verified by the Managing Director. Further reviews were also undertaken of the Company's books and records held in storage which were uplifted at the onset of the Administration. The Joint Administrators have previously sought advice from Cerberus Asset Management ("CAM"), who have been instructed by the Joint Administrators to value the company's assets, in relation to the value of this claim and if the matter remains pursuable due to the ongoing global pandemic. The Joint Administrators have been working with Cerberus Receivables Management ("CRM") in respect of issuing a copy invoice to the supplier to request payment be made in respect of the outstanding sums that have been identified as appearing to be due per the records and information reviewed by CRM. The invoice has been issued to the relevant party during the period of this report, however no payment or payment plan has been forthcoming in respect of this matter at this time. The supplier has advised that they are currently reviewing the position and the stock levels of goods received. The Joint Administrators will continue to liaise with CRM and continue with their assessment on whether it is economically beneficial to pursue this debt. Further updates will be provided in future reports to creditors.

5 ASSETS STILL TO BE REALISED

- 5.1 The remaining assets to be realised within the Administration estate are as follows:
- The potential assignment of the rebate due from China as detailed in paragraphs 4.9 & 4.10.

6 INVESTIGATIONS

- 6.1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 6.2 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they

consider require investigation, they should please send full details to this office at the address given at the front of this report.

- 6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

Pre-Administration Costs

- 7.1 The secured and preferential creditors consented to the following pre-Administration costs and expenses being paid as an expense of the Administration on 17 June 2020 and 28 May 2020 respectively:

Charged by	Services provided	Total amount charged £	Total amount paid £	Total amount unpaid £
LCR	Carried out an assessment of the financial position with a view to establishing the appropriate insolvency procedure. Providing insolvency advice to the directors and Company on the available options, instructing valuation agents, marketing the business and assets, negotiating and agreeing the sale of assets (including failed negotiations) and dealing with all appointment formalities. Responding to queries by phone and email from unsecured consumer creditors. Drafting Sale Asset Agreements, liaising with the Purchaser's solicitors and reviewing the inter-creditor security position. General legal advice was also provided by out in-house solicitors.	158,521.00	150,000.00	8,521.00
CAM	Attending the Company's premises to conduct a valuation of the Company's physical assets and providing advice on the suitability of any offer. Organising inspection of physical assets with interested parties.	3,900.00	3,900.00	-
Landwood Group Limited ("Landwood")	Attendance at the Property, providing a Valuation of the Property and any recommendations in respect of offers received.	7,500.00	7,500.00	-
Evolve IS Limited ("Evolve")	Attendance on site to assist employees with the start of their claims to the Redundancy Payment Service and provide information regarding making a claim.	500.00	500.00	-
Champion Accountants	Advice in relation to Capital Gains Tax in respect of the proposed Property Sale.	1,000.00	-	1,000.00
TOTAL		171,421.00	161,900.00	9,521.00

It has been previously reported that the anticipated pre-appointment costs relating to CAM were estimated to be £5,000.00. It has since transpired that the actual cost incurred by CAM for providing the services as set out in the table above was £3,900.00, with payment having been made in full

The costs that have been paid are detailed in the receipts and payments account attached at Appendix B. The outstanding costs will be paid in due course.

Joint Administrators' Remuneration

- 7.2 On 17 June 2020 and 28 May 2020 respectively, the secured and preferential creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £227,514.00, as set out in a Fees Estimate.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £33,970.00. This represents 135.9 hours at an average rate of £249.96 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed.
- 7.4 Attached, at Appendix D, is a summary of time costs incurred to date compared with time costs as set out in the Joint Administrators' original fees estimate.
- 7.5 You will note that time costs incurred to date do exceed the time as set out in the Fees Estimate. The areas where significant variance has occurred relate to Statutory and Review, Receipts and Payments, Insurance, Debenture Holder, General Administration, Post-Appointment Creditors' Decisions and Legal Services.
- 7.6 Total time has exceeded the fees estimate by £6,880.00 in relation to the category of Statutory and Review. This has been a result of the additional reviews conducted on the case due to its complex nature and reviewing the remaining assets that fall outside of the UK's jurisdiction. Due to the difficulty in dealing with these assets frequent progress reviews have been conducted with senior members of staff to ensure the required progression completed. This additional work was not anticipated as being required at the time of preparing the Fees Estimate. Further, an additional number of reviews have been conducted compared to those anticipated as a result of having extended the Administration. As previously detailed, any extension to the Administration was not anticipated at the time of preparing the fees estimate.
- 7.7 Total time has exceeded the fees estimate by £13,698.00 in relation to the category of Receipts and Payments. This has resulted from the additional reviews that have been required to be undertaken with regards the Company's pre-appointment tax affairs. Due to their complex nature it was not initially anticipated that further time would be required to be incurred in order to determine and rectify the pre-appointment tax position of the Company. It should also be noted that additional time has been incurred in drafting the first progress report to creditors than first envisaged at the outset of the Administration due to the complexity of the case. Further time has also been incurred in respect of the post-appointment VAT position of the Company, specifically in respect of VAT deregistration. A larger amount of time has been incurred in respect of this matter as further communications have been sent to HMRC in respect of the relevant forms required to process the deregistration, and the length of time in this respect has been protracted. When preparing the fees estimate, it was not anticipated that there would be any delays in respect of this matter and therefore, this time was not considered to be necessary.
- 7.8 Total time has exceeded the fees estimate by £1,688.50 in relation to the category of Insurance. This has been as a result of additional bond reviews being undertaken due to the extension of the period of the Administration. It should also be noted that further work has been done in reviewing the Company's pre-appointment insurance documents to see if they are eligible for a business continuity claim due to the ongoing pandemic. This was not envisaged at the outset of the Administration when the fees estimate was initially prepared.
- 7.9 Total time has exceeded the fees estimate by £4,939.50 in relation to the category of Debenture Holder. This increase has resulted from additional updates having been required to be provided to the various debenture holders regarding the sale of the Property which was protracted in nature, and the discussions and correspondence that has been incurred with regards the retrospective cap that has been applied on the total post

appointment remuneration charged by the Administrators compared to that reported in the Fees Estimate when prepared.

- 7.10 Total time has exceeded the fees estimate by £7,894.00 in relation to the category of General Administration. This has been a result of the significant work that has been conducted in collating the company's books and records held in storage. As well as additional discussions with the director in relation to the effect of the insolvency of Topco.
- 7.11 Total time has exceeded the fees estimate by £3,551.50 in relation to the category Post-Appointment Creditors' Decisions. This was a result of the additional work required to compile the Joint Administrators' Report and Statement of Proposals due to the alterations in the sale of the Property.
- 7.12 Total time has exceeded the fees estimate by £16,704.00 in relation to Legal Services. This is a result of the additional work required in the sale of the Property due to the aborted completion date, the work undertaken in reviewing the potential lien stated by the Company's former logistics creditors and discussions regarding potential Retention of Title ("ROT") creditors. It should be noted that further work has been conducted with the transfer of the remaining lease of the Company and the discussions with the landlord and their appointed legal representatives. Additional time has been incurred in drafting a witness statement and scheduling a Court hearing with regard to the proposed extension to the period of the Administration and submitting the information bundle to be exhibited at the hearing. The Court duly granted an extension to the period of the Administration to 18 March 2023.
- 7.13 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. Should information come to light during the course of the Administration which means that the Joint Administrators will be required to undertake work not envisaged at the time that the Fees Estimate was provided, it may be necessary for the Joint Administrators to revert to the secured and preferential creditors for further approval. The information provided above is therefore for information purposes only.
- 7.14 Further guidance may be found in "Administration: A Guide for Creditors on Insolvency Practitioner Fees" (Version 1 – April 2021) which may be downloaded from:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>
- 7.15 If you would prefer this to be sent to you in hard copy please contact Mary Dempsey of this office on 0161 831 9999.
- 7.16 The remuneration drawn by the Joint Administrators to date totals £42,114.44 plus VAT. This includes an amount of £8,777.00 which has been drawn during the period of this report, relating to time incurred dealing specifically with matters relating to the Prescribed Part dividend.

8 JOINT ADMINISTRATORS' EXPENSES

- 8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs). These are known as "Category 2 expenses" and are subject to the approval of the creditors.

Additionally, with effect from 1 April 2021, the Joint Administrators are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to associates of Leonard Curtis. Payments to associates are subject to the same level of approval as the office holder's fees and category 2 expenses and further details are included at Appendix E and F.

On 17 June 2020 and 28 May 2020 respectively, the secured and preferential creditors also approved that category 2 expenses could be drawn by the Joint Administrators, as detailed at Appendix F.

- 8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.
- 8.3 The expenses incurred have exceeded those anticipated within the original statement of expenses.
- 8.4 It has been noted that the expenses relating to document hosting are higher than anticipated, this is due to the large volume of additional creditors which has resulted in a premium paid for the upload of documents. Due to the recent changes in insolvency practice it is no longer deemed appropriate for the costs of document hosting to be drawn without the relevant approval of the creditors. Therefore, further costs will be incurred but not drawn from the estate, unless approval is sought from the appropriate bodies of creditors and duly provided.
- 8.5 It should be noted that the inclusion of postal costs have also been allocated to the case due to their high cost. These were not envisaged within the Joint Administrators' Report and Statement of Proposals. However, dependent on the requirement to send out further letters to various parties, it is not anticipated that significant further costs will be incurred during the remainder of the case.
- 8.6 Storage costs also exceed those accounted for in the statement of likely expenses, due to the higher amount of documentation received from the Company that has subsequently been placed with our storage provider.
- 8.7 It has also been noted that an additional sum of £2,000.00 has been paid to Landwood for their assistance post-appointment in handling the previously aborted sale of the Property. These excess costs were deemed acceptable due to the additional work undertaken to increase the Property offer in order to secure a satisfactory sale of the Property for the benefit of the secured creditors.
- 8.8 It has been noted that additional costs have been incurred by the Joint Administrators' appointed agents CAM due to their involvement in uplifting the various assets held in the Nuneaton premises and arranging for their sale at auction.
- 8.10 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 March 2021.
- 8.11 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.
- 8.12 Under Rule 18.34 of the Rules, 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 the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.13 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.

- 8.14 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

- 9.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.

Secured Creditors

NatWest

- 9.2 NatWest held security by way of a fixed charge over deposits, created on 2 August 2016.
- 9.3 At the date of appointment, the Company had an outstanding balance of £10,255.45 due to NatWest in respect of an overdrawn Euro bank account and charges payable. NatWest has applied its right of set-off under its security against the Company's credit balances to settle its debt in full. No further sums are expected to be due to NatWest.

Wolseley

- 9.4 Wolseley hold security by way of fixed and floating charges, created on 9 April 2019, and also a legal charge over the Property, created on 3 April 2019. Wolseley's security is also subject to the Deed of Priority detailed at paragraph 9.11 below.
- 9.5 Wolseley provided funding to the Company by way of a vendor loan in connection with a Management Buy Out ("MBO"). In addition, Wolseley also provided funding to the Company by way of various loan noted prior to the MBO.
- 9.6 We understand that c£7m remained outstanding in respect of the vendor loan in respect of the MBO, which was secured by way of a fixed charge over the Property. A further £1.9m in respect of various loan notes, and any shortfall under the fixed charge detailed above, is secured by way of a floating charge. As part of the negotiations in respect of the sale, Wolseley agreed to received £6.9m from the Property proceeds. As such, Wolseley received the sum of £6.9m under their fixed charge upon the sale of the Property. Any remaining balance due under their debenture will be subject to their floating charge as detailed in paragraph 9.11 below.

Topco

- 9.7 Topco hold security by way of a debenture, incorporating fixed and floating charges, created on 10 December 2019. Topco's security is also subject to the Deed of Priority at 9.11 below.
- 9.8 Topco provided funding for working capital to the Company.
- 9.9 We understand that Topco are owed approximately £3,900,000.00 in respect of sums paid to the Company. In the period to date, Topco have received the sum of £977,499.00 under their fixed charge following the sale of the Business Intellectual Property and the Property. A further £22,500.00 was paid under their floating charge, thus totalling £999,999.00. A further distribution has been made during the period totalling £273,000.00. It is anticipated that there will be further sums payable to Topco under these charges, albeit the quantum and timing remains uncertain at this time.
- 9.10 It should be noted that Topco have entered into liquidation and any further distributions due under their floating charge will be made to their estate.

Deed of Priority

- 9.11 A Deed of Priority was entered into by the secured creditors on 10 December 2019. The Deed details the following:
- 9.12 Pursuant to the Deed, the ranking of the security is agreed as:
- Wolseley legal charge;
 - Topco debenture; and
 - Wolseley share pledge and Wolseley floating charge.
- 9.13 The priority of the debts is agreed as (in each case inclusive of costs, interest etc. on those facilities):
- Wolseley liabilities under £7m facility less any shortfall on the Property;
 - Topco liabilities under the £3.9m facility; and
 - Wolseley liabilities under the loan note facility plus any shortfall in the £7m facility after the Property is realised.

Preferential Claims

- 9.14 The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay and certain pension contributions.
- 9.15 When the Company ceased to trade on 21 February 2020, 138 members of staff were made redundant. These members of staff were owed arrears of pay from 1 February 2020 to 21 February 2020 as well as any accrued holiday pay.
- 9.16 The Company retained 8 members of staff ("the Retained Employees") in order to assist with the provision of information required for the Accelerated Merger and Acquisition ("AMA") process run by LCR and for the benefit of the Administration. Immediately following the Joint Administrators' appointment, the Retained Employees were made redundant. The Retained Employees' preferential claims relate to arrears of pay from 16 March 2020 to 19 March 2020, accrued holiday pay and certain pension contributions.
- 9.17 The Joint Administrators, along with their appointed employment consultants, Evolve IS Limited ("Evolve IS"), have assisted employees in submitting their relevant claims with the Redundancy Payment Service ("RPS") who would make certain payments to the employees and become a subrogated creditor for the amounts paid out.
- 9.18 During the period the RPS have made a subrogated claim within the estate for the sum of £117,845.00. Our agents, Evolve IS, have calculated that there will be further residual claims from the employees totalling £58,056.56 making a total preferential claim within the estate of £175,901.56
- 9.19 It should also be noted that the sum above includes preferential claims for outstanding employee pension contributions for the Retained Employees' post-cessation of trade wages relating to all of February 2020 and 1 March 2020 to 13 March 2020. Total preferential claims for arrears of employee pension contributions are £781.56.
- 9.20 During the period of this report, a first and final preferential dividend has been paid to all preferential creditors with admitted claims. Total funds distributed to the preferential creditors are in the sum of £175,901.56, equating to a dividend of 100 pence in the pound.

Prescribed Part

- 9.21 The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, the administrator must make a Prescribed Part of the company's net property available to the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.

- 9.22 Based upon the information currently available, there will be a Prescribed Part fund available in this case. In instances where there will be no dividend to unsecured creditors except for the Prescribed Part, as is the case here, the Prescribed Part fund will be distributed at the appropriate time by the Joint Administrators.

Unsecured Non-Preferential Claims

- 9.23 At present, it is considered unlikely that a liquidator will be appointed for the purpose of enabling a distribution to unsecured creditors. Any distribution will be made to unsecured creditors within the Prescribed Part detailed above. Whilst the timing and value of the Prescribed Part dividend remains uncertain at this time, during the period of this report, an initial review of the claims that have been received to date has commenced. A total of 146 unsecured creditor claims have been received thus far. No claims have been admitted for dividend purposes at this time.
- 9.24 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.
- 9.25 If you have not already done so, please submit details of your claim to my office. A proof of debt form is attached at Appendix H for your ease of use.

10 MATTERS STILL TO BE DEALT WITH

- 10.1 Matters still to be dealt with before conclusion of the Administration include the following:
- The realisation of the remaining assets, as detailed in sections 4 and 5;
 - The formal agreement of unsecured creditor claims;
 - Additional distributions to the liquidation estate of Topco, as appropriate, under their floating charge;
 - The issue and advertising of a Notice of Intended Dividend in regard to the Prescribed Part dividend;
 - The distribution of the Prescribed Part fund; and
 - The unpaid remuneration and expenses will need to be defrayed.

11 EXTENSIONS TO THE ADMINISTRATION

- 11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 11.2 In certain circumstances it becomes necessary to extend the Administrators' term of office.
- 11.3 As you will be aware, the period of the administration was extended until 18 March 2022 with the consent of:
- 11.4 A further extension has been obtained from the Court on 25 February 2022 to enable:
- The realisation of the remaining assets, as detailed in sections 4 and 5;
 - The formal agreement of unsecured creditor claims;
 - Additional distributions to the liquidation estate of Topco, as appropriate, under their floating charge;
 - The issue and advertising of a Notice of Intended Dividend in regard to the Prescribed Part dividend to unsecured creditors;
 - The distribution of the Prescribed Part fund; and
 - The unpaid remuneration and expenses will need to be defrayed.

- 11.5 The revised date at which the Administration will come to an end is 18 March 2023. The Company will then move either to dissolution or to creditors' voluntary liquidation as appropriate.
- 11.6 The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.

12 NEXT REPORT

- 12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

13 DATA PROTECTION

- 13.1 Finally, when submitting details of your claim in the administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix I, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
for and on behalf of
LUXURY FOR LESS LIMITED T/A SOAK.COM



ANDREW POXON
JOINT ADMINISTRATOR

Andrew Poxon and Sean Williams are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 8620 and 11270, respectively

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation ("CVL"). It is further proposed that the Joint Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the Company, and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Andrew Poxon and/or Sean Williams be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE
PERIOD FROM 19 SEPTEMBER 2021 TO 18 MARCH 2022**

	Estimated to Realise	Previous Periods	This Period	Cumulative
	£	£	£	£
Receipts				
Freehold Property	7,419,500.00	7,419,500.00	-	7,419,500.00
Business IP Rights, Name and Brand	599,999.00	599,999.00	-	599,999.00
Interest		1.64	-	1.64
Physical Assets – Liverpool	85,000.00	85,000.00	-	85,000.00
Physical Assets - Nuneaton	7,686.00	7,686.00	-	7,686.00
Post Appointment Sales Receipts	86.94	86.94	-	86.94
I.T. Equipment	1.00	1.00	-	1.00
Balance at Bank	778,630.23	779,389.98	-	779,389.98
Sundry Refunds	973.92	1,351.92	-	1,351.92
Cash in Hand	335.00	335.00	-	335.00
	8,892,212.09	8,893,351.48	-	8,893,351.48
Payments				
Pre-Appointment				
Pre-Appointment Administrators' Fee		(150,000.00)	-	(150,000.00)
Pre-Appointment Agents' fees and Expenses		(11,900.00)	-	(11,900.00)
Post Appointment				
Administrators' Remuneration		(33,337.44)	(8,777.00)	(42,114.44)
Agents' Fees and Expenses		(24,385.00)	(1,238.00)	(25,623.00)
Agents' Disbursements		(550.00)	-	(550.00)
Agents' Auction Costs		(1,460.34)	-	(1,460.34)
Agent Property Inspection Fees		(5,000.00)	-	(5,000.00)
Solicitors' Fees and Expenses		(75,210.00)	-	(75,210.00)
Insurance of Freehold Property		(8,417.26)	-	(8,417.26)
Disbursements - CAT1		(1,932.52)	(1,353.16)	(3,285.68)
Insurance		(375.00)	-	(375.00)
Bank Interest and Charges		(60.00)	-	(60.00)
Court Costs		(27.00)	-	(27.00)
Title Indemnity Insurance		(2,500.00)	-	(2,500.00)
Corporation Tax		(0.31)	-	(0.31)
HMRC Bond		(95,597.68)	-	(95,597.68)
Sub-Contract Labour		(958.92)	-	(958.92)
		(411,711.47)	(11,368.16)	(423,079.63)

LUXURY FOR LESS LIMITED T/A SOAK.COM – IN ADMINISTRATION

Distribution by class of Creditor

Secured Creditor - Wolseley	(6,900,000.00)	-	(6,900,000.00)
Secured Creditor - Soak Topco (Fixed Charge)	(977,499.00)	-	(977,499.00)
Secured Creditor – Soak Topco (Floating Charge)	(295,500.00)	-	(295,500.00)
Secured Creditor - NatWest	(10,255.45)	-	(10,255.45)
Preferential Creditors – 100p/£	-	(175,901.56)	(175,901.56)
	<u>(8,183,254.45)</u>	<u>(175,901.56)</u>	<u>(8,359,156.01)</u>
	<u>298,385.56</u>	<u>(187,269.72)</u>	<u>111,115.84</u>

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 19 SEPTEMBER 2021 TO 18 MARCH 2022**

	Units	Average hourly rate £	Cost £
Statutory and review	39	248.08	967.50
Receipts and payments	122	249.47	3,043.50
Insurance, bonding and pensions	4	415.00	166.00
Assets	59	306.19	1,806.50
Liabilities	1,047	231.59	24,247.50
General Administration	6	295.00	177.00
Planning & Strategy	13	405.77	527.50
Legal Services - Preparation	46	427.17	1,965.00
Legal Services – In Court	4	465.00	186.00
Legal Services – Letter Out	13	465.00	604.50
Legal Services – Telephone Call	6	465.00	279.00
	1,359	249.96	33,970.00

All Units are 6 minutes

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it ensures that the case is managed efficiently and resourced appropriately, which is of benefit to all creditors. The work carried out under this category during the period 19 September 2021 to 18 March 2022 has comprised the following:

- Case management reviews. These have been carried out periodically throughout the life of the case to ensure that matters are being progressed as necessary, including during the period of this report;
- Review and submission of billing requests in respect of the Joint Administrators' Remuneration in respect of time costs incurred in relation to matters relating to the Prescribed Part dividend;
- Review of case and outstanding matters to be included in the application to Court regarding the proposed extension of the Administration; and
- Completion of periodic review forms to ensure all matters have been dealt with within the Administration as required.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly. The work carried out under this category during the period 19 September 2021 to 18 March 2022 has comprised the following:

- Preparation of periodic receipts and payments accounts for inclusion in the Joint Administrators' Third Progress Report;
- Timely completion of all post appointment tax and VAT returns;
- Liaising with HMRC in respect of post-appointment VAT Returns and VAT deregistration documentation;
- Managing estate expenses and third-party payments;
- Issuing replacement preferential dividend payments to preferential creditors; and
- Reviewing and updating the Estimated Outcome Statement ("EOS") to reflect the current position of the case bank account as necessary and progression of the Administration to ensure that realisations have occurred as anticipated, and costs paid as appropriate.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor. The work carried out under this category during the period 19 September 2021 to 18 March 2022 has comprised the following:

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three-month intervals in accordance with best practice; and
- Liaising with Royal London, the Company's pension scheme provider, in respect of a prospective refund due to the Company.

Assets

The work set out in this category may bring a financial benefit for creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be set aside for the benefit of unsecured creditors) or may, depending on realisations, costs and the extent of any 3rd party security, result in a distribution to the preferential and / or

unsecured creditors. The work carried out under this category during the period 19 September 2021 to 18 March 2022 has comprised the following:

- Liaising with employment agent, Evolve, with regard to prospective rebate due to the Company in regard to the pension scheme;
- Liaising with third party in regard to prospective interest in acquiring any assets relating to the Company that may remain available to purchase. Duly advised no items remain available to purchase;
- Liaising with agents and review of relevant copy agreements as required in respect of the prospective rebate due from the Chinese supplier as detailed at section 4 of this report;
- Strategy meetings in relation to the options available to recover the overseas debt;
- Gathering relevant Company information to support the outstanding debt owed by the Chinese debtor; and
- Correspondence to HMRC regarding Corporation Tax position.

Liabilities

This category of time includes both statutory and non-statutory matters and will not necessarily bring any financial benefit to creditors generally. The more employees and creditors a company has, the more time and cost will be involved in dealing with those claims. The work carried out under this category during the period 19 September 2021 to 18 March 2022 has comprised the following:

- Processing of claims from the Company's 515 creditors. An initial review of the 146 claims received to date from unsecured creditors of the Company has commenced during the period in order to allow for the progression of the forthcoming preparation and issue of the Notice of Intended Dividend that will be issued to all known creditors in due course in regard to a Prescribed Part dividend. The specific timing and quantum of the Prescribed Part Dividend remains uncertain at this time. No claims have been admitted at this time for dividend purposes;
- Processing of claims from the Company's 148 employees, including a further review of the RPS' claim in the estate to ensure there were no errors in the claims, discussions with appointed employment agents to produce the residual claims in the estate, a review of the residual claims received to ensure they are accurate and updating the claims for the individual employees on our system;
- Issue of Notice of Intended dividend to preferential creditors;
- Processing and finalisation of the first and final preferential dividend to preferential creditors with admitted claims and issuing of relevant documentation to detail dividend information;
- Preparation and submission of the Joint Administrators' third progress report to creditors;
- Drafting and preparation of the Joint Administrators' fourth progress report to assist with the drafting of a witness statement, ahead of the Court hearing to consider the prospective extension of the Administration; and
- Prepare and issue notification to creditors, Court and Companies House, confirming the extension to the period of the Administration to 18 March 2023, as granted by the Court.

Non-statutory

- Dealing with enquiries from the Company's 515 creditors. This has mostly related to discussions with various former customers of the company in relation to faulty items or refunds due and requesting for progression updates on the Administration;
- Correspondence with former customers making initial contact with the Joint Administrators in relation to the lapsed warranty provided by the Company and making a claim within the estate; and
- Dealing with enquiries from the Company's employees in respect of the recent preferential dividend.

General Administration

This category of work does not result in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the administration. The work carried out under this category during the period 19 September 2021 to 18 March 2022 has comprised the following:

- Maintaining the administrators' records.

Planning & Strategy

The work carried out under this category during the period 19 September 2021 to 18 March 2022 has comprised the following:

- Gathering relevant information in order to proceed with the Court application to seek an extension of the term of the Administration; and
- Review of the Joint Administrators' draft witness statement prepared for the submission to Court.

Legal Services

Work has been undertaken during the period of this report by the Joint Administrators' in house legal team, Leonard Curtis Legal. The work carried out under this category during the period 19 September 2021 to 18 March 2022 has comprised the following:

- Drafting application to Court regarding the proposed extension to the period of the Administration;
- Drafting of the Joint Administrators' witness statement and preparation of supporting bundles;
- Amendments to witness statement following Joint Administrators initial review;
- Arranging relevant counsel to attend hearing;
- Submission of documents ahead of the hearing; and
- Drafting order and updating relevant parties regarding the outcome of the hearing.

**SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO DATE
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEES ESTIMATE**

	Fees Estimate			Incurred To 18 March 2022			Variance
	Total			Total			
	Units	Cost	Average Hourly Rate	Units	Cost	Average Hourly Rate	Cost
	No	£	£	No	£	£	£
Statutory and Review	306	9,873.50	322.66	550	16,753.50	304.61	6,880.00
Receipts and Payments	113	3,153.50	279.07	530	16,851.50	317.95	13,698.00
Insurance	70	2,111.00	301.57	118	3,799.50	321.99	1,688.50
Assets	980	40,180.50	410.01	933	35,991.50	385.76	(4,189.00)
Liabilities	3,685	124,390.00	337.56	3,914	105,371.00	269.22	(19,019.00)
Landlords	92	3,905.00	424.46	60	2,241.00	373.50	(1,664.00)
Debenture Holder	57	2,150.00	377.19	149	7,089.50	475.81	4,939.50
General Administration	139	4,175.00	300.36	476	12,069.00	253.55	7,894.00
Appointment	99	3,123.00	315.45	99	3,123.00	315.45	-
Planning and Strategy	52	1,936.50	372.40	25	863.50	345.40	(1,073.00)
Post Appointment Creditors Decision Procedure	441	13,940.00	316.10	546	17,491.50	320.36	3,551.50
Investigations	168	5,707.00	339.70	145	3,445.00	237.59	(2,262.00)
Legal Services - Preparation	277	12,386.00	447.15	602	26,569.50	441.35	14,183.50
Legal Services – In Court	-	-	-	4	186.00	465.00	186.00
Legal Services - Research	-	-	-	17	476.00	280.00	476.00
Legal Services – Letter Out	-	-	-	13	604.50	465.00	604.50
Legal Services – Tel Call	-	-	-	6	279.00	465.00	279.00
Legal Services - Email In	2	56.00	280.00	9	340.50	378.33	284.50
Legal Services - Email Out	19	427.00	224.74	36	1,117.50	310.42	690.50
Total	6,500	227,514.00	350.02	8,232	254,662.50	309.36	27,148.50

All Units are 6 Minutes

APPENDIX E

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 19 SEPTEMBER 2021 TO 18 MARCH 2022
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks (Cat 1)	Business Tax Centre	Electronic client verification	10.00	20.00	-	20.00	-
Bond Fee (Cat 1)	AUA Insolvency Risk Services	Insurance bond	400.00	400.00	-	400.00	-
Document Hosting* (Cat 1 until 1 April 2021)	Pelstar	Hosting of documents for creditors	98.00	791.00	187.60	511.00	280.00
Software Licence Fee* (Cat 1 until 1 April 2021)	Pelstar	Case management system licence fee	87.00	87.00	-	87.00	-
Statutory Advertising (Cat 1)	Courts Advertising	Advertising	83.02	91.80	-	91.80	-
Storage Costs (Cat 1)	Charles Taylor	Storage of books and records	500.00	1,174.38	410.36	1,127.68	46.70
Postage (Cat 1)	Postworks	Postage costs	-	1,317.24	715.88	803.20	514.04
Post Redirection (Cat 1)	Royal Mail	Redirection of Post	216.00	-	-	-	-
		Total standard expenses	1,394.02	3,881.42	1,313.84	3,040.68	840.74

* Payment to Associate requiring specific creditor / committee approval if drawn after 1 April 2021

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Accountancy Fees	Champion	Statement of Affairs assistance	3,000.00	-	-	-	-
Agents Fees	CAM	Fees in relation to finalising the sale of remaining physical assets.	12,750.00	13,250.00	-	13,250.00	-
Agents Fees	Evolve	Pension advice	275.00	275.00	-	275.00	-
Agents Fees	Evolve	ERA claims assistance	7,850.00	9,410.00	-	9,410.00	-
Agents Fees	Evolve	Residual tax claim calculation	-	1,238.00	538.00	1,238.00	-
Agents Fees	Landwood	Additional costs from the sale of the Property	-	2,000.00	-	2,000.00	-

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Staff Mileage	Leonard Curtis Staff	Category 2 disbursement requiring specific creditor / committee approval	200.00	-	-	-	-
Key Personnel Assistance	Sub-contract Staff	Cost of Post-Appointment Employee Assistance	1,500.00	958.92	-	958.92	-
Tax Advice	Champion	Tax accountant advice in relation to capital gains on the Property	2,500.00	-	-	-	-
Legal Fees	Shoosmiths	Advice in respect of the sale of the Property	75,000.00	75,210.00	-	75,210.00	-
Marketing fees (CAT1)	CAM	Costs of subscription to IP-Bid to market business and assets	245.00	245.00	-	245.00	-
Auction Fees	CAM	Costs of auctioning remaining assets	-	1,460.34	-	1,460.34	-
Insurance	Eddisons	Cost of Insurance over Company's assets including the various Company Chattel assets and the Property	26,600.00	8,792.26	-	8,792.26	-
Bank Charges	AIB	Interest and Charges from transactions on account	-	60.00	7.50	60.00	-
Court Costs	HMCTS	Application costs of Court	-	27.00	-	27.00	-
Capital Gain Tax	TBC	Tax payable on any profit achieved upon sale of the assets (in particular the Property)	TBC	-	-	-	-
Agents Fees	TBC	Property agents fees in connection with the Property Sale	1% of sale price (est.)	-	-	-	-
Corporation Tax	HM Revenue & Customs		-	0.31	0.31	0.31	-
Property Holding Costs	TBC	Utilities, security etc in period prior to Property being sold (est. £5k per month)	40,000.00	-	-	-	-
		Total	169,920.00	112,926.83	545.81	113,472.33	-

NB: It should be noted that due to an administrative error the total figure reported in respect of total disbursements incurred to date was incorrect in the previous report, however the figures contained therein were accurate.

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by the appropriate body of creditors that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to request and obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

	6 Jan 2014 onwards		1 Aug 2019 onwards		1 March 2021 onwards	
	Standard	Complex	Standard	Complex	Standard	Complex
	£	£	£	£	£	£
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

In respect of assignments pre-dating 1 March 2022, office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

Use of Associates

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis (LC). The term "Associate" is defined in s435 of the Insolvency Act 1986, but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table on the next page for further details).

Leonard Curtis Legal Limited (LC Legal) are part of the LCBSG group; as such they are an "Associate" of LC. Where LC Legal are instructed to assist an office-holder in a particular matter from 1 March 2022 onwards, details of their proposed costs will be provided to creditors and specific approval for payments to associates will be sought.

Additionally, whilst not meeting the legal definition of "Associate" we are aware that there is a perceived association between LC and Pelstar Limited. Pelstar Limited provides insolvency case management software and document hosting facilities to LC. LC employs an individual who is married to a director of Pelstar Limited. Pelstar Limited's costs are set out in the expenses tables below.

Use of Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Use of Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Categorisation of Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount																								
AML checks via Smartsearch	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search Note that with effect from 1 April 2021, these costs are no longer recovered from the estate.																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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Software Licence fee hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and																								

		whether the document is sent by international, first or second class post.
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges

- | Type | Description | Amount |
|----------------------|---|---|
| Agents' fees | Costs of appointed agents in valuing and realising assets | Time costs plus disbursements plus VAT |
| Debt Collection fees | Costs of appointed debt collectors in realising debts | Generally agreed as a % of realisations plus disbursements plus VAT |
| Legal fees | Costs of appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions. Where the solicitor appointed is LC Legal, any fee payable for work completed is classed as a payment to an associate and requires specific creditor / committee approval as detailed above. | Time costs plus disbursements plus VAT |
| Other expenses | See Category 1 and 2 expenses notes below | See Category 1 and 2 expenses notes below |

- a) Category 1 expenses: These are payments to independent third parties providing the service to which the expense relate. These may include, for example, advertising, external room hire, storage costs, postage costs, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 expenses may be paid without prior approval.
- b) Category 2 expenses: These are costs that are directly referable to the appointment in question, but not paid to an independent third party. They may include costs which have an element of shared cost. The following items of expenditure are recharged on this basis and are charged at HMRC approved rates:

Payments to Associates (as defined above) are categorised by LC in the same way as Category 2 expenses. Category 2 expenses and payments to Associates may only be drawn if they have been approved in the same manner as an office holder's remuneration.

ESTIMATED OUTCOME STATEMENT

	Wolseley £'000	Topco £'000	Preferential £'000	Unsecured £'000
Amount available to class of creditor	6,900	1,295	575	83*
Amount due to creditor per Estimated Financial Position	(8,900)	(3,900)	(176)	(8,659)
Estimated dividend rate (as a %)	77.5%	33.2%	100%	<1%

* It should be noted that the funds available to the unsecured creditors for the purpose of the prescribed part dividend will be subject to the costs and various expenses incurred in facilitating the preparation and payment of that distribution.

Proof of Debt – General Form

Relevant date: 19 March 2020

Please e-mail completed form to:

claims.manchester@leonardcurtis.co.uk quoting ref: L594K/MDE/PROOF

Name of Company in Administration:

Luxury For Less Limited t/a Soak.com

Company registered number:

08013835

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.
3. **Please e-mail completed form to:**

claims.manchester@leonardcurtis.co.uk quoting ref: L594K/MDE/PROOF

PRIVACY NOTICE

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS