



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

1 Company details

| | | | | | | | | |
|----------------------|------------------------------|---|---|---|---|---|---|---|
| Company number | 0 | 9 | 3 | 5 | 7 | 2 | 3 | 5 |
| Company name in full | Potting Shed Trading Limited | | | | | | | |

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

| | |
|------------------|------------|
| Full forename(s) | Alan Brian |
| Surname | Coleman |

3 Administrator's address

| | |
|----------------------|-----------------|
| Building name/number | The Copper Room |
| Street | Deva Centre |
| Post town | Trinity Way |
| County/Region | Manchester |
| Postcode | M 3 7 B G |
| Country | |

4 Administrator's name ①

| | |
|------------------|-------|
| Full forename(s) | Jimmy |
| Surname | Fish |

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

| | |
|----------------------|-----------------|
| Building name/number | The Copper Room |
| Street | Deva Centre |
| Post town | Trinity Way |
| County/Region | Manchester |
| Postcode | M 3 7 B G |
| 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 0 | ^d 3 | ^m 0 | ^m 6 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |
| To date | ^d 0 | ^d 2 | ^m 1 | ^m 2 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

| | | | | | | | | |
|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Signature date | ^d 3 | ^d 0 | ^m 1 | ^m 1 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |
|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

**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 | Alan Coleman |
| Company name | Cowgill Holloway Business Recovery LLP |
| Address | Regency House 45-53 Chorley New Road |
| Post town | Bolton |
| County/Region | |
| Postcode | B L 1 4 Q R |
| Country | |
| DX | |
| Telephone | 0161 827 1200 |

**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

Joint Administrators' Progress Report

**Potting Shed Trading Limited
In Administration**

**For the Period Ending
2 December 2020**

cowgills

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- A** Joint Administrators' Receipts and Payments Account from 3 June 2020 to 2 December 2020 together with a Cumulative Receipts and Payments Account from 3 December 2019 to 2 December 2020
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THE JOINT ADMINISTRATORS' PROGRESS REPORT

1 Introduction

- 1.1 Alan Brian Coleman and James Fish of Royce Peeling Green Limited ("**RPG**"), The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG were appointed Joint Administrators of Potting Shed Trading Limited ("**the Company**") on 3 December 2019. Their appointment was made by the Qualifying Floating Charge Holder, Downing LLP.
- 1.2 On 14 August 2020, Cowgill Holloway Business Recovery LLP ("**CHBR** ") aquired the Business Recovery department of RPG and this matter was transferred to CHBR.
- 1.3 Please note that the Insolvency Practitioner has remained the same but we should be grateful if you could note the change of contact details, namely, CHBR, Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR.
- 1.4 The Administration is registered in the Business & Property Courts of Manchester, reference number 001279 of 2019.
- 1.5 As Joint Administrators, we are required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 3 June 2020 to 2 December 2020 ("**the Period**") and should be read in conjunction with our Proposals and previous progress report.
- 1.6 Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://www.cowgills.co.uk/services/business-recovery/privacy-notice/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.7 The trading names and addresses of the Company are as follows:
 - Bingley Potting Shed, 94 Main Street, Bingley, BD16 2HJ
 - The Firepit Bingley, Old Fire Station, Market Place, Bingley, BD16 2HP
 - Beverley Potting Shed, Flemingate, Beverley, HU17 0NU
 - Guiseley Potting Shed, Former HSBC, Oxford Road, Guiseley, Leeds, LS20 8AA

- 1.8 The registered office of the Company will be updated to Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR and its registered number is 09357235.

2 Progress of the Administration

- 2.1 You may recall that the statutory objective being pursued in the Administration was achieving a better result for the Company's creditors as a whole than would be likely if the company were wound up. In addition to the pursuance of this statutory objective, the Joint Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.2 This has been achieved by the completion of the pre-packaged sale of the of the Company's business and assets to Gencomp (No.7) Limited on 3 December 2019. The sale enabled a

distribution to the secured creditor and a prescribed part distribution to the unsecured creditors, which would not have been achieved should the assets have been sold in a shut-down scenario.

- 2.3 The Joint Administrators' can therefore confirm that the purpose of the Administration has been achieved and this report provides full details of all matters that have been dealt with in the Administration.
- 2.4 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.
- 2.5 At Appendix A is our Receipts and Payments Account for the Period, together with a Cumulative Receipts and Payments Account from the date of our appointment as Joint Administrators to the end of the Period.
- 2.6 Information about the basis of remuneration agreed in this case and the Joint Administrators' fees estimate can be found in Section 4 of this report, together with any relevant information about revisions to our initial estimate, where applicable.

Extending the Administration

- 2.7 Creditors may recall that we deemed it necessary to extend the period of the Administration to enable us to make a distribution to unsecured creditors of the Prescribed Part fund.
- 2.8 Accordingly, on 18 November 2020 we wrote to the Company's secured creditor, Downing LLP, seeking their consent to extend the Administration.
- 2.9 We would confirm that consent to the extension was provided by Downing LLP on 18 November 2020 and consequently, the Administration was extended by the consent of creditors until 2 December 2021.

Administration (including statutory compliance & reporting)

- 2.10 As noted above, the Joint Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that we anticipated would need to be done in this area was outlined in our initial fees estimate/information.
- 2.11 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Administrators.
- 2.12 As noted in our initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

Dividends Received from Group Companies, in Administration

- 2.13 During the period, the following distributions were received from other companies in Potting Shed Group, for which Alan Brian Coleman and James Fish were appointed Joint Administrators on 3 December 2019:

| | |
|------------------------------|-----------|
| Collaterathought Limited | £8,166.46 |
| Northalerton Bar Co. Limited | £6,327.66 |
| Southport Bar Co. Limited | £5,620.15 |

Gross Bank Interest

- 2.14 During the Period, gross interest totalling £130.94 was received on monies in the Administration Estate Bank Account.
- 2.15 It is considered that the work the Joint Administrators and their staff have undertaken to date will bring a financial benefit to creditors. Namely, the distributions made to date to the secured creditors of the Company, from which a Prescribed Part fund is available for the benefit of unsecured creditors.

Creditors (claims and distributions)

- 2.16 Further information on the anticipated outcome for creditors in this case can be found at Section 5 of this report. The Joint Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.17 The above work will not necessarily bring any financial benefit to creditors generally, however The Joint Administrators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Administrators in dealing with those claims.
- 2.18 We consider the following matters worth noting in my report to creditors at this stage:
- There are approximately 93 of unsecured trade & expense creditor claims in this case with a value per the director's Statement of Affairs of £846,198.40
 - There are 4 associated companies with unsecured claims in this case with a value per the director's Statement of Affairs of £12,782,384. These companies:

Ormsborough Limited £12,2261,476
(In Creditors' Voluntary Liquidation)

Craven Bar Co. Limited £94,568.00
(In Creditors' Voluntary Liquidation)

Spiritman Limited £377,411.00
(In Creditors' Voluntary Liquidation)

Macclesfield Bar Co. Limited £83,929.00

- To date, the only claim received from an associated Company is that of Ormsborough Limited, for which I am the Joint Liquidator, along with James Fish of this office. I can confirm that we are not the appointed to deal with the other Liquidations.

Investigations

- 2.19 You may recall from my first progress report to creditors that some of the work The Joint Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("**CDDA 1986**") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations ("**SIP2**") and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that can be pursued for the benefit of creditors.
- 2.20 Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.

What remains to be done in the Administration.

- 2.21 The only outstanding matter in the Administration and the reason for the extension, is the distribution of the Prescribed Part fund to unsecured creditors.

3 Joint Administrators' Remuneration

- 3.1 The basis of the Administrators' fees has been fixed in the Administration by reference to the time properly spent by them and/or their his staff in managing the Administration.
- 3.2 Our fee estimate/information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to at that time. A copy of that estimate is reproduced below:

| Category | Anticipated Number of hours | Blended charge out rate (£) | Anticipated Cost (£) |
|---|-----------------------------|-----------------------------|----------------------|
| Administration (inc Statutory Compliance & Reporting) | 67.00 | 204.78 | 13,720.00 |
| Statutory Investigations & CDDA Compliance | 79.00 | 179.75 | 14,200.00 |
| General Realisation of Assets | 27.50 | 188.18 | 5,175.00 |
| Reporting & Distribution to Secured Creditor | 33.00 | 218.64 | 7,215.00 |
| General Creditor Dealing | 53.00 | 152.45 | 8,080.00 |
| Distribution to Creditors | 28.00 | 135.71 | 3,800.00 |
| Total Estimated Cost | | | 52,190.00 |

- 3.1 Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by us in managing the Administration. Our time costs for the Period are £7,984, which represents 42 hours at an average rate of £192 per hour.
- 3.2 Attached as Appendix C is a cumulative Time Analysis for the period from the date of our appointment to 1 December 2020, which provides details of our total time costs in the Administration. These time costs total £34,319, which represents 175 hours at an average rate of £196 per hour.
- 3.3 As can be seen from the Receipts and Payments account at Appendix A, remuneration totalling £27,493 plus VAT has been drawn during the course of the Administration.

- 3.4 A narrative explanation of the work undertaken by the Joint Administrators during the Period can be found at Section 2 of this report.
- 3.5 At the date of this report, we would confirm that our fees estimate for the Administration remains unchanged.
- 3.6 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://www.cowgills.co.uk/wp-content/uploads/2016/01/Creditors-Guide-to-Administrators-fees.pdf>.
- 3.7 Attached at Appendix D is additional information in relation to the Joint Administrators fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

4 Estimated Outcome for Creditors

- 4.1 An Estimated Outcome Statement as at 2 December 2020 is attached at Appendix E.

Secured Creditors

- 4.2 Downing LLP holds a fixed and floating charge over the Company's assets. At the date of the Administration the indebtedness to the secured creditor was estimated at £7,744,059.
- 4.3 During the course of the Administration the following distributions have been made to Downing LLP, under their fixed and floating charge:

| Date | Fixed Charge Distribution (£) | Floating Charge Distribution (£) |
|------------|-------------------------------|----------------------------------|
| 03/12/2019 | 3,358,750.00 | |
| 03/12/2019 | | 46,250.00 |
| 01/06/2020 | | 32,673.00 |
| 06/08/2020 | | 90,000.00 |
| 24/11/2020 | | 44,466.54 |

- 4.4 Downing LLP have therefore received distributions totalling £3,572,139.54 under their fixed and floating charge, which equates to a distribution of 46.12p in the pound in respect to their liability.

Preferential Creditors

- 4.5 There are no preferential creditors in this matter.

Unsecured Creditors

- 4.6 Unsecured claims totalling £341,854.31 have been received from 21 unsecured creditors.
- 4.7 To date 68 unsecured creditors with a combined statement of affairs value of £727,460.54 have yet to submit claims.
- 4.8 There are four associated creditors with unsecured claims in this case with a value per the director's Statement of Affairs of £12,782,384.

4.9 As detailed above, the Company granted a floating charge to Downing LLP on 15 October 2019. Accordingly, we were required to create a fund out of the Company's net floating charge property for unsecured creditors, known as ("**the Prescribed Part**").

4.10 We would confirm that the value of the Company's net floating charge property is £270,486.93, from which the of the unsecured creditors' fund is calculated to be £57,097.39

Notice of Intended Dividend

4.11 Enclosed with this report is a Notice of Intended Distribution to unsecured creditors.

4.12 Creditors who have yet to submit a claim in this matter, are requested to complete the enclosed Proof of Debt form and return it to our office no later than **Thursday 21 January 2021**. Please note that appropriate supporting evidence of your claim against the Company should be provided with any claim submitted.

5 Ending the Administration

5.1 Based on present information, the Joint Administrators thinks that the Company has insufficient property to permit a distribution to the unsecured creditors (other than by virtue of the Prescribed Part) and that there may only be a distribution available to the secured creditor of the Company. As a result, once these distributions have been made, a notice will be filed at Court and with the Registrar of Companies with the Administrator's final report, for the dissolution of the Company

5.2 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

6 Creditors' Rights

6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.

6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Administrators remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this progress report, are excessive.

7 Next Report

7.1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or he wishes to extend it.

POTTING SHED TRADING LIMITED - IN ADMINISTRATION

For and on behalf of
Potting Shed Trading Limited

A handwritten signature in black ink, appearing to read 'A B Coleman', with a long, sweeping horizontal stroke extending to the right.

A B Coleman
Joint Administrator

**Joint Administrators' Receipts and Payments Account from 3 June 2020 to 2 December 2020 together
with a Cumulative Receipts and Payments Account from 3 December 2019 to 2 December 2020**

| | | | |
|------------------------|-------------------------------------|--------------|------------------|
| 5 of A - | | | |
| | FIXED CHARGE RECEIPTS | | |
| 3,405,000.00 | Freehold Land & Properties | 3,404,998.00 | |
| | Goodwill | 2.00 | |
| | | | 3,405,000.00 |
| | FIXED CHARGE PAYMENTS | | |
| | Administrators Pre App Fee | 22,500.00 | |
| | Legal Fees | 18,750.00 | |
| | Agent's Fees | 5,000.00 | |
| | | | (46,250.00) |
| | SECURED CREDITORS | | |
| (7,744,059.00) | Fixed Charge Creditor | 3,358,750.00 | |
| | | | (1,358,750.00) |
| | FLOATING CHARGE RECEIPTS | | |
| 140,000.00 | Fixtures & Fittings | 139,997.00 | |
| | Business Infru | 1.00 | |
| | Stock | 1.00 | |
| | Contracts | 1.00 | |
| 50,000.00 | Floats | NIL | |
| | Director Claim | 12,673.00 | |
| | Southport Bar Co. Ltd - In Admin | 5,620.15 | |
| | Northalerton Bar Co. Ltd - In Admin | 6,327.66 | |
| | Collateralthought Ltd - In Admin | 8,166.46 | |
| | Utility Refund | 1,986.70 | |
| 100,000.00 | Cash at Bank | 95,647.77 | |
| | NDR Refund | 2,225.80 | |
| | Misc. Refunds | 13.87 | |
| | Cash Floats | 35,431.26 | |
| | Bank Interest Gross | 289.03 | |
| | | | 428,281.70 |
| | FLOATING CHARGE PAYMENTS | | |
| | Legal fees - Pre appointment | 6,750.00 | |
| | Legal expenses - Pre appointment | 121.00 | |
| | Legal Fees - Post Appointment | 3,492.00 | |
| | Specific Bond | 370.00 | |
| | Pre appointment Admin Fees | 7,500.00 | |
| | Joint Administrators' Fees | 27,493.45 | |
| | Joint Administrators' Disbursements | 409.07 | |
| | Agent's Fees | 10,000.00 | |
| | Agents Disbursements | 71.77 | |
| | Legal Fees | 2,000.00 | |
| | Statutory Advertising | 57.48 | |
| | | | (57,794.77) |
| | FLOATING CHARGE CREDITORS | | |
| | Floating Charge Creditor | 213,389.54 | |
| | | | (213,389.54) |
| | UNSECURED CREDITORS | | |
| (846,398.00) | Trade & Expense Creditors | NIL | |
| (12,782,384.00) | Potting Shed Group Companies | NIL | |
| | | | NIL |
| (17,677,641.00) | | | 57,097.39 |
| | REPRESENTED BY | | |
| | Val Receivable | | 6,114.25 |
| | Bank I Current | | 50,983.14 |
| | | | 57,097.39 |

Notes

Distributions totalling 46.12p in the £ have been paid to the Downing under their fixed & floating charge.

Joint Administrators' Time Analysis for the Period from 3 June 2020 to 2 December 2020

RPG

| | Office Holder | Manager | Administrators | Cashier | Total Hours | Total Cost | Average Rate |
|------------------------|------------------|---------|----------------|---------|----------------|---------------|-----------------|
| | £ | £ | £ | £ | | £ | £ |
| Statutory & Compliance | 0.20 | 5.50 | 12.50 | 3.00 | 21.20 | 3,970.00 | 187.26 |
| Creditor Communication | | 5.50 | 8.00 | | 13.50 | 2,792.50 | 206.85 |
| Employees | | | 1.25 | | 1.25 | 200.00 | 160.00 |
| Total hours/Cost | 0.20 | 11.00 | 21.75 | 3.00 | 35.95 | 6,962.50 | 193.67 |
| RPG Charge out Rate | 300.00 | 300.00 | 160.00- 105.00 | 105.00 | | | |

COWGILLS

| | Partner | Manager | Senior Administrator | Administrator | Cashier | Total hours | Total Cost £ | Average Cost £ |
|---|---------|---------|-------------------------|---------------|---------|----------------|--------------------|----------------------|
| Administration (inc statutory compliance & reporting) | 0.50 | | | 1.50 | | 2.00 | 382.50 | 191.25 |
| Creditors (claims & distributions) | | | 3.00 | | | 3.00 | 540.00 | 180.00 |
| Realisation of Assets | | 0.30 | | | | 0.30 | 54.00 | 180.00 |
| Investigations | | | 0.25 | | | 0.25 | 45.00 | 180.00 |
| Total Hours | 0.50 | 0.30 | 3.25 | 1.50 | 0.00 | 5.55 | 1,021.50 | 184.05 |
| Current Chargeout Rates | 375.00 | 250.00 | 180.00 | 150.00 | 120.00 | | | |

Joint Administrators' Cumulative Time Analysis from 3 December 2019 to 2 December 2020

RPG

| | Office Holder | Manager | Administrators | Cashier | Total Hours | Total Cost | Average Rate |
|------------------------|------------------|---------|----------------|---------|----------------|---------------|-----------------|
| | £ | £ | £ | £ | | £ | £ |
| Statutory & Compliance | 7.00 | 13.00 | 49.25 | 15.00 | 84.25 | 14,751.00 | 175.09 |
| Creditor Communication | | 20.00 | 21.00 | | 41.00 | 9,098.75 | 221.92 |
| Realisation of Assets | 11.00 | | 12.25 | | 23.25 | 5,205.00 | 223.87 |
| Investigations / CDDA | 0.10 | 7.50 | 12.20 | | 19.80 | 4,042.25 | 204.15 |
| Employees | | | 1.25 | | 1.25 | 200.00 | 160.00 |
| Total hours/Cost | 18.10 | 40.50 | 95.95 | 15.00 | 169.55 | 33,297.00 | 196.38 |
| RPG Charge out Rate | 300.00 | 300.00 | 160.00- 105.00 | 105.00 | | | |

COWGILLS

| | Partner | Manager | Senior Administrator | Administrator | Cashier | Total hours | Total Cost £ | Average Cost £ |
|---|---------|---------|-------------------------|---------------|---------|----------------|--------------------|----------------------|
| Administration (inc statutory compliance & reporting) | 0.50 | | | 1.50 | | 2.00 | 382.50 | 191.25 |
| Creditors (claims & distributions) | | | 3.00 | | | 3.00 | 540.00 | 180.00 |
| Realisation of Assets | | 0.30 | | | | 0.30 | 54.00 | 180.00 |
| Investigations | | | 0.25 | | | 0.25 | 45.00 | 180.00 |
| Total Hours | 0.50 | 0.30 | 3.25 | 1.50 | 0.00 | 5.55 | 1,021.50 | 184.05 |
| Current Chargeout Rates | 375.00 | 250.00 | 180.00 | 150.00 | 120.00 | | | |

Appendix D

Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements**1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

| Name of Professional Advisor | Basis of Fee Arrangement |
|---|--|
| Knights PLC (legal advice) | Hourly rate and disbursements plus VAT |
| Lambert Smith Hampton (valuation and disposal advice) | Hourly rate and disbursements plus VAT |
| Christies (valuation and disposal advice) | Hourly rate and disbursements plus VAT |

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Joint Administrators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Joint Administrators' Proposals Report, a copy of which is set out below:

| Expense | Provider | Basis of fee arrangement | Estimated Cost £ |
|---|-------------------------|--------------------------|---------------------|
| Agents Fees | Lambert Smith Hampton | Engagement Letter | 10,000 plus VAT |
| Agents Disbursements | Lambert Smith Hampton | Engagement Letter | 400 plus VAT |
| Legal Fees | Knights Plc | Engagement Letter | 25,000 plus VAT |
| Legal Disbursements | Knights Plc | Engagement Letter | 150 plus VAT |
| Pre-Appointment Fees | RPG | Engagement Letter | 30,000 plus VAT |
| Final CGT computation and group position workings | RPG | Fixed Fee | 5,000.00 plus VAT |
| Security Review | Ocassio Legal | Fixed Fee | 2,400.00 plus VAT |
| Specific Bond | Marsh Ltd | Fixed Fee | 240.00 |
| Statutory Advertising | Courts Advertising Ltd | £84.60 per advert | 169.20 plus VAT |
| Bank Charge | Royal Bank of Scotland | Fixed Fee | 75.00 |
| Collection and storage of company records | JPS Chartered Surveyors | Fixed Fee | 2,000.00 |

Current position of Joint Administrators' expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

POTTING SHED TRADING LIMITED - IN ADMINISTRATION

| | Paid in the period covered by this report £ | Paid in a Prior Period £ | Total anticipated cost £ |
|---------------------------------|---|--------------------------|--------------------------|
| Agents' costs | NIL | 10,071.77 plus VAT | 10,071.77 plus VAT |
| Solicitors' costs | NIL | 5,492 plus VAT | 5,492 plus VAT |
| Statutory advertising | NIL | 87.48 plus VAT | 87.48 plus VAT |
| Specific penalty bond | NIL | 370.00 | 370.00 |
| Category 2 disbursements | | | |
| Business mileage | | 116.55 | 116.55 |
| Postage | | 292.52 | 492.52 |

3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

3.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Joint Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

4.1 RPG's current charge-out rates effective from 1 January 2019 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

| Staff Grade | Rate per Hour |
|--|---------------|
| Partner/Senior Insolvency Practitioner | 275 - 300 |
| Insolvency Practitioner/Senior Manager | 250 - 300 |
| Senior Administrator | 150 - 160 |
| Support/Cashier | 40 - 105 |

4.2 CHBR current charge-out rates effective from 1 March 2012 are detailed below.

4.3 Please note this firm records its time in minimum units of 6 minutes.

| Staff Grade | Rate per Hour |
|----------------------|---------------|
| Partner | £375 |
| Consultant | £300 |
| Director | £300 |
| Manager | £250 |
| Senior Administrator | £180 |
| Administrator | £150 |
| Cashier/Support | £120 |
| Junior Administrator | £100 |

Estimated Outcome Statement as at 2 December 2020

| | To Date | Future | Total |
|--|---------------------|-------------|---------------------|
| Fixed Charged Assets | | | |
| Freehold Property | 3,404,998.00 | 0.00 | 3,404,998.00 |
| Goodwill | 2.00 | 0.00 | 2.00 |
| | <u>3,405,000.00</u> | <u>0.00</u> | <u>3,405,000.00</u> |
| Less fixed charge costs: | | | |
| Agents fees - Christies | | 0.00 | |
| Admin fees - pre-apt | | 0.00 | |
| Legal fees - Knights pre-apt | | 0.00 | |
| | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| Fixed Charge Holder | 3,358,750.00 | 0.00 | 3,358,750.00 |
| Floating Charge Assets | | | |
| Fixtures & Fittings | 139,997.00 | 0.00 | 139,997.00 |
| Business Ints | 1.00 | 0.00 | 1.00 |
| Stock | 1.00 | 0.00 | 1.00 |
| Contracts | 1.00 | 0.00 | 1.00 |
| Director Claim | 32,673.00 | 0.00 | 32,673.00 |
| Southport Bar Co. Ltd - In Admin | 5,620.15 | 0.00 | 5,620.15 |
| Northalton Bar Co. Ltd - In Admin | 6,327.66 | 0.00 | 6,327.66 |
| Collateralthought Ltd - In Admin | 9,166.46 | 0.00 | 9,166.46 |
| Utility Refund | 1,986.70 | 0.00 | 1,986.70 |
| Cash at Bank | 95,647.77 | 0.00 | 95,647.77 |
| NDR Refund | 2,225.80 | 0.00 | 2,225.80 |
| Misc. Refunds | 13.87 | 0.00 | 13.87 |
| Cash Floats | 35,331.26 | 0.00 | 35,331.26 |
| Bank Interest Gross | 289.03 | 0.00 | 289.03 |
| | <u>328,281.70</u> | <u>0.00</u> | <u>328,281.70</u> |
| Less floating charge costs | | | |
| Legal fees - Pre appointment | | 0.00 | |
| Legal expenses - Pre appointment | | 0.00 | |
| Legal Fees - Post Appointment | 0.00 | 0.00 | 0.00 |
| Specific Bond | | 0.00 | |
| Pre appointment Admin fees | | 0.00 | |
| Joint Administrators' Fees | 0.00 | 0.00 | 0.00 |
| Joint Administrators' Disbursements | 0.00 | 0.00 | 0.00 |
| Agent's Fees | | 0.00 | |
| Agents Disbursements | 0.00 | 0.00 | 0.00 |
| Legal Fees | | 0.00 | |
| Statutory Advertising | 0.00 | 0.00 | 0.00 |
| | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| NET Property | 270,486.93 | | 270,486.93 |
| Less Prescribed Part Fund | 57,097.39 | | 57,097.39 |
| Floating Charge Holder | | | |
| Available for Unsecured Creditors | 57,097.39 | | 57,097.39 |

Notes**PP fund calc**

| | |
|----------------------|------------------|
| 50% of first £10,000 | 5,000.00 |
| 20% thereafter | <u>52,097.39</u> |
| | <u>57,097.39</u> |

Claim Summary

| | |
|---|----------------------|
| Claims Received (21 creditors) | 341,654.31 |
| Total Value of Claims not Received (68 creditors) | <u>727,460.54</u> |
| Associated Companies (4 companies) | <u>12,762,184.00</u> |
| | <u>13,851,698.85</u> |

At this stage no work has been undertaken to review or adjudicate creditor claims.

The cost of adjudicating creditor claims and making the distribution will be deducted from the Prescribed Part Fund.