

# AM10

## Notice of administrator's progress report



Companies House

WEDNESDAY



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A16

22/12/2021

#222

COMPANIES HOUSE

### 1 Company details

Company number 0 9 4 5 3 9 8 8

Company name in full Adelie Foods Bidco Limited

→ Filling in this form  
Please complete in typescript or in  
bold black capitals

### 2 Administrator's name

Full forename(s) Robert James

Surname Harding

### 3 Administrator's address

Building name/number 60 St Martin's Lane

Street London

Post town County/ WC2N 4JS

Region

Postcode

Country

### 4 Administrator's name <sup>①</sup>

Full forename(s) Richard Michael

Surname Hawes

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address <sup>②</sup>

Building name/number 2 Fitzalan Road Brunel

Street Cardiff

Post town County/ CF24 0EB

Region

Postcode

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	<sup>d</sup>	2	<sup>d</sup>	6	<sup>m</sup>	0	<sup>m</sup>	5	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	0
To date	<sup>d</sup>	2	<sup>d</sup>	5	<sup>m</sup>	1	<sup>m</sup>	1	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	1

### 7 Progress report

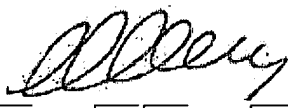
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date	<sup>d</sup>	2	<sup>d</sup>	1	<sup>m</sup>	1	<sup>m</sup>	2	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	1
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# AM10

## Notice of administrator's progress report



### 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 Harpreet Panesar

Company name Teneo Restructuring Ltd

Address 156 Great Charles Street  
Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

DX

Telephone +44 121 619 0120



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)



The Global CEO Advisory Firm

**Adelie Foods Limited (“AFL”)  
Adelie Holdco UK Limited (“AHUKL”)  
Adelie Foods Group Limited (“AFGL”)  
Adelie Foods Bidco Limited (“AFBL”)  
Brambles Foods Group Limited (“BFGL”)  
(all in administration)  
 (“the Companies”)**






Progress report to creditors for the period 26 May 2021 to 25 November 2021 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 (“the Rules”)

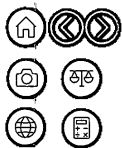
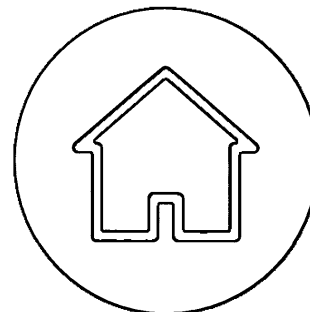
21 December 2021

Robert James Harding and Richard Michael Hawes (“the Joint Administrators”) were appointed Joint Administrators of the Companies on 26 May 2020 by the Directors. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Teneo Restructuring Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), (“the Act”), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally. As stated in the administration appointment documents, these are COMI proceedings (i.e. the centre of main interests is in the UK).

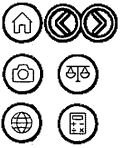
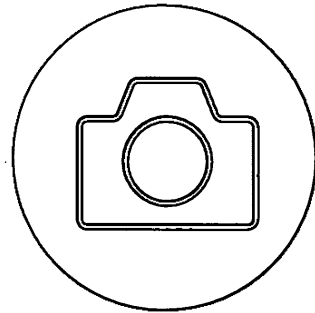
Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

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## Key messages



## Key messages

### Joint Administrators of the Companies

Robert James Harding  
Richard Michael Hawes  
Teneo Restructuring Limited  
156 Great Charles Street  
Queensway  
Birmingham  
B3 3HN

### Contact details

Email:  
wendy.packwood@teneo.com  
  
www.ips-docs.com  
  
Tel: 0121 619 0150



Commentary	
<b>Purpose of administrations</b>	<ul style="list-style-type: none"><li>The purpose of the administrations is to achieve a better result for the Companies' creditors as a whole than through liquidations.</li></ul>
<b>Progress of administrations</b>	<ul style="list-style-type: none"><li>Book debts previously assigned to PNC Financial Services UK Ltd ("PNC") were re-assigned to AFL, following PNC having been repaid in full through book debt collections. During the period, book debts totalling c.£14k were collected.</li><li>We are investigating the prospect of a recovery being made from a third party in connection with a large debtor of AFL, which had been fully provided against by AFL prior to our appointment. Due to the commercial sensitivity of this matter, we are unable to provide a further update at this stage.</li><li>Rates refunds totalling £20k have been received by AFL during the period along with an insurance refund of £22k and Bupa refund of £2k.</li><li>As previously reported, the Urban Eat brand together with associated intellectual property (held by AHUKL) was sold to Samworth Brothers Limited for £6.4m on 1 June 2020. There were no further asset realisations in AHUKL during the report period and none are anticipated in future.</li><li>There have been no asset realisations in AFGL, AFBL or BFGL (save for £250 cash at bank in AFBL now transferred to AFL as a contribution towards legal costs).</li><li>Distributions totalling c.£42k in AFL and c.£118k in AHUKL were paid to Intermediate Capital Group Plc ("ICG"), under its fixed charges, during the report period.</li></ul>
<b>Costs</b>	<ul style="list-style-type: none"><li>Our fees in AFL have been fixed by reference to time costs – our time costs for the period of this report are c.£137k bringing our total time costs to £2,225,955. Please see page 17-18 for further details.</li><li>Our fees in AHUKL will be paid from the fixed charge proceeds of the sale of the Urban Eat brand and will be agreed directly with the fixed charge holder as a set fee. Please see page 17-18 for further details. Due to there being no/minimal asset realisations in AFGL, AFBL or BFGL we have not sought to fix a basis for our fees in these companies. Please see page 17-18 for further details.</li><li>We have not incurred any disbursements in the report period. Please see page 7 and 19 for further details.</li><li>Professional costs incurred during the report period are detailed on page 7.</li></ul>

## Key messages

Commentary	
<b>Outstanding matters</b>	<p>Outstanding matters to be completed are as follows:</p> <p><b>AFL</b></p> <ul style="list-style-type: none"> <li>• Pursue collection of remaining book debts.</li> </ul> <p><b>All Companies</b></p> <ul style="list-style-type: none"> <li>• Agree and pay all professional costs, including the Joint Administrators' fees where applicable.</li> <li>• Finalise corporation tax liabilities.</li> <li>• Distribute funds to secured creditor as appropriate.</li> <li>• Complete statutory closing procedures.</li> </ul>
<b>Dividend prospects</b>	<ul style="list-style-type: none"> <li>• On current information, we anticipate the following outcome for each category of creditor: <ul style="list-style-type: none"> <li>– <b>Secured creditors:</b> ICG will not be repaid in full. PNC has been repaid in full via assigned book debt collections.</li> <li>– <b>Preferential creditors (AFL and AFBL only):</b> We do not anticipate that sufficient funds will be available to enable a distribution to be paid to preferential creditors.</li> <li>– <b>Unsecured creditors:</b> Insufficient funds are expected to be realised to enable a distribution to be made to unsecured creditors (including via the Prescribed Part) in any of the Companies.</li> </ul> </li> </ul>
<b>Extension to administration periods</b>	<ul style="list-style-type: none"> <li>• The period of the administrations has been extended to 25 May 2022. It is unlikely that any further extension will be required. Please see page 14 for further details.</li> </ul>

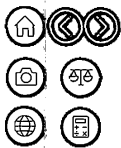
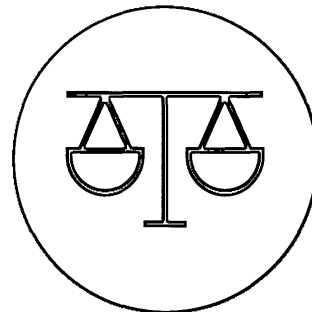






## Progress of the administrations

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## Progress of the administrations Summary



### Work done during the report period

#### Book debts - AFL

AFL's book debts were assigned to PNC under its invoice finance facility. As at the date of our appointment, AFL's sales ledger included 588 pre-appointment book debts valued at £13.5m, with potential rebates of £6.5m owed by AFL. PNC was owed c.£4.6m on appointment, subject to ongoing charges and recovery costs.

PNC has now been repaid in full and has released its charges and reassigned the debtor ledger back to AFL along with surplus funds of c.£105k.

As previously reported, we have engaged Hilton Baird Collection Services ("Hilton Baird") to pursue the remaining book debts with a further c.£14k collected during this period (c.£54k in total since the debtor ledger was assigned back to AFL).

We are investigating the potential for recovery from a third party in connection with a large debtor which had been fully provided against by AFL prior to our appointment. Due to the commercial sensitivity of this matter, we are unable to provide further update at this stage.

#### Employee matters – AFL and AFBL

Various legal employment related claims have been made by former employees of AFL and AFBL. During the period, we have provided various information and responses to these claims. In respect of legal costs incurred on these matters relating to both AFL and AFBL, AFBL made a £250 contribution (limited to the available funds in AFBL). Legal costs are discussed further on page 7.

#### Rates refunds - AFL

Rates refunds of c.£20k have been realised during the report period, following a review of the rateable values of AFL's former leasehold properties.

#### Refunds - AFL

A refund of c.£22k was received during the report period following the cancellation of the pre-administration insurance policy.

A refund of c.£2k was received from Bupa following the cancellation of the insurance policy following the wind-down of the business.

### Creditors

We have continued to liaise with all classes of creditors, including correspondence with employees and unsecured creditors.

We have liaised with creditors by telephone, email and post, answering general queries and providing updates on the progress of the administrations and distribution prospects.

Distributions have been paid to ICG as secured creditor, as detailed on page 13.

### Statutory tasks

During the period, we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions, including updating the insolvency creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of the previous progress report;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

### Receipts and payments accounts

Receipts and payments accounts for AFL, AHUKL and AFBL are presented in the following pages.

As, to date, there have been no receipts or payments in AFGL or BFGL, no receipts and payments accounts have been provided for these companies.

## Progress of the administrations Summary



### Third party costs incurred during the report period

#### Joint Administrators' – Category 1 Expenses

Category 1 expenses are payments to persons providing the service to which the expense relates and which are neither payment to us, the officeholders, or to an associate of ours. These expenses can be paid out of the estate by us without creditor approval.

The following third party expenses have been incurred during the report period:

#### Legal fees

##### Gateley Plc ("Gateley") – AFL and AFBL

Gateley, a firm of lawyers with the appropriate expertise and experience in dealing with these matters, was instructed to advise on certain employee related legal matters pertaining to AFL and AFBL. Gateley has been paid fees totalling c.£17k, based on time costs incurred. Fees of c.£2k were paid during the report period.

##### Burges Salmon LLP ("Burges Salmon") - AFL

Burges Salmon, a firm of lawyers with the appropriate expertise and experience in dealing with these matters, was instructed to advise on the potential for recovery from a third party in connection with a large debtor which had been fully provided against by AFL prior to our appointment. Fees are yet to be finalised for this ongoing work but will be based on Burges Salmon's time costs.

#### Agents' Costs

##### Hilton-Baird Collection Services Limited ("Hilton Baird") - AFL

Hilton Baird, who are experienced in this area, have been engaged by us to pursue the remaining book debts. Hilton Baird have been paid fees totalling c.£6k, based on 10% of sums collected. Fees of c.£2k were paid during the report period.

##### Consultiam Property Limited ("CAPA") – AFL

We instructed CAPA, a firm of specialist agents with the appropriate expertise and experience, to assist in reviewing pre-administration payments made by AFL in respect of non-domestic rates in case overpayments had been made. CAPA's fees are based on 15% of recoveries. Fees totalling c.£3k were paid during the report period.

#### Payment of Category 1 Expenses

With the exception of Burges Salmon's costs discussed above, all costs have been paid, as shown in the receipts and payments accounts on page 8. All professional costs are reviewed and analysed in detail before payment is approved.

### Disbursements – Category 1

Category 1 disbursements are payments made by us direct to third parties and for which no approval is required. These are summarised in the table below.

#### Category 1 disbursements

£ (net)	Estimated per Proposals	Incurred during the period	Incurred to date	Paid	Unpaid
<b>AFL</b>					
Specific bond	230	-	230	230	-
Printing & postage	16,781	-	17,327	17,323	4
	17,011	-	17,557	17,553	4
<b>AHUKL</b>					
Specific bond	230	-	230	230	-
Printing & postage	10	-	-	-	-
	240	-	230	230	-
<b>AFGL</b>					
Specific bond	20	-	20	-	20
Printing & postage	10	-	-	-	-
	30	-	20	-	20
<b>AFBL</b>					
Specific bond	20	-	20	-	20
Printing & postage	63	-	63	-	63
	83	-	83	-	83
<b>BFGL</b>					
Specific bond	20	-	20	-	20
Printing & postage	10	-	-	-	-
	30	-	20	-	20
<b>Total disbursements</b>	<b>17,394</b>	<b>-</b>	<b>17,910</b>	<b>17,783</b>	<b>127</b>

### Category 2 Expenses

These are payments:

- to us (as officeholder), for example reimbursement to staff engaged on the case for their mileage costs) or in respect of shared or allocated costs; and also
- to our associates, e.g. to Deloitte LLP where their costs are being charged to the estate following the sale of the Deloitte UK Restructuring team to Teneo Restructuring Limited ("Teneo" and "the Transaction") on 29 May 2021.

These expenses require creditor approval in the same manner as our remuneration and are discussed in further detail on page 19.

## Progress of the administrations

### Receipts and payments

AFL

#### Joint Administrators' receipts and payments account 25 May 2021 to 25 November 2021

£	SoA value	Notes	Period	To date
<b>Fixed charge receipts</b>				
Freehold land			-	550,000
Bank interest gross			-	9
<b>Total fixed charge receipts</b>			-	<b>550,009</b>
<b>Fixed charge payments</b>				
Agents/valuers fees			-	(8,000)
Agents/valuers expenses			-	(500)
Legal fees			-	(4,650)
Security costs			-	(2,009)
Chargeholder distribution			(41,850)	(499,850)
Administrators' fees			(35,000)	(35,000)
<b>Total fixed charge payments</b>			<b>(76,850)</b>	<b>(550,009)</b>
<b>Floating charge receipts</b>				
Book debt surplus	41,167	1	14,401	154,984
Plant, machinery and chattel assets	1,500,000		-	1,509,273
Stock	641,406	2	-	123,836
Cash at bank	98,000		-	95,798
Commercial records			-	1
Packaging			-	1
VAT refund			-	290,306
Utility refund			-	100,397
BUFA refund			1,555	16,481
Rates refund			20,371	25,718
Miscellaneous recoveries / refunds			21,527	25,524
Bank interest gross		3	45	493
Licence to occupy recoveries			-	204,615
VAT recovered on PNC's fees		4	-	24,200
Funding advanced by PNC		5	-	307,225
AFBL contribution to legal fees			250	250
HMRC JRS Grant funds received		6	-	2,210,285
<b>Total floating charge receipts</b>	<b>2,239,406</b>		<b>58,149</b>	<b>5,089,387</b>

£	SoA value	Notes	Period	To date
<b>Floating charge payments</b>				
Rents			-	(368,977)
Business rates			-	(31,830)
Insurance			-	(23,560)
Security costs			-	(32,464)
Employee costs			-	(242,421)
IT costs			-	(228,871)
Waste disposal costs			-	(23,517)
Storage costs		(197)	-	(1,755)
Postage & redirection			-	(1,080)
Statutory advertising			-	(284)
Bank charges			(5)	(828)
Equipment rental			-	(815)
Transportation of stock			-	(1,000)
Subcontractor costs			-	(3,656)
Utility costs			-	(134,839)
HMRC JRS Grant payments		6	445	(2,195,936)
Agents/valuers fees			(3,056)	(65,937)
Agents/valuers expenses			-	(4,123)
Pre-appointment legal fees and expenses			-	(12,682)
Data room costs			-	(3,757)
Legal fees			(1,836)	(172,503)
Legal expenses			-	(293)
Debt collection fees			(2,057)	(5,934)
Employee support costs			-	(14,557)
Specific bond			-	(230)
Administrators' fees			(525,000)	(1,038,116)
Administrators' expenses			-	(17,654)
<b>Total floating charge payments</b>			<b>(531,705)</b>	<b>(4,627,617)</b>
<b>Balance (fixed and floating charge)</b>	<b>(550,406)</b>			<b>461,770</b>
<b>Made up of:</b>				
Fixed charge deposit a/c				-
Floating charge deposit a/c				319,946
Funds due to third parties				(550)
VAT receivable/(payable)		7		145,682
Trade creditors		8		(3,307)
				<b>461,770</b>



## Progress of the administrations

### Receipts and payments

#### AFL

A receipts and payments account is provided on the previous page, detailing the transactions during the report period and also cumulatively for the entire period of our appointment on 26 May 2020 to 25 November 2021.

#### Notes to receipts and payments account

1. AFL's book debts were subject to an assignment in favour of PNC under its invoice finance facility. PNC has since been repaid in full and a c.£105k surplus was returned to AFL. We have since recovered a further c.£54k. The statement of affairs value of c.£41k was the directors' estimate of the surplus funds available to AFL after repayment of PNC.
2. The directors' statement of affairs assumed 20p in the £ realisations for stock. Interest in the stock was limited and accordingly realisations of c.£124k (approximately 4p in the £) were lower than estimated by the directors.
3. All funds are held in an interest bearing account. The associated corporation tax on interest received has been/will be accounted for to HM Revenue & Customs.
4. VAT was recovered on fees and charges applied by PNC prior to it reassigning the debtor ledger to AFL (which PNC was entitled to apply under its terms and conditions).
5. PNC advanced funding of c.£307k in respect of IT network and software costs which it requested were continued for the benefit of its collection of assigned debtors.
6. Funds were received under the HMRC Coronavirus Job Retention Scheme (furlough) and have been paid to employees, and HMRC in respect of PAYE/NL. Please note that an element of the funds received related to salaries paid prior to our appointment and hence this represents a realisation in the administration.
7. All sums shown opposite are shown net of VAT, which is recoverable and has been/will be accounted for to HM Revenue & Customs.
8. Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

#### Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



## Progress of the administrations

### Receipts and payments

AHUKL

#### Joint Administrators' receipts and payments account 26 May 2021 to 25 November 2021

£	SoA values	Notes	Period	To date
<b>Fixed Charge Receipts</b>				
Intellectual Property Agreements	6,399,997	1	-	6,399,998
Bank Interest Gross		2	-	2,500
<b>Total receipts</b>	<b>6,399,997</b>		<b>-</b>	<b>6,402,498</b>
<b>Fixed Charge Payments</b>				
Chargeholder distribution			(118,150)	(5,921,150)
Administrators' Fees			(165,000)	(415,000)
Legal Fees			-	(46,353)
Pre Appointment Legal Fees			-	(12,470)
Pre Appointment Legal Expenses			-	(212)
Data Room Costs			-	(6,121)
Specific Bond			-	(230)
Bank Charges			-	(51)
<b>Total payments</b>			<b>(283,150)</b>	<b>(6,401,587)</b>
<b>Balance</b>				<b>911</b>
<b>Made up of:</b>				
Fixed Charge deposit account		2		911
<b>Balance in hand</b>				<b>911</b>

A receipts and payments account is provided opposite, detailing the transactions during the report period and also cumulatively for the entire period of our appointment on 26 May 2020 to 25 November 2021.

#### Notes to receipts and payments account

1. The Intellectual Property was subject to a fixed charge in favour of ICG.
2. All funds were held in an interest bearing account. The associated corporation tax on interest received has been accounted for to HM Revenue & Customs.
3. All sums shown opposite are shown net of VAT, which is recoverable and will be accounted for to HM Revenue & Customs.

#### Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



## Progress of the administrations

### Receipts and payments

AFBL

#### Joint Administrators' receipts and payments account 26 May 2021 to 25 November 2021

£	SoA	Notes	Period	To date
<b>Receipts</b>				
Cash at Bank			-	250
<b>Total receipts</b>			-	<b>250</b>
<b>Payments</b>				
Legal Fees		1	250	250
<b>Total payments</b>			<b>250</b>	<b>250</b>
<b>Balance</b>				<b>-</b>
<b>Made up of:</b>				
Floating Charge Deposit Account				-
<b>Balance in hand</b>				<b>-</b>

A receipts and payments account is provided opposite, detailing the transactions during the report period and also cumulatively for the entire period of our appointment on 26 May 2020 to 25 November 2021.

#### Notes to receipts and payments account

1. AFBL made a £250 contribution (based on available funds) to Gateley's legal costs incurred in relation to employment matters affecting both AFL and AFBL, as discussed on page 7.
2. All funds were held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HM Revenue & Customs.

#### Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.





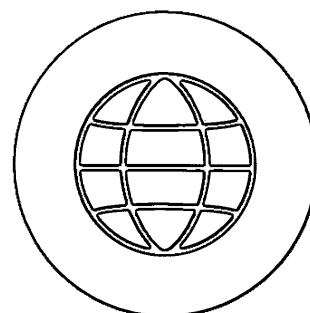
## Information for creditors

**Outcome**

**13**

**Statutory information**

**15**





## Information for creditors Outcome

### Outcome for creditors

#### Secured creditors

##### ICG (all Companies)

Intermediate Capital Group Plc ("ICG") acted as security agent for various funds managed by ICG which had advanced lending to the Adelle Foods Group and was guaranteed by all group companies, including the Companies in administration. Debts owed by the Companies to ICG at the date of appointment were c.£66m and secured by a debenture dated 5 March 2015 containing fixed and floating charges in all of the Companies. This included a fixed charge security over the Urban Eat brand held by AHUKL and the freehold property in AFL (discussed in our previous progress report).

##### PNC (AFL and AFGL only)

PNC provided an invoice finance facility to AFL. At the time of the appointment c.£4.6m was outstanding to PNC.

PNC's security included an assignment of trade debtors along with a debenture dated 7 April 2017 which contains fixed and floating charges in AFL and AFGL (which had guaranteed the debt).

##### Secured creditor outcome

As of 25 November 2021, distributions had been made to ICG under its fixed charges totalling £5.9m in AHUKL and £0.5m in AFL. There will be insufficient realisations to repay ICG in full.

PNC has recovered its debts in full via the collection of the assigned trade debtors. PNC has accordingly released its charges and reassigned the remaining book debts to AFL.

##### **Preferential creditors (AFL and AFBL only)**

Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions. We estimate that there will be 2,182 preferential claims totalling c.£1.5m in AFL and nine preferential claims totalling c.£40k in AFBL.

On present information, we do not anticipate that sufficient funds will become available to enable a distribution to be paid to preferential creditors in either company.

As AHUKL, AFGL and BFGL had no employees we do not anticipate any preferential creditor claims in these companies.

### Secondary Preferential Debts due to HM Revenue and Customs ("HMRC")

Secondary preferential debts are debts due to HMRC in respect of deducted taxes (including VAT, PAYE, student loan repayments, employee NICs and CIS deductions) on insolvency appointments falling on or after 1 December 2020. As these appointments pre date 1 December 2020, the Secondary Preferential Debt provisions do not apply.

#### Unsecured creditors

The table below shows unsecured creditors with estimated non-preferential claims as per the directors' statement of affairs.

Entity	No. of claims	Claims total (£)
AFL	706	23,635,161
AHUKL	-	-
AFGL	12	271,911
AFBL	2	240,105
BFGL	1	122,716

Note: Amounts above exclude any balances owned to ICG which were included in the directors' estimate of unsecured claims in the Statement of Affairs but which we understand are secured.

#### Prescribed part

The Prescribed Part is an amount set aside for unsecured creditors from asset realisations that would otherwise be paid to secured creditors under their floating charge, (referred to as the net property), as set out under section 176A of the Act. It applies only where the charge was created on or after 15 September 2003.

The Prescribed Part is calculated as a % of the net property and is subject to a statutory maximum of £600,000 per company.

Insufficient funds are expected to be realised to enable a distribution to be made to unsecured creditors (including via the Prescribed Part) in any of the Companies. This is because no net floating charge realisations after costs are anticipated in any company.



## Information for creditors

### Outcome

#### Claims process

As there is no prospect of a distribution for unsecured creditors in any of the Companies, we do not intend to undertake any work to agree any creditor claims received. This work will only be performed should the position change and an unsecured dividend becomes payable in any of the Companies.

#### Extensions to the administration

The administration was extended by consent of the secured and preferential creditors on 28 April 2021 and will now end on or before 25 May 2022. We do not anticipate that it will be necessary to further extend the period of the administrations.

#### Exit

As detailed in our Proposals, we consider that the most appropriate exit route from administration will be dissolution, given that there are no funds to distribute to unsecured creditors in any of the companies.



Information for  
creditors

Statutory information

Statutory information					
	Adelie Foods Limited	Adelie Holdco UK Limited	Adelie Foods Group Limited	Adelie Foods Bidco Limited	Brambles Foods Group Limited
Company number	04272608	07964328	07964277	09453988	04767267
Registered office	156 Great Charles Street, Queensway, Birmingham, B3 3HN				
Trading names	N/A				
Previous names	De Facto 951 Ltd (until 19/12/01), Buckingham Foods Ltd (until 01/04/15)	De Facto 1947 Ltd (until 30/03/12), IHC Holdco UK Ltd (until 22/05/15)	De Facto 1945 Ltd (until 12/04/12)	Harvest Bidco Limited (until 20/03/15)	Seckloe 159 Ltd (until 06/10/03)
Court	High Court of Justice, Business and Property Courts of England and Wales				
Court reference	CR-002585-2020	CR-002588-2020	CR-002587-2020	CR-002586-2020	CR-002589-2020
Company directors at time of appointment	Mr Diarmuid Brendan Conifrey and Mr Martin Johnson				
Company Secretary	None				
Directors' shareholdings	N/A				

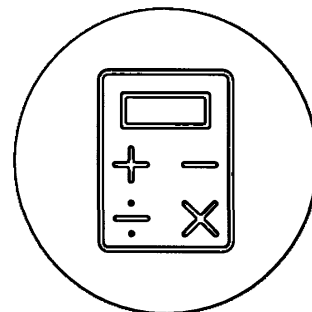




## Remuneration and expenses

Joint Administrators' remuneration

17



## Remuneration and expenses

### Joint Administrators' remuneration



#### Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at [www.ips-docs.com](http://www.ips-docs.com).

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

#### Basis of remuneration

##### AFL

The basis of our remuneration was fixed on 2 December 2020 by the secured and preferential creditors by reference to the time properly given by the Joint Administrators and their staff plus VAT thereon. Please also note that our approved fee basis is inclusive of the costs in respect of ongoing work being delivered by Deloitte LLP and as detailed further on page 19.

In addition, ICG held a fixed charge over freehold land at Tamworth – fees relating to this fixed charge will be agreed directly with ICG and drawn from the fixed charge sale proceeds.

##### AHUKL

As the only asset realisation in AHUKL will be the sale of the Urban Eat brand which was subject to a fixed charge in favour of ICG, our fee will be agreed directly with ICG and drawn from the fixed charge sale proceeds.

##### AFGL, AFBL and BFGL

No material realisations are anticipated in AFGL, AFBL or BFGL. On this basis we do not expect to recover our costs and consequently we are not seeking to fix a basis for our remuneration with respect to these companies at this time.

In the event that realisations become expected in AFGL, AFBL or BFGL we would then seek approval to fix the basis of our remuneration.

#### Fees drawn to date

##### AFL

Fees of £1,038,116 have been drawn to date (including £525,000 drawn during the report period), as shown in the receipts and payments account on page 8.

In addition, fees of £41,850 have been agreed by ICG and drawn from fixed charge sale proceeds.

#### Fees drawn to date (continued)

##### AHUKL

Fees of £415,000 have been agreed by ICG and drawn from fixed charge sale proceeds (including £165,00 drawn during the report period), as shown in the receipts and payments account on page 10.

#### Time costs - analysis of actual against budget

Please refer to page 18 where we have updated the AFL Fees Estimate to provide details of our actual time costs for the period of the report and for the entire period of our appointment and which we have also summarised here:

Our total time costs to 25 November 2021 in AFL are £2,225,955 made up of 3,680 hours at a blended charge out rate of £605 per hour across all grades of staff.

Our time costs to 25 November 2021 are broadly in line with expectations and we do not anticipate that we will seek to draw a fee greater than £2,193,873 as provided in our Fees Estimate.

Key variances to the Fees Estimate include:

- Time costs totalling £67,963 have been incurred in connection with the preservation of data required to support the collection of debtors. The data preservation costs are shown separately under "Case Specific Matters". The Fees Estimate did not include a specific estimate for these costs as both the requirement for data preservation and work involved in data preservation was not known at the time of preparation of the Fees Estimate.
- Time costs totalling £351,516 have been incurred in connection with employee related correspondence, compared to the Fees Estimate of £275,955. The Fees Estimate was based on an initial high level estimate of employee related correspondence. Time costs have been higher than estimated due to greater than anticipated employee related correspondence.
- Time costs totalling £329,270 have been incurred in connection with case supervision, compared to the Fees Estimate of £235,637. This is due to the case having been extended beyond the initial term of one year.
- Time costs totalling £158,777 have been incurred in connection with creditor correspondence, compared to the Fees Estimate of £97,328. This is due to greater than anticipated correspondence from creditors.

## AFL Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period			Actual Time and Costs since Appointment		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	Hours incurred to date	Avg Rate £/h	Total time costs incurred to date (£)
Administrative activities	Cashiering	214.9	530	113,838	24.5	572	14,010	279.4	379	105,930
	Case supervision	295.9	796	235,637	41.6	1,023	42,512	407.5	808	329,270
	Case reviews	22.0	516	11,355	1.0	515	515	3.1	630	1,954
	Case closure matters	36.0	494	17,790	-	-	-	-	-	-
Statutory & compliance	Compliance & IPS diary	113.4	477	54,038	1.4	634	877	34.9	504	17,573
	Insurance	8.5	531	4,513	0.5	900	450	5.1	787	4,015
	General reporting	167.5	516	86,433	10.3	832	8,570	56.2	694	39,010
Initial actions	Appointment matters	3.5	538	1,883	-	-	-	2.0	360	720
	Securing assets	9.0	706	6,353	-	-	-	9.0	706	6,353
	Notifications	29.9	395	11,812	-	-	-	30.4	396	12,028
Investigations	CDDA reporting	49.1	453	22,245	-	-	-	19.4	374	7,237
	Investigations	42.5	409	17,375	-	-	-	33.4	334	11,142
Total of above categories		992.2	588	583,269	79.2	845	66,934	880.4	608	535,230
Taxation	Tax	66.8	600	40,055	0.9	507	431	47.3	648	30,641
	VAT	52.7	586	30,883	5.9	690	4,073	39.3	552	21,695
Asset realisations	Third party assets	35.5	600	21,288	-	-	-	6.0	775	4,650
	Book debts	61.2	819	50,101	28.2	971	27,391	71.6	872	62,432
	Chattel assets	78.9	769	60,709	-	-	-	41.4	756	31,297
	Other assets	235.9	689	162,603	2.1	708	1,511	216.6	677	146,560
	Property	40.8	752	30,684	3.1	598	1,854	84.4	676	57,053
	Retention of title	292.0	597	174,301	-	-	-	282.0	626	176,503
	Sale of business	342.4	713	243,960	-	-	-	357.3	715	255,508
Trading	Day 1 control of trading	1.0	360	360	-	-	-	1.0	360	360
	Ongoing trading	302.6	755	228,509	-	-	-	347.5	733	254,888
	Closure of trade	106.0	479	50,730	-	-	-	25.5	643	16,405
Employees	Correspondence	556.2	496	275,955	7.9	623	4,914	790.9	444	351,516
	Employment tribunals	37.5	610	22,875	9.9	650	6,446	31.2	539	16,804
	Pensions	53.8	490	26,350	4.1	650	2,654	62.0	577	35,800
Correspondence	Creditors	201.3	483	97,328	26.8	732	19,617	271.1	586	158,777
	Customers	10.0	360	3,600	-	-	-	-	-	-
	Press & media queries	4.0	896	3,585	-	-	-	1.0	775	775
Distributions	Secured creditors	-	-	-	1.5	733	1,100	1.5	733	1,100
	Preferential creditors	182.3	476	86,732	-	-	-	-	-	-
	Unsecured creditors	-	-	-	-	-	-	-	-	-
Case specific matters	Data Preservation	-	-	-	-	-	-	122.0	557	67,963
Total fees estimate		3,652.9	601	2,193,873	169.6	807	136,925	3,680.0	605	2,225,955



## Remuneration and expenses

### Detailed information

#### Category 2 Expenses

Category 2 Expenses are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

#### Joint Administrators' Category 2 Expenses (including disbursements)

As described on page 7, these are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. Our estimate of Category 2 expenses is given below, all figures are shown exclusive of VAT. :

##### Category 2 disbursements - AFL

£ (net)	Estimated per Proposals	Incurred to date	Incurred to date	Paid	Unpaid
AFL					
Mileage	-	-	353	331	22
Total disbursements	-	-	353	331	22

No mileage costs were anticipated when the Joint Administrators' Proposals were prepared. Mileage costs were incurred in connection with the data preservation exercise discussed on page 17. Mileage is calculated at the prevailing standard mileage rate of up to 45p at the time when the mileage is incurred.

Specific approval is required before these costs and expenses can to be drawn from the administration estate and which was given by secured and preferential creditors on 2 December 2020 other than in relation to the Deloitte LLP costs which are discussed further below/opposite.

Prior to the Transaction, the work delivered by other Deloitte service lines was charged to the estate to be recovered as part of the Joint Administrators' remuneration (from which an internal recharge would have then been made).

We have thus included the anticipated costs for the services being delivered by Deloitte LLP in our fees estimate as approved by secured and preferential creditors.

Following the Transaction, whilst all such costs will continue to be paid out of our approved remuneration (i.e. will not be an additional cost) we will provide you with a narrative summary of the work being delivered. We will also provide a summary rates table of the applicable charge out rates in force at the time of the report.

Further details regarding the ongoing Deloitte LLP services and summary charge out rate table are provided below

#### Deloitte LLP – Services being provided

We have detailed below the services which have been or continue to be provided by Deloitte LLP, the costs of which are included in our fee estimate and will thus be paid out of our approved remuneration:

- **Deloitte Tax/VAT** – were engaged to assist with preparation and review of corporation tax and certain VAT returns. Their work, which is no longer ongoing, was charged on a time costs basis. Their total costs were £31,912 plus VAT, which forms part of our total time costs discussed on pages 17-18 and against which we have been paid our approved remuneration.
- **Deloitte Forensics** – were engaged to assist with the data preservation exercise as discussed on page 17. Their work, which is no longer ongoing, was charged on a time costs basis. Their total costs were £67,963 plus VAT, which forms part of our total time costs discussed on pages 17-18 and against which we have been paid our approved remuneration.
- **Deloitte Global Financial Advisory India (“DIJV”)** – are engaged to assist with general case management and administration. Their work, which is ongoing, is charged on a time costs basis and which will be paid out of our approved remuneration.

##### Deloitte LLP Charge out Rate Bands (£/hour)

Grade	Rate (£/hour)
Partners	1430 - 1475
Directors	1205 - 1240
Associate Directors	1095 - 1130
Managers/Assistant Managers	94 - 400
Consultants	565 - 845
Associates	135 - 340
Administrators/Analysts	90 - 370
Agent	34



Remuneration and expenses  
Detailed information

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.







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