

AM25

Notice of court order ending administration



Companies House

WEDNESDAY



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A28

10/04/2019

COMPANIES HOUSE

#262

1 Company details

Company number 0 9 7 0 5 4 1 9

Company name in full Soul Store Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Andrew

Surname Hosking

3 Administrator's address

Building name/number 3rd Floor

Street 37 Frederick Place

Post town Brighton

County/Region Sussex

Postcode B N 1 4 E A

Country

4 Administrator's name ①

Full forename(s) Carl

Surname Jackson

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 3rd Floor

Street 37 Frederick Place

Post town Brighton

County/Region Sussex

Postcode B N 1 4 E A

Country

② Other administrator

Use this section to tell us about
another administrator.

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6 Administration end date

End date

d	0	d	5	m	0	m	3	y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

7 Date of court order

Court order date

d	0	d	5	m	0	m	3	y	2	y	0	y	1	y	9
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8 Attachments

- ☒ I have attached a copy of the court order
- ☒ I have attached a copy of the final progress report

9 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	0	d	9	m	0	m	4	y	2	y	0	y	1	y	9
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Notice of court order ending administration



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 Sam Hewitt

Company name Quantuma LLP

Address 3rd Floor

37 Frederick Place

Post town Brighton

County/Region Sussex

Postcode B N 1 4 E A

Country

DX

Telephone 01273 322400



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 all 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

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IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INSOLVENCY AND COMPANIES COURT LIST (ChD)



Before Chief Insolvency and Companies Court Judge Briggs

CR-2017-005791

5 March 2019

IN THE MATTER OF SOUL STORE LIMITED (IN ADMINISTRATION)

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

BETWEEN:

(1) ANDREW HOSKING

(2) CARL JACKSON
(as Joint Administrators of Soul Store Limited – in Administration)

Applicants

- and -

SOUL STORE LIMITED (IN ADMINISTRATION)

Respondent

COURT ORDER

ON the application of the Applicants dated 4 February 2019

AND ON reading the Witness Statement of Andrew Hosking dated 30 January 2019

AND ON hearing the Solicitor for the Applicants and nobody appearing for the Respondent

IT IS ORDERED that:

1. Pursuant to paragraph 79(2)(a) of Schedule B1 to the Insolvency Act 1986 ("the Act") Andrew Hosking and Carl Jackson shall cease to be administrators of Soul Store Limited as at 11.35 a.m. on 5 March 2019.
2. Soul Store Limited be wound up.
3. Andrew Hosking and Carl Jackson shall be discharged from liability pursuant to paragraph 98(2)(c) of Schedule B1 to the Act 28 days from the date of this Order.
4. The costs of this application be an expense of the administration.

**Soul Store Limited
(In Administration)**

The Joint Administrators' Final Progress Report to 5 March 2019

Andrew Hosking

Carl Jackson

Quantuma LLP

3rd Floor, 37 Frederick Place, Brighton, BN1 4EA

01273 322400

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Andrew Hosking and Carl Jackson were appointed Joint Administrators of Soul Store Limited on 3 August 2017. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

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- The Progress of the Administration
- Creditors: Claims and Distributions
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- The Joint Administrators' Fees and Expenses
- The Outcome of the Administration

Appendices

- I. Statutory Information
- II. Summary of the Joint Administrators' Proposals as Approved
- III. The Joint Administrators' Receipts and Payments Account
- IV. The Joint Administrators' Time Costs
- V. Details of Work Undertaken

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency Rules 1986 or Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event)
The Joint Administrators	Andrew Hosking and Carl Jackson of Quantuma LLP
The Company	Soul Store Limited (in Administration)
The Court	High Court of Justice
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 3 February 2019 to 5 March 2019

1. INTRODUCTION

This report has been prepared to provide creditors with an update on the progress of the Administration of the Company since our last report dated 2 February 2019 and our appointment as Joint Administrators on 3 August 2017.

The report has been prepared in accordance with insolvency legislation to provide members and creditors, the Registrar of Companies and the Court with details of the progress made during the Review Period, and with an overview of the conduct of the Administration and summary of the information provided in the progress report(s) that have been issued during the Administration. Copies of these reports are available on request.

The Joint Administrators' proposals were deemed approved on 11 October 2017. A formal notice confirming this was sent to all creditors on 20 October 2017. Attached at **Appendix 2** is a summary of the Joint Administrators Proposals, as approved.

The Administration was scheduled to end on 2 August 2018 but the term of the Administration was originally extended by 12 months with the consent of the relevant creditors on 3 July 2018.

A schedule of statutory information in respect of the Company is attached at **Appendix 1**.

Details of the appointment of the Joint Administrators

Andrew Hosking and Carl Jackson of Quantuma LLP were appointed Joint Administrators of the Company on 3 August 2017.

The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either one or both of them.

2. THE PROGRESS OF THE ADMINISTRATION

The Joint Administrators' Final Receipts and Payments Account

Attached at **Appendix III** is a Receipts and Payments Account covering the period from 3 February 2019 to 5 March 2019 together with a summary of the transactions in the previous review period.

In this section, we have summarised the main asset realisations during the Review Period and in the Administration as a whole, together with details of the associated costs incurred. For a detailed list of work undertaken by the Joint Administrators as a whole, see **Appendix V**.

Administration (including statutory reporting)

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Considering which exit route from Administration is appropriate and drafting this final report;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
- Completing periodic tax returns.

Background

The Company operated a diner, cocktail bar and live music venue that served Southern style food provided by Chicago Rib Shack from premises at 34 Kilburn High Road, London ("the premises") occupied under a lease commenced in 2007 for a 25-year term.

The premises consist of a substantial Victorian 4-floor building. The ground floor operating as the bar and restaurant with a private function room. The 1st, 2nd and 3rd floors provide accommodation consisting of 13 bedrooms and a self-contained apartment including amenities with the building holding a hostel licence.

The initial trading period showed promise and wet sales performed well however by May 2017 the Company began to recognise that the costs associated with the marketing and promotion to maintain the level of trade achieved were unsustainable and trade began to reduce as a result. In addition the directors experienced operational issues in dealing with the food outlet and the level of promotion support was not achieving the level of footfall that was anticipated.

By June 2017, the Company was underperforming against expectations and loss-making. The directors sought new investment in order to stabilise the business and place the Company on a firm financial footing. This investment was not forthcoming and in July 2017, the directors extended their search for investment to incorporate prospective purchasers for the business.

Despite receiving a level of interest and discussions, a buyer did not materialise and the Company ceased to trade on 27 July 2017 at which point the directors sought formal insolvency advice from Quantuma LLP and it was decided that the best course of action would be to place the Company into Administration.

Realisation of Assets

Leasehold

Prior to the appointment of the Joint Administrators the directors, following their search for investment and prospective purchasers for the business, received strong interest from the owners of the existing food outlet operating from the premises along with the owner of an existing restaurant business based in North London ("the Prospective Purchasers"). Both confirmed that they would be interested in taking over the lease and the former also disclosed that they had a good pre-existing relationship with the landlord. These interests were communicated to the landlord and were understood to be welcomed.

Upon appointment, the Joint Administrators instructed agents, James Owen & Co Limited, to liaise with the Prospective Purchasers and to expose the business and assets to the market. The agents advised that the Company did not operate within a niche area which limited the number of interested parties.

The marketing process identified a number of interested parties and in addition highlighted that the operation of a hostel would be of interest to others. Unfortunately, the Prospective Purchasers unexpectedly withdrew their interest electing not to continue to seek to purchase the business and certain assets, including taking over the lease.

The lease contained provisions that on assignment the assignor must enter into an Authorised Guarantee Agreement ("AGA"). There was also a 2-year prohibition in the lease preventing the tenant from assigning the lease within this period. The landlord confirmed to the Joint Administrators that they were willing for the tenant to be waived from entering into an AGA, and that they would agree to assign the lease upon payment of a sale premium and an early assignment fee.

The Joint Administrators duly informed the interested parties of the landlord's requirements and continued discussions with those who reaffirmed their interest.

One such party, an agent acting on behalf of a large financial institution, disclosed their interest both to acquire the lease and, if available, the freehold interest in the property. The acquisition of the leasehold interest would result in a change of use requirement for the property. This interest was

conveyed to the landlord, also being the owner of the freehold interest in the property, who, following discussions, confirmed that this was not acceptable to them.

Additional stipulations were brought to the attention of the Joint Administrators upon submissions of interest being shared via the landlord's solicitors who advised that their client would require certain additional conditions to be met prior to considering approval of an assignment. These conditions appeared in part discretionary and varied subject to the view of the capabilities of the prospective tenant. In addition, the landlord required that the arrears of rent accumulating be paid before proceeding with any assignment including, in some cases, those covering an additional period within which the prospective tenant would be evaluated and required to complete certain courses or achieve certain standards. In one instance the interested party was unwilling to fulfil this requirement without having any certainty of approval and an assignment of the lease.

Various other offers were received by the Joint Administrators but they were either unsatisfactory or the interested parties did not have an established trading history to provide a good financial covenant.

The Joint Administrators' solicitors, Philip Ross advised, in the circumstances, that the Joint Administrators should enter into a Deed of Surrender in order that the landlord may take back possession and find a tenant suitable to them in order to minimise their losses in this matter. The lease was subsequently surrendered in November 2017.

VAT Refund

A sum of £21,046 has been recovered from HM Revenue & Customs ("HMRC") in respect of VAT due to the Company for the pre-Administration period. This recovery was substantially delayed because of the refund being paid by HMRC in a previous name of the Company and the resulting time that was necessary to rectify the position.

Cash at Bank

A sum of £8,134 has been recovered from the Company's bank account.

Rent

A sum of £1,950 has been received from the individuals which occupied the premises.

Bank Interest

Gross bank interest of £4 has been received in relation to funds held in the Administration account.

End of Administration

The Joint Administrators made an application to Court under paragraph 79 of Schedule B1 of the Act for an Order ending the Administration given that the purpose cannot be achieved in relation to the Company.

Under Rule 3.57(2) of the Rules, the Joint Administrators provided the Company's directors and creditors on 20 July 2018 notice of their intention to make the application. No response was received.

Following the Joint Administrators' application, an order was made by the Court on 5 March 2019 concluding the Joint Administrators' appointment as at the same day as well as winding up the Company.

The key reasons why the purpose of the Administration has not been achieved include:-

Leasehold

As previously outlined the offers received were deemed unacceptable to the landlord or were unable to demonstrate sufficient financial covenants or trading history.

The lease contained provisions that on assignment the assignor must enter into an AGA. There was also a 2-year prohibition in the lease preventing the tenant from assigning the lease within this period. The landlord confirmed they were willing for the tenant to be waived from entering into an AGA and assign the lease upon payment of a sale premium and an early assignment fee. Additional stipulations were brought to the attention of the Joint Administrators upon submissions of interest being shared. These stipulations varied subject to the view taken of the capabilities of the prospective tenant. In addition, the landlord required the arrears of rent accumulating and costs to be paid before proceeding with any assignment including, in some cases, an additional period within which the prospective tenant would be evaluated and complete certain requirements. The interested parties were unable to fulfil these requirements satisfactorily; or unwilling to proceed without any certainty of obtaining approval.

Given the above circumstances the Joint Administrators were advised and subsequently took steps to enter into a Deed of Surrender with the landlord in order to limit the landlord's losses in this matter.

Occupiers

The directors confirmed that the property had previously operated as a hostel providing accommodation on the 1st, 2nd and 3rd floors. At this time the property held a House in Multiple Occupation ("HMO") licence and the necessary consents which had been allowed to expire. The directors planned to apply for a new licence and offer accommodation however the Company's financial constraints resulted in their abandoning these plans.

The directors advised that they were allowing friends to stay on an occasional basis, and permitted the bar manager to use the self-contained flat when working late shifts. Vacant possession of the property was expected and the property was not anticipated to require a HMO licence as it did not meet the necessary threshold.

Upon the commencement of the Administration, the council determined that the premises was licensable as a HMO. The Joint Administrators investigated the position and in conjunction with their legal advisers found that there were considered to be three occupants in situ. The council determination arose as a result of the bar manager initially refusing to leave the premises. This was addressed and the number of occupants shortly reduced to two therefore removing the requirement to obtain a HMO licence.

Notice of works

The council requested for works to be undertaken to the premises pursuant to The Management of Houses in Multiple Occupation (England) Regulations 2006. However, due to the Company's insolvency, which has led to the Administration, there were no available funds to carry out the requested works. The Company directors were requested to carry out the works in their capacity as guarantors to the repairing covenants under the lease.

3. CREDITORS: CLAIMS AND DISTRIBUTIONS

Secured Creditors

There are no secured creditors in this Administration.

Preferential Creditors

The Company had three employees and it was estimated that there would be claims for arrears of wages and outstanding holiday pay of £800. One claim has been received from the Redundancy Payments Service totalling £700. A dividend of 100p in the £ was paid to preferential creditors on 7 December 2018.

Prescribed Part

Under Section 176A of the Insolvency Act 1986, where after 15 September 2003 a company has granted to a creditor a floating charge, a proportion of the net property of the company must be made available purely for the unsecured creditors. This equates to:-

- 50% of net property up to £10,000;
- Plus, 20% of net property in excess of £10,000
- Subject to a maximum of £600,000

The Company has not granted a floating charge to a creditor since 15 September 2003 and consequently there will be no Prescribed Part in this Administration.

Unsecured Creditors

Unsecured claims were estimated at £281,892 in the Estimated Financial Statement and to date 23 claims have been received from unsecured creditors totalling £241,366.

There were insufficient asset realisations to pay a dividend to unsecured creditors.

4. INVESTIGATIONS

Investigations

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Director was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 23 October 2017.

Initial Assessment of Potential Recoveries

As part of our duties as Joint Administrators, we reviewed shortly after appointment all the information available to us and conducted an initial assessment of whether there were any matters which may have led to any recoveries for the benefit of creditors.

We confirm that we did not identify any further assets or actions which would lead to a recovery for creditors.

Other Information

EC Regulations

The Company's centre of main interest was in 34 Kilburn High Road, London, NW6 5UA and, therefore, it is considered that the EC Regulations will apply. These proceedings are main proceedings as defined by Article 3 of the EC Regulations.

General Data Protection Regulation ("GDPR")

In compliance with the GDPR, creditors, employees, shareholders, directors and any other stakeholder who is an individual (i.e. not a corporate entity) in these insolvency proceedings is referred to the Privacy Notice in respect of Insolvency Appointments, which can be found at this link www.quantuma.com/legal-notice.

Further Information

Creditors should note that the Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. Additionally, the Joint Administrators are also bound by the regulations of their Licensing Bodies.

To comply with the Provision of Services Regulations, some general information about Quantuma LLP, including our complaints policy and Professional Indemnity Insurance, can be found at <http://www.quantuma.com/legal-information>.

THE JOINT ADMINISTRATORS' FEES AND EXPENSES

Pre-Administration Costs

Included within the Joint Administrators' Proposals was a Statement of Pre-Administration Costs.

	Amount approved £	Date approved	Date Paid
Administrators' pre-administration remuneration	3,703.00	16/03/2018	17/07/2018
Valuation Agents costs	6,500.00	16/03/2018	13/08/2018
Total	10,203.00		

The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 16 March 2018 by resolution of creditors as follows:-

That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.

We believe this case generally to be reasonably complex although no extraordinary responsibility has to date fallen on the Joint Administrators. The underlying basis of charging proposed to and approved by the creditors has been Quantuma LLP's standard charge out rates, which are reviewed periodically.

A breakdown of the time costs incurred during the Review Period and for the Administration as a whole is provided at **Appendix IV**. A detailed narrative explanation of the time costs during the Review Period is provided at **Appendix V**.

"A Creditors' Guide to Administrators' Remuneration" effective from 6 April 2017 is available for download at <http://www.quantuma.com/guide/creditors-guide-fees> together with Quantuma LLP's Schedule of Current Charge Out Rates and Chargeable Disbursements.

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

Comparison of Estimates

The Joint Administrators' time costs incurred to date (whether or not they have been charged to the Administration estate) are compared with the original fees estimate as follows:-

Work category	Original fees estimate			Actual time costs incurred during the Review Period			Actual time costs incurred to date		
	No. of hours	Blended hourly rate £ per hour	Total fees £	No. of hours	Average hourly rate £ per hour	Total time costs £	No. of hours	Average hourly rate £ per hour	Total time costs £
Administration and Planning	85.00	202.75	17,233.75	1.60	180.94	289.50	106.76	212.47	22,650.70
Creditors	60.00	202.75	12,165.00	3.50	185.00	647.50	75.50	194.19	14,661.00
Investigations	35.00	202.75	7,096.25	-	-	-	5.90	235.68	1,390.50
Asset Realisations	62.00	202.75	12,570.5	-	-	-	60.10	286.17	17,199.00
Cashiering	6.00	152.50	915.00	0.10	125.00	12.50	9.80	120.10	1,177.00
Other: employees	-	-	-	-	-	-	-	-	-
Closing Procedures	1.00	200.50	200.50	-	-	-	1.30	188.46	245.00
TOTAL	249.00	201.53	50,181.00	5.20	182.60	949.50	259.36	221.02	57,323.20

The Joint Administrators have suffered a substantial loss in dealing with this matter as a result of the significant and necessary time expended on:-

- Liaising with interested parties, their agents and the landlord in respect of offers for the premises
- Liaising with directors and the Council in respect of the occupants plus the maintenance and repair covenants
- Liaising with agents and creditors in respect of collection of third party assets / equipment.

The expenses incurred to date are compared with the original expenses estimate as follows:-

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Legal costs	12,000.00	-	17,750.00	Liaising with landlord's solicitors
Agents' and valuers' costs	15,000.00	-	17,000.00	Liaising with interested parties / creditors
Advertising	159.00	-	79.50	
Insurance	448.00	-	448.00	
Bonding	135.00	-	135.00	
Storage	500.00	-	-	
Property expenses	-	-	200.00	
Category 1 expenses			-	
Postage	73.10	-	87.80	
Category 2 expenses			0.00	
Electronic AML checks	12.00	-	12.00	
Photocopying	132.00	-	130.97	
TOTAL	28,459.10	-	35,843.27	

The bases on which the expenses defined as Category 2 disbursements are calculated are explained in Quantuma LLP's current schedule of charge-out rates and chargeable disbursements referred to above.

As can be seen above:-

- the original fees estimate has been exceeded; and
- the original expenses estimate has been exceeded.

Payment of the Joint Administrators' unpaid fees and costs

In accordance with the Insolvency Act 1986, all unpaid fees (subject to any approved fees estimate) and costs, as described in the sections above, are charged on and payable out of the Company's property. Asset realisations have been insufficient to discharge the Joint Administrators' fees and costs in full.

Other Professional Costs

Solicitors

Grant Rechin of Philip Ross Solicitors were instructed by the Joint Administrators to advise on appropriate legal matters including the Company's lease. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. The Solicitors' time costs amount to £17,750 of which the sum of £5,500 has been paid with the balance written off.

In April 2018, Mr Rechin joined SBP Law Solicitors and has been instructed to assist with the application to Court for an Order ending the Administration.

Agents & Valuers

James Owen & Co Limited were instructed as agents and valuers in relation to the Company's assets. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. The Agent's time costs amount to £17,000 of which £5,500 has been paid with the balance written off.

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 permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

Creditors' right to challenge fees and/or expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of. Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

5. THE OUTCOME OF THE ADMINISTRATION

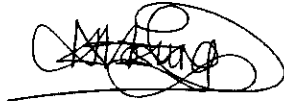
Comparison of the outcome with the Joint Administrators' Proposals

Attached at **Appendix II** is a summary of the Joint Administrators' Proposals as approved. It was envisaged that the second Administration objective would be achieved, namely that there would be a better result for creditors as a whole than would be likely if the Company were wound up (without first being in Administration). As described above, it can be seen that this Administration objective was not achieved although the third Administration objective, namely that property would be realised in order to make a distribution to one or more secured or preferential creditors, was achieved.

As the purpose of the Administration was not achieved in relation to the Company, the Joint Administrators made an application to Court under paragraph 79(2) of Schedule B1 of the Act for an Order ending the Administration.

On 20 July 2018, the Joint Administrators gave notice to the Company's directors and creditors of the application under Rule 3.57(s) of the Rules and there was no response to the notice.

On 5 March 2019 the application was heard and it was ordered that the Joint Administrators obtain their release as office holders, that the Company be wound up and that the costs of the application be paid as an expense of the administration.

A handwritten signature in black ink, appearing to read 'Andrew Hosking', with a horizontal line drawn underneath it.

Andrew Hosking

Joint Administrator

The affairs, business and property of Soul Store Limited (in Administration) are managed by the Joint Administrators, who act as agents of the Company and without personal liability

**Soul Store Limited
(IN ADMINISTRATION)**

STATUTORY INFORMATION

Company Name	Soul Store Limited
Previous Name(s)	Love & Liquor Limited
Trading Name(s)	Soul Store West
Proceedings	In Administration
Court	High Court of Justice
Court Reference	CR-2017-005791
Date of Appointment	3 August 2017
Joint Administrators	Andrew Hosking and Carl Jackson Quantuma LLP 3 rd Floor 37 Frederick Place Brighton BN1 4EA
Registered office Address	c/o Quantuma LLP 3 rd Floor 37 Frederick Place Brighton BN1 4EA
Company Number	09705419
Incorporation Date	28 July /2015
Company Secretary	Neel Shah
Appointment by	Neel Shah and Anand Patel 163 Herne Hill London SE24 9LR
Directors at date of Appointment	Neel Shah Anand Patel
Directors' Shareholdings	Neel Shah - 100 Ordinary Shares

High Court of Justice

No. CR-2017-005791

**Soul Store Limited
In Administration**

THE JOINT ADMINISTRATORS' PROPOSAL

**Andrew Hosking and Carl Jackson
Joint Administrators**

Quantuma LLP

3rd Floor, 37 Frederick Place, Brighton, BN1 4EA

01273 322400

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8. Invitation to Form a Creditors' Committee
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Appendices

- I. The Statement of Proposals
- II. Breakdown of Pre-Administration Time Costs for Quantuma LLP
- III. Charge-out Rates and Bases of Disbursements ("Quantuma LLP's Summary")
- IV. Breakdown of the Joint Administrators' Time Costs from 3 August 2017 to 22 September 2017
- V. Information to Support the Joint Administrators' Fee Proposal
- VI. Notice of Decision Procedure / Voting Form / Proof of Debt
- VII. Notice Seeking Deemed Consent
- VIII. Notice of Invitation to Form a Creditors' Committee

1. Executive Summary

- 1.1** This Proposal incorporates the Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act attached at **Appendix I**.
- 1.2** The business was established in July 2015 and the principal activity of the Company was a diner, cocktail bar and live music venue. The business traded from leasehold premises at 34 Kilburn High Road, London, NW6 5UA. On 3 August 2017, Andrew Hosking and Carl Jackson of Quantuma LLP were appointed Joint Administrators of the Company by the Directors.
- 1.3** As explained in more detail in the Statement of Proposals, the Joint Administrators are currently pursuing the second statutory objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).
- 1.4** A summary of the current and anticipated future positions are detailed below.

Assets

Asset	Realisations to date	Anticipated future realisations	Total anticipated realisations
Furniture & Equipment Fixtures & Fittings	Nil	Uncertain	Uncertain
Tax refund	Nil	25,000	25,000

Expenses

Expense	Expense incurred to date	Anticipated further expense	Total anticipated expense
Pre-appointment fees	3,703	Nil	3,703
Joint Administrators' fees	17,647	32,534	50,181
Legal fees	4,400	7,600	12,000
Agents' fees	10,000	5,000	15,000
Storage	Nil	500	500
Insurance	448	Nil	448
All other expenses	292	25,219	25,511

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend
Secured creditor (fixed charge)	N/A	N/A
Secured creditor (floating charge)	N/A	N/A
Preferential creditors	Nil	Uncertain / £
Unsecured creditors	Nil	Uncertain / £

- 1.5** The Statement of Proposals at **Appendix I** provides explanations of the events leading to the Administration and the progress of the Administration to date, as well as other statutory information.
- 1.6** This Proposal provides more detailed information on the work that the Joint Administrators anticipate they will undertake to complete the Administration together with their proposed basis of fees. To put this request into context, this Proposal provides further information on the Joint Administrators' costs to date, including the

costs incurred prior to Administration. It also explains other matters for creditors' consideration, such as the proposed timing of the Joint Administrators' discharge on conclusion of the Administration.

- 1.7 Definitions of the terms used in this Proposal are provided in **Appendix I** together with all statutory information pertaining to the Company.

2. Statement of Pre-Administration Costs

- 2.1 Pre-administration costs are defined in the Insolvency Rules as fees charged and expenses incurred by the Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered Administration but with a view to its doing so.

This statement outlines those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds.

- 2.2 On 1 August 2017 the Company agreed with the proposed Joint Administrators that Quantuma LLP be paid fees for work done prior to the Administration on [the basis of time costs incurred by the insolvency practitioners and their staff at their standard charge-out rates plus VAT and related expenses for the following tasks and matters that were considered to be necessary to placing Soul Store Limited into Administration.

- 2.3 The pre-appointment costs of the Joint Administrators in the sum of £3,703 were incurred in relation to the following activities:

- Confirming that one of the statutory objectives of administration could be achieved;
- Obtaining a valuation of the business and assets and liaising with agents regarding the appropriate disposal strategy;
- Meetings with the directors
- Carrying out all necessary steps in order to place the Company into Administration.

Attached at **Appendix II** is a breakdown of the time costs of the Joint Administrators and their staff incurred prior to Administration and included within **Appendix III** are Quantuma LLP's charge-out rates and bases of disbursements.

- 2.4 The pre appointment disbursements of the Joint Administrators are outlined below:-

	£
Category 1	
Total	£Nil
Category 2	
Electronic Anti-Money Laundering search	12.00
Total	£12.00

- 2.5 James Owen & Co Limited were instructed on 2 August 2017 to carry out an inventory and valuation of the Company's assets in-situ and ex-situ on going concern basis and a forced sale basis, and to provide advice in respect of the offer received by the Company for its business and assets from the purchaser.

It was agreed that their services would be provided on a time costs basis and consequently costs of £6,500 were incurred in the pre-Administration period.

2.6 We are unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

2.7 A summary of the total costs incurred together with details of those which were paid pre-Administration and the amounts remaining outstanding, follows below:

	Total cost incurred	Amount already Paid	Identity of party who made payment	Amount Outstanding
	£	£		£
Administrators' pre-administration Remuneration	3,703.00	Nil	N/A	3,703.00
Administrators' pre-administration Expenses:				
Valuation Agent's costs	6,500.00	Nil	Nil	6,500.00
Administrators' Pre-administration Disbursements				
Category 1	Nil	Nil	N/A	Nil
Category 2	12.00	Nil	N/A	12.00
Total Amount Outstanding	10,215.00	Nil	Nil	10,215.00

2.8 Consequently the unpaid pre-Administration costs are as follows:-

	£
Quantuma LLP's time costs (see Appendix II)	3,703.00
Quantuma LLP's disbursements	12.00
Agents' costs	6,500.00
Total	10,215.00

I am seeking to recover all the unpaid pre-Administration costs and expenses scheduled in paragraph 2.9 above as an expense of the Administration.

2.9 The payment of the unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 of the Rules and is not part of the Statement of Proposals subject to approval under Paragraph 53 of Schedule B1 of the Act. Further explanation of the approval process is provided in Section 9.

3. The Joint Administrators' Fees

3.1 The Joint Administrators propose to fix their fees on the following basis:-

- (i) the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Quantuma LLP at the time the work is performed (plus VAT)

3.2 Attached at **Appendix IV** is a breakdown of the time costs incurred in the Administration to 22 September 2017. The Statement of Proposals provides an account of the work undertaken to date and **Appendix V** provides a detailed list of

work undertaken and proposed to be undertaken by the Joint Administrators and their staff.

3.3 The charge-out rates of the Joint Administrators and their staff are detailed in **Appendix III**. 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 claims being agreed. The grades of staff instructed to assist in this matter and their key responsibilities include:-

- Administrators: maintenance of the creditors' contacts database, assisting with creditors' queries and routine correspondence, assisting in the realisation of assets, employee matters, liaising with creditors and debtors, preparing reports to creditors and other statutory matters, and managing the cashing function
- Managers: reviewing the Company's position and affairs, handling asset realisations, reviewing draft statutory reports to creditors and overseeing the tax and VAT aspects of the case

3.4 Creditors may access a Guide to Administrators' Fees effective from 6 April 2017 at <http://www.quantuma.com/guide/creditors-guide-fees/> or a hard copy will be provided on request free of charge.

3.5 Further information is set out below and in the appendices to explain the future time costs that the Joint Administrators anticipate incurring in this Administration.

4. The Joint Administrators' Expenses

4.1 The Joint Administrators' expenses may be divided into two categories:

- Category 1 expenses are costs that can be specifically identified as relating to the administration of the case. These are charged to the estate at cost with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums and properly reimbursed expenses. Legislation provides that administrators may discharge Category 1 expenses from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 expenses are costs that are also directly referable to the appointment in question but not to a payment to an independent third party. Payments may only be made in relation to Category 2 expenses after the relevant creditors have approved the bases of their calculation.

4.2 **Appendix III** provides details of the bases of Category 2 expenses that the Joint Administrators propose to recover from the insolvent estate.

5. Proposed Work to be Undertaken

5.1 Set out in **Appendix V** is a detailed list of tasks that the Joint Administrators propose that they and their staff will undertake together with their estimates of the time these tasks will take to carry out in total. The most material tasks are summarised below. The Estimated Outcome Statement attached to the Statement of Proposals provides an overview of the financial benefit that this work is expected to bring to creditors.

Administration (including Statutory Reporting)

5.2 The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

5.3 Primarily, these tasks include:

- Meeting all statutory reporting and filing requirements, including 6-monthly reports, seeking an extension where necessary, and issuing a final report and notices;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements; and
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

Investigations

5.4 The Joint Administrators examine the conduct of the Company and its directors prior to the Administration with two main objectives:

- To identify what assets are available for realising for the benefit of creditors, including any potential actions against directors or other parties, such as challenging transactions at an undervalue or preferences; and
- To enable the Joint Administrators to report to the Insolvency Service on the conduct of the directors so that the Insolvency Service may consider whether disqualification proceedings are appropriate ("CDDA" work).

5.5 In the early stages of the Administration, this work involves examining the Company's books and records, considering information received from creditors and the Company's accountants and seeking information from the Company's directors and other senior staff by means of questionnaires and/or interviews.

5.6 In the event that questionable transactions are identified, it may be necessary to conduct further investigations and instruct solicitors to assist in deciding the Joint Administrators' next steps in pursuing a recovery. If a potential recovery action is identified, it may be necessary to instruct professional agents in gathering evidence and in exploring further the existence and value of assets to target. If the Joint Administrators encounter resistance in making a recovery, formal legal action may be appropriate.

5.7 In addition, if the Insolvency Service decides to proceed with a disqualification, the Joint Administrators will be required to assist the Insolvency Service's investigators in their work, which may include providing the investigators with access to the Company's books and records and agreeing statements to be given in evidence of those proceedings.

5.8 At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in this work. The Fees and Expenses Estimates presented below reflect the anticipated work in identifying potential causes of action. If any are identified and the Joint Administrators consider that additional work is required, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Realisation of assets

5.9 The Statement of Proposals summarises the work carried out by the Joint Administrators to date in realising the Company's assets. The principal matters that require further work are:

- Progressing the sale of the Company's assets;
- Progressing the assignment of the lease to the purchaser;
- Continuing to pursue the pre-appointment VAT refund;
- Reviewing and confirming the position regarding the rent deposit paid;
- Collecting any deferred consideration for the sale of assets as and when it becomes due;
- Maintaining appropriate insurance cover on the Company's assets until they have been disposed of.

Creditors (claims and distributions)

5.10 As the Statement of Proposals explains, there are a number of different classes of creditor involved in the Administration that require the Joint Administrators' attention. In particular, the Joint Administrators anticipate conducting the following key tasks:-

- Maintaining the database as regards creditors' contact details and claims;
- Responding to creditors' queries and logging their claims and supporting information;
- Assisting the employees to receive payments from the RPS and liaising with the RPS to agree its claim;
- Reviewing claims submitted by the tax departments and, where it is appropriate, examining the Company's records to appeal assessments or adjudicate on the Crown's claims;
- Dealing with a creditors' committee, if one is appointed;
- Agreeing employee claims, calculating and paying a distribution to preferential creditors, if there are sufficient funds, and paying the subsequent PAYE/NII deductions to HMRC;
- Payment of dividends

Proposed work to be undertaken by the Joint Liquidators

5.11 At present, it appears possible that there will be sufficient funds to pay a dividend to unsecured creditors (other than by way of the prescribed part). As this will be carried out once the Company has moved from Administration to CVL, separate Fees and Expenses Estimates for the Liquidation have been provided at **Appendix V**.

5.12 Creditors will appreciate that it is difficult to estimate the time and expenses likely to be incurred by the Joint Liquidators at this time, not least because it is difficult to know when the Company will move from Administration to CVL and consequently what work will have been done by the Joint Administrators by the time that the move takes place. Therefore, although much of the time estimated to be incurred in the activities listed above has been included in the Joint Administrators' Fees Estimate, in the event that the Administration moves to CVL sooner than anticipated, the Joint Liquidators are likely to incur a proportion of the time currently allocated to the Joint Administrators.

5.13 In any event, the Joint Liquidators will be required to carry out the following activities in addition to continuing to realise the Company's assets and conduct investigations, where these have not been completed in the Administration:

- Meeting statutory requirements including: issuing notices on appointment; issuing annual progress reports and a final account to creditors; and completing periodic tax returns;
- Maintaining case files, which must include records to show and explain the administration of the liquidation and any decisions made by the Joint Liquidators that materially affect the administration;
- Conducting periodic case reviews to ensure that the liquidation is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments;
- Adjudicating on all creditors' claims with the assistance of solicitors where necessary;
- Giving notice of the intention to declare a dividend; and
- Calculating, declaring and paying dividends to creditors and dealing with unclaimed dividends.

6. Other Information to Support the Proposed Fees

6.1 Attached at **Appendix V** is an estimate of the time that the Joint Administrators envisage the above work will take to complete. **Appendix V** also provides their estimate of the expenses that have been or are likely to be incurred.

6.2 Please note that the estimates have been provided on the assumptions given below. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted Expenses Estimate. In the event that the Joint Administrators incur time costs in excess of the Fees Estimate, they will only revert to the relevant creditors for approval if they propose to draw any fees in addition to those estimated from the insolvent estate.

6.3 In summary, the Joint Administrators propose that their fees be fixed on the basis of time costs and they estimate that they and their staff will spend time totalling £50,181 in conducting the tasks described. This estimate includes the time spent to date of £17,646.95, as described in **Appendix IV**. Further, they estimate that their time costs for the Liquidation will total £10,137.50.

6.4 The Fees and Expenses Estimates have been compiled on the assumptions set out below. Please note that these are assumptions only for the purposes of preparing the Estimates in accordance with the statutory provisions. It has been assumed that:

- investigations to the extent described in section 5 above will be carried out;
- no exceptional work will need to be conducted in order to realise the remaining assets
- there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by this Proposal; and
- there will be no need to extend the Administration

6.5 On the basis of these assumptions, the Joint Administrators do not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the Fees Estimate. However, in the event that the Administration does not proceed as envisaged, the Joint Administrators will seek approval for any fees in addition to those estimated that they wish to draw from the insolvent estate.

7. The Joint Administrators' Discharge

- 7.1 The Act requires that the timing of the Joint Administrators' discharge from liability will be decided by the unsecured creditors. The Joint Administrators propose that this discharge will take effect when their appointment ceases to have effect, unless the court specifies a time.

8. Invitation to Form a Creditors' Committee

- 8.1 Attached at **Appendix VIII** is a Notice of Invitation to Form a Creditors' Committee. The purpose of the Committee is to assist the Joint Administrators in discharging their functions. In particular, a Creditors' Committee takes on the responsibility for approving the basis of the Joint Administrators' fees and other costs described above.
- 8.2 In the absence of a Committee, this responsibility falls to the unsecured creditors. The Joint Administrators do not see a need for a Committee to be formed in this case.
- 8.3 Notwithstanding this, creditors are entitled to seek the formation of Committee, provided that there are sufficient nominations to form a Committee. At least three nominations would be required and the requisite majority of creditors would also need to object to the proposed decision not to form a Committee. Appendices VII and VIII provide further information on these steps.

9. Approval Process


- 9.1 The Joint Administrators are proposing the decisions set out below by means of the process set out in Rule 15.7 (Deemed Consent) of the Rules. Creditors are not required to vote on these proposed decisions, but they may object to their approval. Please see the Notice Seeking Deemed Consent attached at **Appendix VII** for further information.
- That the Joint Administrators' Proposals (i.e. the statutory Statement of Proposals at **Appendix I**), be approved;
 - That a Creditors' Committee will not be established; and
 - That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time.
- 9.2 In addition, the Joint Administrators are seeking creditors' approval of the proposed decisions set out below by means of a vote by correspondence. Creditors are invited to vote on these proposed decisions by completing and returning the enclosed voting form together with a proof of debt form, if one has not already been submitted. These forms are attached at **Appendix VI** together with a Notice of Decision Procedure setting out the following proposed decisions:
- That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken;
 - That the Joint Administrators be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Quantuma LLP's Summary; and
 - That the unpaid pre-Administration costs set out in the Joint Administrators' Proposal be approved.

9.3 The Joint Administrators must receive completed forms by no later than **23:59 on 11 October 2017** to enable your vote to be counted.

9.4 Whilst a vote by correspondence is being sought, creditors who meet a statutory threshold as set out in the Notice attached at **Appendix VI** can require that a physical meeting of creditors be convened. Such a request must be made to the Joint Administrators within 5 business days of the date on which this Proposal was delivered. If you wish to request a physical meeting, please set out in writing which of the decision(s) above you wish the meeting to consider.

Should you have any queries in regard to any of the above please do not hesitate to contact Chi Ho on 01273 322400 or by e-mail at Chi.Ho@Quantuma.com.

Dated this 22 September 2017



Andrew Hosking
Joint Administrator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association
The affairs, business and property of Soul Store Limited (in Administration) are managed by the Joint Administrators, who act as agents of the Company and contract without personal liability.

Soul Store Limited - in Administration

**STATEMENT OF THE JOINT ADMINISTRATORS' PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

High Court of Justice

No. CR-2017-005791

**Soul Store Limited
In Administration**

**STATEMENT OF THE JOINT ADMINISTRATORS' PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Andrew Hosking and Carl Jackson
Joint Administrators**

Quantuma LLP

3rd Floor, 37 Frederick Place, Brighton, BN1 4EA

01273 322400

Disclaimer Notice

- This Statement of Proposals has been prepared by Andrew Hosking and Carl Jackson, the Joint Administrators of Soul Store Limited, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- Any estimated outcomes for creditors included in this Statement of Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this document for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.
- The Joint Administrators act as agent for Soul Store Limited and contract without personal liability. The appointment of the Joint Administrators is personal to them and, to the fullest extent permitted by law, Quantuma LLP does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.
- All licensed Insolvency Practitioners of Quantuma LLP are licensed in the UK to act as Insolvency Practitioners.

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Attachments

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- B Statutory Information**
- C Estimated Financial Statement as at 3 August 2017 and Creditors' Details**
- D Estimated Outcome Statement**
- E The Joint Administrators' Receipts and Payments Account to 22 September 2017**

1. Introduction

- 1.1 This Statement of Proposals is prepared pursuant to Schedule B1 of the Act in relation to the Company, the purposes of which are to provide creditors with a full update as to the present position and to set out the Joint Administrators' proposals for achieving an Administration objective.
- 1.2 The Statement of Proposals also includes information required to be provided to creditors pursuant to the Rules. Definitions of the terms used in the Statement of Proposals are provided in **Attachment A** and Statutory Information pertaining to the Company is set out in **Attachment B**.
- 1.3 This Statement of Proposals is being delivered to creditors on 22 September 2017.

Creditors are invited to decide whether to approve the Joint Administrators' proposals. Section 8 provides further details on this decision process.

2. Background to the Company

- 2.1 The principal activity of the Company was a diner, cocktail bar and live music venue and traded from leasehold premises at 34 Kilburn High Road, London, NW6 5UA.

The Company was incorporated in July 2015 and did not trade for a period of approximately 15 months. In October 2016 the Company acquired the leasehold of the premises at 34 Kilburn High Road. Following the acquisition the Company undertook a refurbishment and commenced trading in March 2017.

The initial trading period showed promise and wet sales performed well however by May 2017 the Company began to recognise that the costs associated with the marketing and promotion to maintain the level of trade achieved were unsustainable and trade began to reduce as a result. In addition the directors experienced operational issues in dealing with the food outlet and the level of promotion support was not achieving the level of footfall that was anticipated.

By June 2017 the Company was underperforming against expectations and loss-making. The directors sought new investment in order to stabilise the business and place the Company on a firm financial footing. This investment was not forthcoming and in July 2017 the directors extended their search for investment to incorporate prospective purchasers for the business. Despite receiving a level of interest and discussions a buyer did not materialise and the Company ceased to trade on 27 July 2017.

Overview of Financial Information

- 2.2 Extracts from the dormant accounts for the period to 31 July 2016, 12 months are shown below.
- 2.3 Please note that this information has not been verified by the Joint Administrators or by Quantuma LLP.

Summary Balance Sheet

	Accounts for The period to 31/07/2016 £
Current assets	
Cash at bank	1
Net Assets	1

Issued share capital	
100 shares of £0.01	1
Total shareholder funds	1

Source: Accounts filed at Companies House on 28 April 2017

Management and Employees

- 2.4** As at 3 August 2017, the Company employed three staff.
- 2.5** Statutory information on the Company, including details of the Directors, Company Secretary, and Shareholders is provided at **Attachment B**.

3. Events leading to the Administration

- 3.1** As previously outlined by June 2017 the Company was underperforming against expectations and loss-making. The directors sought new investment in order to stabilise the business and place the Company on a firm financial footing. This investment was not forthcoming and in July 2017 the directors extended their search for investment to incorporate prospective purchasers for the business.
- 3.2** Despite receiving a level of interest and discussions a buyer did not materialise and the Company ceased to trade on 27 July 2017 at which point the directors sought formal insolvency advice from Quantuma LLP and it was decided that the best course of action would be to place the Company into Administration.
- 3.3** On 3 August 2017, Andrew Hosking and Carl Jackson of Quantuma LLP were appointed Joint Administrators of the Company following the filing of a Notice of Appointment of Administrators by the Directors of the Company.
- 3.4** The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either one or both of them.
- 3.5** For creditors' general information, the EC Regulation on insolvency proceedings applies in this case, and these proceedings are the main proceedings.

4. The Purpose of the Administration

- 4.1** The purpose of an Administration is set out in Schedule B1, Paragraph 3(1) of the Act. In short, this provides that an Administrator of a company must perform his functions with the objective of:-
- rescuing the company as a going concern, or
 - achieving a better result for the creditors as a whole than would be likely to be achieved if the company were wound up (without first being in Administration), or
 - realising property in order to make a distribution to one or more secured or preferential creditors.
- 4.2** These objectives form a hierarchy. The rescue of a company is the priority. If this is not possible, the Administrator seeks to achieve a better result for the creditors as a whole. In the event that this cannot be achieved, then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.
- 4.3** The Joint Administrators would comment that the first objective was not achievable due to lack of working capital and the cessation of trading prior to appointment, the Joint Administrators did not consider it possible to restructure the existing business or propose a Company Voluntary Arrangement.
- 4.4** The second objective is normally achieved by means of a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation). The Joint Administrators' agents are marketing the business and assets for sale as well as preserving value in the lease.
- 4.5** A detailed account of how the Joint Administrators have sought to achieve the objective of the Administration is set out below.

5. Management of the Company's Affairs since the Joint Administrators' Appointment

- 5.1** Immediately upon appointment the Joint Administrators undertook a review of the Company's affairs with particular regard to its financial and resource requirements. This assessment was carried out in liaison with the remaining management of the Company.
- 5.2** Shortly on appointment, the Joint Administrators instructed valuation agents, James Owen & Co Limited, who are professional independent agents to market the Company's business and assets using the most advantageous method available.
- 5.3** The majority of the Company's assets is owned by third-parties and consists of bar furniture, audio-visual equipment and kitchen equipment.
- 5.4** The Company's premises consist of a substantial 4-floor building with accommodation upstairs. It is understood there are currently 3 individuals in occupation. The lease commenced in 2007 and there is 15 years remaining.
- 5.5** The agents have advised that the Company did not operate within a niche area which limits the number of potential purchasers and makes it difficult to assess any potential interest. Despite this, the agents have received a number of parties which have expressed an interest in purchasing the Company's assets.
- 5.6** At this time the Joint Administrators have not accepted an offer or agreed a transaction and therefore negotiations with the interested parties are still ongoing.

Assets remaining to be realised

- 5.7 The Joint Administrators anticipate a sale will be concluded shortly subject to the purchase price being agreed and the assignment of the lease.

Post appointment strategy

- 5.8 The Joint Administrators' staff are in the process of collating creditors' claims and have handled creditors' queries as they have arisen which include telephone calls and correspondence.
- 5.9 The Joint Administrators' legal advisors advised in respect of all legal issues arising on the sale of business and assets and have been assisting the Joint Administrators with post appointment matters.
- 5.10 Legal advice has been required in relation to the Company's lease. Consent is being obtained from the landlord for the assignment of the lease. The Joint Administrators have instructed Philip Ross Solicitors to manage the assignment of the lease and this process is ongoing.
- 5.11 A significant amount of plant and machinery was financed on hire purchase agreements. The Joint Administrators' staff continue to liaise with these funders and information continues to be provided to assist the funders in assessing their position.
- 5.12 To advise on appropriate legal matters and to prepare required legal documentation, the Joint Administrators instructed Philip Ross Solicitors, a firm of lawyers with the appropriate expertise and experience in dealing with these types of Administrations.
- 5.13 In addition, James Owen & Co Limited, a firm of chattel agents, was instructed by the Joint Administrators to undertake inventories and valuations of stock, plant and equipment, fixtures and fittings and other chattel assets where appropriate. The agents also advised on the best method of disposal of those assets and assisted in their disposal, as well as assisted with claims of retention of title and security.
- 5.14 All professional fees are based upon the parties' recorded time costs incurred at their standard charge out rates and will be reviewed by the Joint Administrators' staff before being approved for payment.

Investigation into the Company's Affairs Prior to the Administration

- 5.15 The Joint Administrators are undertaking a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a conduct report to be submitted in respect of Company directors in office at the commencement of the Administration and any who resigned in the three years prior to the Administration.
- 5.16 Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Joint Administrators as soon as they are able.

6. The Statement of Affairs and the Outcome for Creditors

- 6.1 The Directors have not, to date, submitted a signed Statement of Affairs, albeit they are currently in the process of drafting this. An Estimated Financial Statement of the Company, together with a list of the creditors, is attached at **Attachment C** for creditors' information.

These details have been extracted from the Company's records and therefore no warranty can be given to the accuracy of the details given.

- 6.2 In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration (including agents, legal and other professional fees).
- 6.3 The Joint Administrators have not carried out any work of the nature of an audit on the information.

Notes to the Statement of Affairs

Furniture & Equipment / Fixtures & Fittings

- 6.4 Chattel agents, James Owen & Co Limited, were instructed to value the Company's assets and the figures below have been based on the valuation provided. The agents have valued these items at £75,000 - £100,000 on an in-situ basis and £25,000 on a break-up/restricted market basis.

Tax refund

- 6.5 The directors have advised there a VAT refund of approximately £25,000 due to the Company.

Secured creditors

- 6.6 There are no secured creditors in this Administration.

Preferential claims

- 6.7 There Company has 3 employees and it is estimated that there will be claims for arrears of wages and outstanding holiday pay of £800. These claims will be subject to assessment by the Redundancy Payments Service.
- 6.8 Preferential claims relating to employee deductions are expected to be paid by the Redundancy Payments Service who will have a corresponding preferential claim against the Company. These are likely to be in the region of £800. There are no other known preferential claims outstanding.
- 6.9 Section 176A of the Act requires Administrators to make a prescribed part of the company's net property, which is the balance remaining after discharging the preferential claims but before paying the floating charge-holder, available for the satisfaction of unsecured debts.
- 6.10 The Company has not granted a floating charge to a creditor since 15 September 2003 and consequently there will be no Prescribed Part in this Administration.
- 6.11 The Joint Administrators do not propose to make an application to court under Section 176A(5) of the Act to disapply the prescribed part provisions, because in any event it is anticipated that there will be no Prescribed Part.
- 6.12 As demonstrated in the Estimated Outcome Statement attached at **Attachment D**, on the basis of the costs incurred to date and the estimated further costs to be incurred in bringing the Administration to a conclusion, it is uncertain whether there may be sufficient funds to pay a dividend to preferential and ordinary unsecured creditors. Whilst this is uncertain you are requested to submit claims to the address on the front of this report. A Proof of Debt form is provided in the document to which this forms an appendix.

6.13 Attached at **Attachment E** is the Joint Administrators' receipts and payments account for the period from 3 August 2017 to 22 September 2017.

7. The Joint Administrators' Fees

- 7.1** The Joint Administrators propose to be remunerated on the basis of the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Quantuma LLP at the time the work is performed (plus VAT);
- 7.2** The Joint Administrators will seek approval for the basis of their fees from the unsecured creditors unless a Creditors' Committee is established.
- 7.3** Information to support the proposed basis of the Joint Administrators' fees, together with the Statement of pre-Administration costs, is provided in the Joint Administrators' Proposal, to which this Statement of Proposals forms an appendix.

8. Approval of the Statement of Proposals

- 8.1** The Joint Administrators are seeking creditors' approval of the Statement of Proposals, which are summarised in Section 9, by means of the process set out in Rule 15.7 (Deemed Consent) of the Rules.
- 8.2** Attached to the Joint Administrators' Proposal, to which this Statement of Proposals forms an appendix, is a Notice Seeking Deemed Consent, which describes how creditors may object to the acceptance of the Statement of Proposals or to the other proposed decisions.
- 8.3** Creditors who meet a statutory threshold as set out in the Notice can require that a physical meeting of creditors be convened. Such a request must be made to the Joint Administrators within 5 business days of the date on which the Statement of Proposals was delivered.
- 8.4** Unless the Joint Administrators receive the requisite number of objections to the proposed decision to approve the Statement of Proposals or of requests to convene a physical meeting as set out in the Notice, creditors will have deemed to have consented to approve the Statement of Proposals.

9. Summary of the Joint Administrators' Proposals

- 9.1** The Statement of Proposals is summarised below.
- 9.2** In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:
- the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they sell the Company's assets at such times and on such terms as they consider appropriate
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and

- (iii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
- the Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
- the Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:-
 - (i) in the event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the Registrar of Companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Andrew Hosking and Carl Jackson will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidators. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 8; or
 - (ii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Andrew Hosking and Carl Jackson may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidators; or
 - (iii) however, in the unlikely event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act.

Dated this 22 September 2017



Andrew Hosking
Joint Administrator

The affairs, business and property of Soul Store Limited (in Administration) are managed by the Joint Administrators, who act as agents of the Company and contract without personal liability.

DEFINITIONS

The Act	The Insolvency Act 1986
The Rules	The Insolvency Rules 1986 or the Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event described)
The Statement of Proposals	The Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Joint Administrators	Andrew Hosking and Carl Jackson
The Company	Soul Store Limited (in Administration)
The Court	High Court of Justice
EBIT	Earnings before interest and tax
FY16	Financial year ended 31 July 2016
SPA	Sale & Purchase Agreement
RPS	The Redundancy Payments Service
HMRC	HM Revenue & Customs
ROT	Retention of Title
EOS	Estimated Outcome Statement
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice (England & Wales)

Soul Store Limited - in Administration
STATUTORY INFORMATION

Company Name	Soul Store Limited
Previous Name(s)	Love & Liquor Limited
Trading Name(s)	Soul Store West
Proceedings	In Administration
Court	High Court of Justice
Court Reference	CR-2017-005791
Date of Appointment	3 August 2017
Joint Administrators	Andrew Hosking and Carl Jackson Quantuma LLP 3 rd Floor 37 Frederick Place Brighton BN1 4EA
Registered office Address	c/o Quantuma LLP 3 rd Floor 37 Frederick Place Brighton BN1 4EA
Company Number	09705419
Incorporation Date	28 July /2015
Company Secretary	Neel Shah
Appointment by	Neel Shah and Anand Patel 163 Herne Hill London SE24 9LR
Directors at date of Appointment	Neel Shah Anand Patel
Directors' Shareholdings	Neel Shah - 100 Ordinary Shares

Soul Store Limited - in Administration

**ESTIMATED FINANCIAL STATEMENT AS AT 3 AUGUST 2017 AND CREDITORS'
DETAILS**

Soul Store Limited - in Administration
ESTIMATED FINANCIAL STATEMENT
as at 22 September 2017

	Book Value £	Estimated to realise £
Assets subject to Fixed Charge	-	-
Assets subject to Floating Charge	-	-
Uncharged Assets		
Furniture & Equipment / Fixtures & Fittings	-	Uncertain
Tax refund	25,000	25,000
	<u>25,000</u>	<u>25,000</u>
Estimated total assets available for Preferential Creditors		25,000
Preferential Creditors		(800)
Assets subject to the Prescribed Part	-	Nil
Prescribed Part c/d	-	-
Estimated total assets available to Floating Charge Holder	-	24,200
Floating Charge Creditor	-	Nil
Estimated surplus/(deficiency) of assets after floating charges	-	24,200
Total assets available for Unsecured Creditors	-	24,200
Unsecured Creditors		
Trade & Expense Creditors	(164,760)	(164,760)
HM Revenue & Customs	(2,049)	(2,049)
Employee Claims	(496)	(496)
Asset Finance lenders	(114,588)	(114,588)
	<u>(281,892)</u>	<u>(281,892)</u>
Estimated deficiency to Unsecured Creditors	(281,892)	(257,692)
Shareholders		
Neel Shah	(100)	(100)
Estimated deficiency to Members	<u>(281,992)</u>	<u>(257,792)</u>

Soul Store Limited Company Creditors

Key	Name	Address	£
C100	1pm (UK) Limited	2nd Floor, St James House, The Square, Lower Bristol Road, Bath, BA2 3BH	11,427.65
CA02	Arkle Finance Ltd	c/o Gateley plc, One Eleven, Edmund Street, Birmingham, B3 2HJ	2,677.58
CB00	British Gas	Winnall Down, Alresford Road, Winchester, SO21 1FP	999.54
CC02	Camden Business Rates	Camden Town Hall, Judd Street, London, WC1H 8NH	54,000.00
CC00	Camden Council Tax	Camden Town Hall, Judd Street, London, WC1H 8NH	2,041.31
CC01	Camden Council Tax	Camden Town Hall, Judd Street, London, WC1H 8NH	2,420.39
CC03	Castle Water	Craighall Castle, Blairgowrie, PH10 7JB	1,094.42
CC05	Chicago Rib Shack	Arch 642, 4 Voltaire Road, Clapham, SW4 6DH	7,011.00
CC06	Close Brothers Business Finance	Bridge House, Hesselwood Country Office Park, Ferrisby Road, Hessele, HU13 0PB	28,240.49
CC04	Crowdfund Ltd	27 Paul Street, London, EC2A 4JU	3,063.60
CD01	D & L Soft Drinks	Unit 6a, Juno Way Industrial Estate, Juno Way, New Cross, SE14 5RW	189.65
CD00	Design My Night	4th Floor, 86-90 Paul Street, London, EC2A 4NE	1,811.00
CD02	Dirty Harry's	49 Tottenham Court Road, London, W1T 2EG	1,695.12
CE00	EDF Energy	PO box 140, Plymouth, PL3 5RG	1,906.51
CE03	Employee Claims	PO Box 16685, Birmingham, B2 2LX	496.00
CE01	Essential Staff	Rex House, 354 Ballards Lane, London, N12 0DD	414.05
CE02	EWGD Ltd	25 Hollywell Row, London, EC2A 4XE	1,000.00
CF00	Fortus Security	Carney's Community Centre, 30 Petworth Street, London, SW11 4QW	4,440.31
CH02	Hallgarten Druitt & Novum Wines	Dallow Road, Luton, LU1 1UR	2,667.68
CH04	Henry Howard Finance Plc	Unit 5 Langstone Business Village, Langstone Park, Langstone, Newport, NP18 2LH	41,558.28
CH00	HM Revenue & Customs	EIS, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	2,048.75
CI00	ID Scan	Aegon House, 13 Lanark Square, London, E14 9QD	237.60
CI01	I-Line Counters Ltd	Suite 10A, Hattersley House, 1 Hattersley Court, Ormskirk, L39 2AY	5,180.00
CI02	Investec Asset Finance plc	c/o Baker Tilly LLP, Creditor Services, Salisbury House, 31 Finsbury Circus, London, EC2M 5SQ	24,446.39
CJ00	Jags Supplies	Unit 8, Victoria Park Industrial Centre, Rothbury Road, Hackney	111.37
CL02	Lana Trickler	18 Soho Square, London, W1D 3QL	3,300.00
CL01	Light of Night	Unit A3, Hastingwood Trading Estate, 35 Harbet Road, N18 3HT	441.89
CL00	Logicare Cleaning Services	11 Blenheim Close, Watford, Herts, WD19 4QN	2,027.56
CM00	Makbros	8 Dalston Gardens, Stanmore, HA7 1BU	3,000.00
CA03	Mohamed Abduraman	60 Makepeace Road, Northolt, UB5 5UF	1,500.00
CO00	Oliver Lyles	The Lodge, Foundry Hill, Woodalling, Norfolk, NR11 6SD	11,453.00

**Soul Store Limited
Company Creditors**

Key	Name	Address	£
CP01	Performing Right Society Ltd	2 Pancras Square, London, N1C 4AG	2,949.34
CP02	Phaseliner	36 Barnes Lane, London, SW20 0BP	5,081.85
CP00	PPL Music Licence	1 Upper James Street, London, W1F 9DE	3,158.13
CQ01	Quantum Funding Ltd	c/o Baker Tilly LLP, Creditor Services, Salisbury House, 31 Finsbury Circus, London, EC2M 5SQ	17,664.87
CQ00	Quartz Service And Repair	37A Charleston Street, London, SE17 1NG	130.00
CR00	Red Fire Safety Services Ltd	Unit 1 Lockheed House, 238 Green Lane, London, SE9 3TL	7,728.60
CK00	Robert Junior Kirtan	Flat 2, 34 Clifton Road, South Norwood, SE25 6NJ	6,556.00
CR01	RS Construction Service Ltd	118 Buckingham Road, Edgware, HA8 6NA	13,506.00
CS01	Shah Kazemi & Co	163 Herne Hill, London, SE24 9LR	363.60
CT00	Terminex	7 Pedley Farm Close, Clifton, SG12 5FZ	204.00
CU00	Universal Protection Ltd	34 Willowcourt Avenue, Harrow, HA3 8ES	1,648.80
42 Entries Totalling			281,892.33

Soul Store Limited

Schedule of Secured Creditors

Secured Creditors

Secured creditor's name and address	Amount of claim (estimated)	Details of security	Date security was given	Value of security (per Statement of Affairs)
N/A				Nil

Special Creditor Groups

Creditor Group	Number of creditors in group	Total amount of claims (estimated)
Employees and former employees	3	496
Consumers claiming amounts paid in advance for the supply of goods and services	Nil	Nil

Soul Store Limited - In Administration

ESTIMATED OUTCOME STATEMENT AS AT 22 SEPTEMBER 2017

Soul Store Limited - in Administration
ESTIMATED OUTCOME STATEMENT
as at 22 September 2017

	Book Value £	Estimated to realise £
Assets subject to Fixed Charge	-	-
Assets subject to Floating Charge	-	-
Uncharged Assets		
Furniture & Equipment / Fixtures & Fittings	-	Uncertain
Tax refund	25,000	25,000
	<u>25,000</u>	<u>25,000</u>
Cost of Realisations		
Administrators' Fees (Pre-Appointment)		(3,703)
Administrators' Fees (Post-Appointment)		(50,181)
Administrators' Disbursements		(511)
Legal Fees		(12,000)
Agents		(15,000)
Insurance		(448)
Storage		(500)
	<u>-</u>	<u>(82,343)</u>
Estimated total assets available for Preferential Creditors		(57,343)
Preferential Creditors		(800)
Assets subject to the Prescribed Part	-	Nil
Prescribed Part c/d	<u>-</u>	<u>-</u>
Estimated total assets available to Floating Charge Holder	-	(58,143)
Floating Charge Creditor	-	Nil
Estimated surplus/(deficiency) of assets after floating charges	<u>-</u>	<u>(58,143)</u>
Total assets available for Unsecured Creditors	-	(58,143)
Unsecured Creditors		
Trade & Expense Creditors	(164,760)	(164,760)
HM Revenue & Customs	(2,049)	(2,049)
Employee Claims	(496)	(496)
Asset Finance lenders	(114,588)	(114,588)
	<u>(281,892)</u>	<u>(281,892)</u>
Estimated deficiency to Unsecured Creditors	<u>(281,892)</u>	<u>(340,035)</u>
Return to Unsecured Creditors %		Uncertain

Soul Store Limited - in Administration

JOINT ADMINISTRATORS RECEIPTS AND PAYMENTS ACCOUNT AS AT 22 SEPTEMBER 2017

**Soul Store Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 22/09/2017**

S of A £

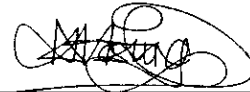
£

£

NIL

REPRESENTED BY

NIL



Andrew Hosking
Joint Administrator

Soul Store Limited - in Administration

BREAKDOWN OF PRE-ADMINISTRATION TIME COSTS FOR QUANTUMA LLP

Time Entry - SIP 9 Time & Cost Summary

6002106 - Soul Store Limited
Project Code: PRE
To: 03/08/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	7.60	0.00	7.00	1.00	15.60	3,666.00	235.00
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.00	0.20	0.00	0.20	37.00	185.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	7.60	0.00	7.20	1.00	15.80	3,703.00	234.37
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Soul Store Limited - in Administration

CHARGE-OUT RATES AND BASES OF DISBURSEMENTS ("QUANTUMA LLP'S SUMMARY")



Schedule of Current Charge Out Rates and Chargeable Disbursements

Staff Allocation & Support Staff

An objective and practical approach is taken to each case which includes active Partner 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. In accordance with the provisions of Statement of Insolvency Practice 9 (SIP 9), set out below are the current charge out rates per hour for the grades of staff employed within Quantuma LLP, exclusive of VAT.

Grade of Staff	Rate from 1 June 2016
Partner	£295.00 - £495.00
Director	£250.00 - £450.00
Senior Manager	£225.00 - £375.00
Manager	£200.00 - £250.00
Assistant Manager	£185.00 - £265.00
Senior Administrator	£175.00 - £215.00
Administrator	£150.00 - £175.00
Assistant Administrator	£100.00
Case Accountant	£125.00
Junior Administrator	£75.00 - £100.00
Support Staff/Executive Assistant	£95.00 - £125.00

Work undertaken is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. There has been no allocation of any general or overhead costs.

Time spent on casework is recording directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is recorded under the following categories:

- Administration & Planning
- Creditors
- Investigations
- Realisation of Assets
- Trading
- Cashiering
- Closing Procedures

On occasion it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment any material changes will be notified to creditors as part of the normal fee reporting procedures. Rates are likely to be subject to periodic increase.

The time of support staff and executive assistants is not charged to a case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken.

Details of historic charge out rates are provided at the end of this guide. Should any creditor wish to receive details of the charge out rates in force prior to those shown, these can be provided upon request.

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.



Direct Expenses (Category 1 Disbursements)

Category 1 disbursements, as defined by SIP 9, are expenses which are directly referable both to the appointment in question and a payment to an independent third party at cost and without uplift.

These expenses, which do not require the prior approval of creditors, include but are not limited to the following examples:

Category 1 Disbursement	Basis of Charge
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Travel	All forms other than mileage at actual cost
Room Hire	All external venues at actual cost
Storage Retrieval	At cost incurred
Postage	At cost incurred
Virtual Meeting Platform (from 6/4/17)	At cost incurred

Indirect Expenses (Category 2 Disbursements)

These are expenses that are directly referable to the appointment in question but which are not to an independent third party and may include shared or allocated costs that can be apportioned to the appointment on a proper and reasonable basis.

They may also include payment to an individual with whom a practice or individual within a practice has a business or personal relationship. Included within the list below is the cost per hour of Mr Mick Brunning, who is the husband of an individual within the practice. It is considered that the services of Mr Brunning represent best value.

Other payments made to individuals of businesses with whom the practice or individual within the practice has a business or personal relationship will be disclosed to creditors and an appropriate resolution for approval will be proposed.

Specific approval for Category 2 Disbursements is required from creditors before they can be paid.

The following indirect disbursements (Category 2 Disbursements, as defined by SIP 9) are charged to cases where appropriate on the following basis:

Category 2 Disbursement	Cost £
Photocopying, scanning and faxes (per side)	0.10
Company Search	10.00
Stationery (per Report/Letter per member/creditor)	0.50
Mileage incurred as a result of necessary travel as per HMRC's approved rate (per mile)	0.45
Internal Meeting Room Hire (outside London)	65.00



Category 2 Disbursement	Cost £
Internal Meeting Room Hire (in London)	95.00
Mick Brunning – collection and listing of books and records (per hour)	10.00
Box Storage (per box for life of case)	50.00
Electronic Anti-Money Laundering Identification Search (per case) (from 1/9/16)	12.00

Category 2 disbursements may be subject to periodic increase and this schedule will be updated accordingly. The schedule is available for creditors to review at <http://www.quantuma.com/guide/creditors-guide-fees/>. Details of historic disbursement charges can be found at the end of this schedule.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. The fee arrangement for each will be disclosed in reports to creditors and these will be reviewed on a regular basis, together with the recovery or 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.

VAT

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the office holders' remuneration and disbursements invoiced to the insolvency estate will be subject to VAT at the prevailing rate.

Creditors' Rights

Information about Creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type and challenged are available in a series of guides issued with SIP 9 and can be accessed at <https://www.quantuma.com/guide/creditors-guide-fees/>. Alternatively hard copies of these documents may be requested free of charge from Quantuma LLP's registered office.



Historic Charge Out Rates

	Rates from 1 April 2016	Rates from 15 July 2015	Rates from 1 April 2015
Partner	£295.00 - £475.00	£295.00 - £475.00	£295.00 - £475.00
Director	£250.00 - £325.00	£250.00 - £325.00	£250.00 - £325.00
Senior Manager	£225.00 - £350.00	£225.00 - £350.00	£225.00 - £275.00
Manager	£200.00 - £250.00	£200.00 - £250.00	£200.00 - £250.00
Assistant Manager	£185.00 - £265.00	£185.00	£185.00
Senior Administrator	£175.00 - £215.00	£175.00 - £215.00	£175.00 - £215.00
Administrator	£150.00 - £175.00	£150.00 - £175.00	£150.00 - £175.00
Assistant Administrator	£100.00	£100.00	£100.00
Case Accountant	£125.00	£125.00	£125.00
Junior Administrator	£75.00 - £100.00	£75.00 - £100.00	£75.00 - £100.00
Support Staff/Executive Assistant	£95.00 - £100.00	£95.00 - £100.00	£95.00 - £100.00

	Rates from 1 February 2015	Rates from 5 January 2015	Rates from 1 November 2014
Partner	£295.00 - £445.00	£295.00 - £425.00	£295.00 - £425.00
Director	£250.00 - £325.00	£250.00 - £325.00	£250.00 - £325.00
Senior Manager	£225.00 - £275.00	£225.00 - £275.00	£225.00 - £275.00
Manager	£200.00 - £250.00	£200.00 - £250.00	£200.00
Assistant Manager	£185.00	£185.00	£185.00
Senior Administrator	£175.00	£175.00	£175.00
Administrator	£150.00 - £175.00	£150.00 - £175.00	£150.00 - £175.00
Assistant Administrator	£100.00	£100.00	£100.00
Case Accountant	£125.00	£125.00	£125.00
Junior Administrator	£75.00 - £100.00	£75.00 - £100.00	£75.00 - £100.00
Support Staff/Executive Assistant	£95.00 - £100.00	£95.00 - £100.00	£95.00 - £100.00



Historic Disbursement Charging Rates

With effect from 6 April 2017, the following charges will no longer be applied to existing or new cases.

Category 1 Disbursement	Basis of Charge
Stationery	At cost incurred
Postage	At cost incurred (other than for reports to creditors scheduled below *)

Category 2 Disbursement	Cost £
File Set Up (per file)	7.00
Postage per Report to Creditors and Members (per report)	0.50
Reports to Members and Creditors (published on line – per report per member/creditor)	0.25

*to ensure consistent charging of postage across our cases, all postage will be charged at the cost incurred and therefore reports will not be subject to the Category 2 charge shown above.

Soul Store Limited - in Administration

**BREAKDOWN OF THE JOINT ADMINISTRATORS' TIME COSTS FROM 3 AUGUST 2017
TO 22 SEPTEMBER 2017**

Time Entry - Detailed SIP 9 Time & Cost Summary

6002106 - Soul Store Limited
From: 03/08/2017 To: 22/09/2017
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 Administration & Planning	0.00	0.00	11.20	0.00	11.20	2,072.00	185.00
100A Initial Statutory & General Notifications & Filing	0.00	0.00	2.80	0.00	2.80	516.00	185.00
101 Insurance / Bonding	0.00	0.00	1.00	0.00	1.00	185.00	185.00
104 General Administration	10.20	0.20	2.00	0.26	12.66	3,489.70	275.65
105 Case strategy / Review	0.20	0.20	0.00	0.00	0.40	100.00	250.00
Admin & Planning	10.40	0.40	17.00	0.26	28.06	6,364.70	226.82
600 Cashing	0.00	0.00	0.00	0.55	0.55	67.25	122.27
Cashing	0.00	0.00	0.00	0.55	0.55	67.25	122.27
201 Creditors	0.00	0.00	8.90	2.50	11.40	1,884.00	165.26
202A Employees	0.20	0.00	3.60	0.00	3.80	726.00	191.05
203 Creditor correspondence / Call	0.00	0.00	0.60	0.00	0.60	111.00	185.00
212 Initial Appointment Notifications to Creditors	0.00	0.00	0.70	0.00	0.70	129.50	185.00
Creditors	0.20	0.00	13.80	2.50	16.50	2,850.50	172.76
300 Investigations	0.70	0.00	0.00	0.00	0.70	210.00	300.00
302 Pursuing Antecedent Transactions	1.90	0.00	0.00	0.00	1.90	570.00	300.00
Investigations	2.60	0.00	0.00	0.00	2.60	780.00	300.00
400 Realisation of Assets	18.40	0.00	1.10	0.00	19.50	5,723.50	293.51
401 Freehold / Leasehold Property	2.10	0.00	1.40	0.00	3.50	889.00	254.00
405 Sale of Business	2.50	0.00	0.00	0.00	2.50	750.00	300.00
Realisation of Assets	23.00	0.00	2.50	0.00	25.50	7,362.50	288.73
503 Employee issues / payroll	0.00	0.00	1.20	0.00	1.20	222.00	185.00
Trading	0.00	0.00	1.20	0.00	1.20	222.00	185.00
Total Hours	36.20	0.40	34.50	3.31	74.41	17,646.95	237.16
Total Fees Claimed						0.00	

Soul Store Limited - in Administration

INFORMATION TO SUPPORT THE JOINT ADMINISTRATORS' FEE PROPOSAL

a) The Joint Administrators' Fees Estimate

Please note that this estimate reflects the work undertaken and time anticipated to be incurred for the full period of the Administration and thus it includes the time already incurred, details of which are provided in **Appendix IV**.

General Description	Includes
Administration (including statutory reporting)	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending case files to storage
Creditor reports	Preparing proposal, six monthly progress reports, fee authority report to secured and preferential creditors (where appropriate), conversion to CVL (where appropriate) and final report Seeking extension via creditors (where appropriate) Reporting to secured creditor appointor Proposing further fee approval (where the fees estimate is not for the administration of the case to conclusion)
Creditors' decisions	Preparation of decision notices, proxies/voting forms Collate and examine proofs and proxies/votes to establish decisions Consider objections received and requests for physical meeting or other decision procedure (For virtual meeting) Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following decisions Issuing notice of result of decision process
Investigations	
SIP 2 Review	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties

General Description	Includes
	<ul style="list-style-type: none"> Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken
Statutory reporting on conduct of director(s)	<ul style="list-style-type: none"> Preparing statutory investigation reports Liaising with the Insolvency Service Submission of report to the Insolvency Service Preparation and submission of supplementary report (if required) Assisting the Insolvency Service with its investigations
Examinations	<ul style="list-style-type: none"> Preparing brief to solicitor Liaising with solicitor(s) regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of examinations and further actions available
Litigation / Recoveries	<ul style="list-style-type: none"> Strategy meeting regarding litigation Seeking funding from creditors Reviewing terms of solicitors' conditional fee agreements Preparing brief to solicitors/Counsel Liaising with solicitors regarding recovery actions Dealing with ATE insurers Attending to negotiations Attending to settlement matters
Realisation of Assets	
Sale of Business as a Going Concern	<ul style="list-style-type: none"> Instructing and liaising with agents Preparing an information memorandum Liaising with potential purchasers Agreeing licences to trade/occupy Assessment and review of offers received Negotiating with intended purchaser Liaising with secured creditors and seeking releases Exchanges with solicitors to agree sale and purchase agreement Surrender of lease (where appropriate) Pursuing deferred sale consideration
Plant and machinery; office furniture and equipment	<ul style="list-style-type: none"> Liaising with valuers, auctioneers and interested parties Reviewing asset listings Liaising with secured creditors and landlords
Freehold/Leasehold Property	<ul style="list-style-type: none"> Liaising with valuers and agents on marketing strategy and offers received Dealing with tenant issues (if any) Liaising with secured creditors and landlords Agreeing assignment or surrender
Debtors and retentions	<ul style="list-style-type: none"> Collecting supporting documentation Correspondence with debtors Reviewing and assessing debtors' ledgers Receiving updates from factoring companies and liaising reassignment of ledger Liaising with debt collectors and solicitors Agreeing debt collection agency agreements Dealing with disputes, including communicating with directors/former staff Pursuing credit insurance claims

General Description	Includes
	Submitting VAT bad debt relief claims
Leasing	Reviewing leasing documents Liaising with agents and owners/lessors
Stock and work in progress ("WIP")	Conducting stock takes Reviewing stock values Liaising with agents and potential purchasers Analysing the value in WIP Contracting with service-providers/suppliers to complete WIP
Other assets: motor vehicles, intangibles, intellectual property, VAT/corporation tax refunds, Insurance claims	Liaising with agents to agree disposal strategy Dealing with potential purchasers Negotiating sales Liaising with solicitors to agree sales Collecting sales consideration Liaising with insurance companies and directors to pursue claims Examining company records to support tax refunds Exchanges with government departments
Retention of Title Claims ("ROT")	Receive initial notification of creditor's intention to claim Provision of retention of title claim form to creditor Meeting claimant on site to identify goods Adjudicate retention of title claim Forward correspondence to claimant notifying outcome of adjudication Preparation of payment vouchers and correspondence to claimant to accompany payment of claim (if valid) Exchanges with solicitors in deciding claims and dealing with disputes
Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers
Trading	
Management of operations	Analysing work in progress Liaising with suppliers to secure supplies and credit terms Negotiating with ransom creditors Establishing new accounts with utility providers Ensuring security of premises, computer system, equipment and stock Liaising with customers to confirm orders and secure undertakings Liaising with management and staff Site Supervision Authorising purchase orders Maintaining purchase order registry Preparing and authorising receipt vouchers Preparing and authorising payment vouchers Liaising with RPO and Job Centre Plus regarding redundancies Arranging new PAYE scheme with HMRC and submitting online payroll returns Concluding payroll and issuing forms P45 when trading ceases Liaising with Pensions regulator regarding auto-enrolment Collecting sales ledger
Accounting for trading	Reviewing company's budgets and financial statements Preparing budgets Preparing weekly financial reports Finalising trading profit or loss Trading strategy review VAT returns

General Description	Includes
Ongoing employee issues	Consultation with staff, employee and Union representatives and sub-contractors Arranging for the election of employee representatives Review of staffing requirements for trading period Deciding on and making redundancies where necessary
Creditors (claims and distribution)	
Creditor communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt ('POD')	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims
Distribution procedures	Agreeing allocation of realisations and costs between fixed and floating charges Paying distribution to secured creditors and seeking confirmation of discharged claims Preparation of correspondence to creditors advising of intention to declare distribution Advertisement of notice of intended distribution Preparation of distribution calculation Preparation of correspondence to creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Seeking unique tax reference from HMRC, submitting information on PAYE/NI deductions from employee distributions and paying over to HMRC Dealing with unclaimed dividends
Creditors' Committee	No fees estimate has been provided since this will not incur any costs unless a Committee is elected
Total	£50,181.00

Soul Store Limited

FEE ESTIMATE COVERING ENTIRE PERIOD OF ADMINISTRATION

The office holders are seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. In this document the estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for that category of work.

The sum of all the estimates for the different categories of work is the total estimated time costs to undertake the necessary work on the case during the Administration. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for this period of the case's administration.

Note: This estimate has been provided to creditors at an early stage in the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in similar cases. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case.

The hourly charge out rates that will be used on the case are:

	£
Partner	350.00
Director	300.00
Manager	200.00
Assistant Manager	185.00
Case Accountant	125.00
Support Staff/Executive Assistant	95.00

Please note that the rates quoted above will be used for each category of work outlined in the estimate and will be subject to periodic increase.

ADMINISTRATION & PLANNING - Note 1

Description of the Work to be undertaken

Description of the Work to be undertaken	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
Administration & Planning			
Initial Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC, the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment			
Obtaining a specific penalty bond.			
Recovering & Scheduling the company's books and records.			
Setting up electronic case files and electronic case details on IPS.			
General Administration - Dealing with all routine correspondence and emails relating to the case.			
Case strategy & completing file reviews at 1 month, 3 months & 6 months.			
VAT & Corporation Tax matters and returns.			

TOTAL

85.00 17,233.75 202.75

Soul Store Limited

FEE ESTIMATE COVERING ENTIRE PERIOD OF ADMINISTRATION

CREDITORS - Note 2

Description of the Work to be undertaken	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
Creditors			
Preparing the documentation and dealing with initial appointment notification to creditors			
Dealing with creditor correspondence, emails and telephone conversations.			
Dealing with Pension Schemes			
Committee Reporting			
Committee Meetings. Minutes & liaising with Committee members			
Final Reports			
Dealing with HMRC/RPO claims			
Retention of Title - Issuing ROT questionnaires to creditors, reviewing ROT claims & corresponding with creditors			
Creditors' Meeting			
Secured Creditor Reports/Claims			
Annual/Progress Reports			
Initial Appointment Notification to Creditors - Preparing the documentation & sending out initial appointment notification to creditors			
Interim Fee Report to Creditors			
SIP 16 Disclosure			
Para 49 Administrators' Proposals			
Para 63 Report of Initial Meeting/Deemed Approval Documentation			
TOTAL	60.00	12,165.00	202.75

INVESTIGATIONS - Note 3

Description of the Work to be undertaken	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
Investigations			
SIP 2 Review - Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.			
CDDA Reports - Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.			
Investigating & Pursuing Antecedent Transactions			
TOTAL	35.00	7,096.25	202.75

Soul Store Limited

FEE ESTIMATE COVERING ENTIRE PERIOD OF ADMINISTRATION

REALISATION OF ASSETS - Note 4

	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
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Description of the Work to be undertaken

Realisation of Assets
Plant & Machinery - Monitoring monthly instalments due from Purchaser
Motor Vehicles - Monitoring monthly instalments due from Purchaser
Financed Assets - Liasing with finance companies on balances owed and novation/transfer of agreements
Debtors - Correspondence with Debtors, reconciliation of position, correspondence and updates from Lloyds Bank Commercial Finance Limited.
Liasing with director on collections and disputes.
Sale of Business - Completion of Asset Purchase Agreement, correspondence with Purchaser and Solicitors on sale of business and obtaining and filing security documents
Goodwill - Monitoring monthly instalments due from Purchaser
Intellectual Property - Monitoring monthly instalments due from Purchaser
Cash at Bank - Correspondence with Bank on credit balances and transfer of funds

TOTAL

62.00 12,570.50 202.75

CASHIERING - Note 5

	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
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Description of the Work to be undertaken

Opening, maintaining and managing the Office Holders' cashbook and bank account.
Dealing with cheque requisitions
Dealing with deposit forms
Bank Reconciliations
Preparing & Filing statutory Receipts & Payments accounts

TOTAL

6.00 915.00 152.50

CLOSING PROCEDURES - Note 6

	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
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Description of the Work to be undertaken

Filing final statutory returns at Companies House/Court

TOTAL

1.00 200.50 200.50

Soul Store Limited

FEE ESTIMATE COVERING ENTIRE PERIOD OF ADMINISTRATION

OVERALL SUMMARY OF WORK CATEGORIES

	Estimated total value of the time costs to undertake the work (£)	Estimated total time to be taken to undertake the work (Hrs)	Blended charge out rate to undertake the work (£/Hr)
ADMINISTRATION AND PLANNING			
CREDITORS			
INVESTIGATIONS	85.00	17,233.75	202.75
ASSET REALISATIONS	60.00	12,165.00	202.75
CASHIERING	35.00	7,096.25	202.75
CLOSING PROCEDURES	62.00	12,570.50	202.75
	6.00	915.00	152.50
	1.00	200.50	200.50
OVERALL TOTAL	249.00	50,181.00	201.53

Note 1: Administration and planning - This represents the work that is involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their managers. It does not give direct financial benefit to the creditors, but ensures that the case is managed in a professional and methodical manner and has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Note 2: Creditors: Claims of creditors - the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions. Statutory Set-Off - the office holder will be reviewing the set-offs recorded in the Company's accounting records to confirm the position regarding debtors who are also creditors of the Company.

Note 3: Investigations - The insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions eg where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The office holders are required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary. The office holder is aware that the following specific matters require to be investigated - Dissipation of funds received from the refinancing of a vehicle in January 2017. The estimated time required to be spent to do so and the time costs of doing so are included in the estimate. The maximum recovery that could be made for the benefit of creditors as a result of these investigations is in the region of £38,000. The office holders are also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors. The work to enable them to comply with these statutory obligations may also identify potential recovery actions.

Note 4: Realisation of Assets - This is the work that needs to be undertaken to realise the known assets in the case. If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors.

Note 5: Cashiering - The office holders must ensure that estate bank accounts are opened and maintained in accordance with legislation and SIPs. Bank reconciliations are performed on all bank accounts and statutory receipts and payments accounts are filed at Companies House & Court.

Note 6: Closing Procedures - The office holders are required by statute to effect an orderly end to the case and although this has no direct financial benefit to the creditors it is necessary so that where applicable final meetings are advertised and held and final reports are filed at Companies House and Court.

Soul Store Limited

Estimate of expenses to be incurred during Administration

Category of work	Nature of expense to be incurred	Estimated amount of expense to be incurred £
Administration & Planning		
	Specific penalty bond	135.00
	Electronic AML checks	12.00
	Gazette notice of appointment	79.50
	Storage of books and records	500.00
Sub total for administration		726.50
Creditors		
	Photocopying *	132.00
	Postage	73.10
Sub total for reporting to creditors		205.10
Investigations		
		-
Sub total for investigations		-
Realisation of assets		
	Insurance	448.00
	Agents fees - valuation	6,500.00
	Agents fees - sale of assets	8,500.00
	Solicitors' fees	12,000.00
Sub total for realisation of assets		27,448.00
Closing		
	Gazette notice of conversion to CVL	79.50
Sub total for closing		79.50
Case specific matters (specify)		
		-
Sub total for case specific matters		-
Total:		28,459.10

Note: Category 2 Disbursements are marked with an asterisk *

Note: This estimate has been provided to creditors at an early stage of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holders' current knowledge of the case and so does not take into account any unknown complexities or difficulties. If this estimate is exceeded, or is likely to be exceeded, the office holders will provide an explanation to the creditors in the first report to creditors and provide a revised estimate.

b) The Joint Administrators' Expenses Estimate

Below is the expenses estimate in respect of Category 1 direct expenses and Category 2 expenses, which will have an element of shared or allocated costs.

Please note that this estimate reflects the expenses anticipated to be incurred for the full period of the Administration and thus it includes expenses already incurred, details of which are provided elsewhere in this document.

Expenses Category 1	Basis	Estimate of total
Legal costs - Philip Ross Solicitors has been instructed to provide ongoing legal advice in respect of the Company's lease, licencing, preparing the sale and purchase agreement.	Time-costs	£12,000.00
Agents and Valuers - James Owen & Co Limited has been instructed to provide: - inspection and valuation of Company's assets - assist with a sale of the Company's business and assets	Time-costs	£6,500.00 £8,500.00
Advertising		£159.00
Bonding		£135.00
Postage		73.10
Document storage		£500.00
Electronic Anti-Money Laundering search		£12.00
Insurance		£448.00
Total		£28,327.10

Expenses Category 2	Basis	Estimate of total
Photocopying (other than to creditors)	10p per sheet	£132.00
Total		£132.00

Please note that this estimate has been provided on the assumptions given in Section 6. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted estimate.

c) The Joint Liquidators' Fees Estimate

Whilst it is anticipated that the Company will move from Administration to CVL in order to pay a dividend to creditors, the timing of that move is currently unknown and therefore it is not known what work will remain to be carried out by the Joint Liquidators once the Administration is terminated. Despite these uncertainties, to ensure that the Joint Liquidators can act immediately to administer the winding up without needing to incur additional costs in reverting to creditors with information on their estimates, set out below is the Joint Liquidators' Fees Estimate.

The Joint Administrators do not anticipate that it will be necessary to seek approval for fees in excess of this estimate. However, should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.

d) The Joint Liquidators' Expenses Estimate

Below is the estimate of expenses that will be incurred by the Joint Liquidators once the Company has moved from Administration to CVL.

Expenses Category 1	Basis	Estimate of total
Advertising		£159.00
Bonding		£135.00
Postage		£6.00
Total		£300.00

Expenses Category 2	Basis	Estimate of total
Photocopying (other than to creditors)	10p per sheet	15.00
Total		15.00

Soul Store Limited

FEE ESTIMATE COVERING ENTIRE PERIOD OF LIQUIDATION

The office holders are seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. In this document the estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for that category of work.

The sum of all the estimates for the different categories of work is the total estimated time costs to undertake the necessary work on the case during the period of the Liquidation. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for this period of the case's administration.

Note: This estimate has been provided to creditors at an early stage in the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in similar cases. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case.

The hourly charge out rates that will be used on the case are:		£
Partner		350.00
Director		300.00
Manager		200.00
Assistant Manager		185.00
Case Accountant		125.00
Support Staff/Executive Assistant		95.00

Please note that the rates quoted above will be used for each category of work outlined in the estimate and will be subject to periodic increase.

ADMINISTRATION & PLANNING - Note 1

Description of the Work to be undertaken

Administration & Planning
Initial Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment
Obtaining a specific penalty bond
Recovering & Scheduling the company's books and records
Setting up electronic case files and electronic case details on IPS
General Administration - Dealing with all routine correspondence and emails relating to the case.
Case strategy & completing file reviews at 1 month, 3 months & 6 months.
VAT & Corporation Tax matters and returns

Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
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TOTAL	19.00	3,852.25	202.75
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Soul Store Limited

FEE ESTIMATE COVERING ENTIRE PERIOD OF LIQUIDATION

CREDITORS - Note 2

Description of the Work to be undertaken	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
Creditors			
Dealing with creditor correspondence, emails and telephone conversations.			
Final Reports			
Payment of Dividends - calculating, paying a dividend to creditors & issuing the declaration notice.			
Notice of Intended Dividend - issuing a notice of intended dividend to creditors and advertising where appropriate			
Reviewing and adjudicating creditors' claims - adjudicating claims & requesting additional information in support of claims			
Dealing with HMRC/RPO claims			
Annual/Progress Reports			
Initial Appointment Notification to Creditors - Preparing the documentation & sending out initial appointment notification to creditors			
Interim Fee Report to Creditors			
TOTAL	12.00	2,433.00	202.75

INVESTIGATIONS - Note 3

Description of the Work to be undertaken	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
Investigations			
SIP 2 Review - Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.			
CDDA Reports - Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.			
Investigating & Pursuing Antecedent Transactions			
TOTAL	5.00	1,013.75	202.75

REALISATION OF ASSETS - Note 4

Description of the Work to be undertaken	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
Realisation of Assets			
Plant & Machinery - Monitoring monthly instalments due from Purchaser			
Motor Vehicles - Monitoring monthly instalments due from Purchaser			
Financed Assets - Liasing with finance companies on balances owed and novation/transfer of agreements			
Debtors - Correspondence with Debtors, reconciliation of position, correspondence and updates from Lloyds Bank Commercial Finance Limited.			
Liasing with director on collections and disputes.			
Goodwill - Monitoring monthly instalments due from Purchaser			
TOTAL	8.00	1,622.00	202.75

FEE ESTIMATE COVERING ENTIRE PERIOD OF LIQUIDATION

CASHIERING - Note 5

Description of the Work to be undertaken

Opening, maintaining and managing the Office Holders' cashbook and bank account.			
Dealing with cheque requisitions			
Dealing with deposit forms			
Bank Reconciliations			
Preparing & Filing statutory Receipts & Payments accounts			

TOTAL	5.00	1,013.75	202.75
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CLOSING PROCEDURES - Note 6

Description of the Work to be undertaken

Filing final statutory returns at Companies House/Court			
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TOTAL	1.00	202.75	202.75
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OVERALL SUMMARY OF WORK CATEGORIES

ADMINISTRATION AND PLANNING			
CREDITORS	19.00	3,852.25	202.75
INVESTIGATIONS	12.00	2,433.00	202.75
ASSET REALISATIONS	5.00	1,013.75	202.75
CASHIERING	8.00	1,622.00	202.75
CLOSING PROCEDURES	5.00	1,013.75	202.75
	1.00	202.75	202.75
OVERALL TOTAL	50.00	10,137.50	202.75

FEE ESTIMATE COVERING ENTIRE PERIOD OF LIQUIDATION

Note 1: Administration and planning - This represents the work that is involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their managers. It does not give direct financial benefit to the creditors, but ensures that the case is managed in a professional and methodical manner and has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Note 2: Claims of creditors - the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions. Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

Note 3: Investigations - The insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions eg where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The office holders are required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for. The office holders are also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors. The work to enable them to comply with these statutory obligations may also identify potential recovery actions.

Note 4: Realisation of Assets - This is the work that needs to be undertaken to realise the known assets in the case. If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors.

Note 6: Cashiering - The office holders must ensure that estate bank accounts are opened and maintained in accordance with legislation and SIPs. Bank reconciliations are performed on all bank accounts and statutory receipts and payments accounts are filed at Companies House & Court.

Note 7: Closing Procedures - The office holders are required by statute to effect an orderly end to the case and although this has no direct financial benefit to the creditors it is necessary so that where applicable final meetings are advertised and held and final reports are filed at Companies House and Court.

Soul Store Limited

Estimate of expenses to be incurred during Liquidation

Category of work	Nature of expense to be incurred	Estimated amount of expense to be incurred £
Administration & Planning		
	Specific penalty bond	135.00
	Gazette notice of appointment	79.50
<i>Sub total for administration</i>		<hr/> 214.50
Creditors		
	Copying *	15.00
	Postage	6.00
	Gazette notice of intended dividend	79.50
<i>Sub total for reporting to creditors</i>		<hr/> 100.50
Case specific matters		
<i>Sub total for case specific matters</i>		-
Total:		<hr/> <hr/> 315.00

Note: Category 2 Disbursements are marked with an asterisk *

Note: This estimate has been provided to creditors at an early stage of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holders' current knowledge of the case and so does not take into account any unknown complexities or difficulties. If this estimate is exceeded, or is likely to be exceeded, the office holders will provide an explanation to the creditors in the first report to creditors and provide a revised estimate.

Soul Store Limited - in Administration

NOTICE OF DECISION PROCEDURE / VOTING FORM / PROOF OF DEBT

NOTICE OF DECISION PROCEDURE

Company Name: Soul Store Limited - in Administration ("the Company")
Company Number: 09705419
In the High Court of Justice No. 5791 of 2017

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrator of the Company, Andrew Hosking and Carl Jackson, of 3rd Floor, 37 Frederick Place, Brighton, BN1 4EA, (telephone number 01273 322400), who were appointed by the directors of the Company.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. The basis of the Joint Administrators' fees
2. The approval of the Joint Administrators' Category 2 disbursements
3. The approval of the pre-Administration costs

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrator by one of the methods set out below:

By post to: Quantuma LLP, 3rd Floor, 37 Frederick Place, Brighton, BN1 4EA
By email to: brightonvoting@quantuma.com

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All voting forms and proofs of debt must be delivered by 23:59 on the Decision Date, 11 October 2017.

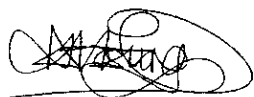
If the Joint Administrator has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:	10% in value of the creditors
	10% in number of the creditors
	10 creditors

A creditor may appeal a decision by application to the Court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed:



Andrew Hosking
Joint Administrator

Dated:

22 September 2017

VOTE BY CORRESPONDENCE

Soul Store Limited - in Administration

Name of Creditor: _____

Address: _____

Decisions

1. That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.	* For / Against
2. That the Joint Administrators be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Quantuma LLP's summary.	* For / Against
3. That the unpaid pre-Administration costs set out in the Joint Administrators' Proposal be approved.	* For / Against

*** Please delete as applicable to indicate your voting instructions**

Signed: _____ Dated: _____

Name in capitals: _____

Position with, or relationship to, creditor or other authority for signature: _____

Are you the sole member/shareholder of the creditor (where it is a company)?

Yes / No

NOTE: Once a vote has been cast, it cannot be changed

Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23:59 on 11 October 2017, by:

Post: Quantuma LLP, 3rd Floor, 37 Frederick Place, Brighton, BN1 4EA

**Email: please scan in a signed copy of this form and attach it as a PDF to:
brightonvoting@quantuma.com**

PROOF OF DEBT - GENERAL FORM

Soul Store Limited - in Administration

Date of Administration: 3 August 2017

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO

NOTICE SEEKING DEEMED CONSENT

Company Name: Soul Store Limited - in Administration ("the Company")
Company Number: 09705419
In the High Court of Justice No. 5791 of 2017

This Notice is given under Rule 15.7 of the Insolvency Rules (England & Wales) 2016 ("the Rules"). It is delivered by the Joint Administrator of the Company, Andrew Hosking and Carl Jackson, of Quantuma LLP, 3rd Floor, 37 Frederick Place, Brighton, BN1 4EA (telephone number 01273 322400), who were appointed by the directors of the Company.

The Joint Administrator proposes that the following decisions be made:

1. the Joint Administrators' Proposals be approved
2. That a Creditors' Committee will not be established¹
3. That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time

In respect of each of the decisions proposed above, if less than 10% in value of creditors (who would be entitled to vote if a vote were taken) ("the Threshold") object to it accordance with the procedure set out below, the creditors are to be treated as having made the proposed decision. Otherwise, the creditors are to be treated as not having made such decision and if a decision about that matter is again sought from the creditors, it must be sought using a qualifying decision procedure as defined by the Insolvency Act 1986.

In order to object to one or more of the proposed decisions, you must deliver a notice stating that you so object (and specifying to which one or more of the proposed decisions your objection relates) to the Joint Administrator not later than the time set out below. In addition, you must have also delivered a proof of debt (unless one has already been submitted) by the time set out below, failing which your objection will be disregarded.

It is the Joint Administrators' responsibility to aggregate any objections to see if the Threshold is met for the decision to be taken as not having been made.

If the Threshold is met, the deemed consent procedure will terminate without a decision being made and if a decision is sought again on the same matter it will be sought by a decision procedure.

All objections and proofs of debt must be submitted in writing to the Joint Administrator by one of the methods set out below:-

By post to: Quantuma LLP, 3rd Floor, 37 Frederick Place, Brighton, BN1 4EA
By email to: brightonvoting@quantuma.com

Please note that, if you are sending documents by post, you must ensure that you have allowed sufficient time for them to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9:00am on the next business day after it was sent.

All objections and proofs of debt must be delivered by the Decision Date: 23:59 on 11 October 2017.

¹ Please see the Notice Inviting Creditors to Form a Committee for further instructions.

Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to object. A creditor who has opted out from receiving notices may nevertheless object if the creditor also provides a proof by the Decision Date.

In addition, creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider any matter.

Statutory thresholds to request a meeting:	10% in value of the creditors
	10% in number of the creditors
	10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed: 
Andrew Hosking
Joint Administrator

Dated: 22 September 2017

NOTICE OF OBJECTIONS

Soul Store Limited - In Administration

On behalf of (name of Creditor): _____

at (address of Creditor): _____

I object to the following proposed decision(s):

Proposed Decision	Objected to?
That the Joint Administrators' Proposals be approved	Yes / No
That a Creditors' Committee will <u>not</u> be established	Yes / No
That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time	Yes / No

Are you also asking the Joint Administrator to convene a physical meeting of creditors?² Yes / No

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you the sole member/shareholder of the Creditor (where it is a company)? Yes / No

If you wish to lodge an objection, you must have delivered it, along with a completed proof of debt, by 23:59 on the Decision Date – 11 October 2017 – by one of the following methods:

Post: Quantuma LLP, 3rd Floor, 37 Frederick Place, Brighton, BN1 4EA

Email: please scan in a signed copy of this form and attach it as a PDF to brightonvoting@quantuma.com

NOTE: if you agree with the proposed decisions set out above, you do not need to do anything

² Requests for a meeting must be delivered within 5 business days of the date of delivery of the Notice Seeking Deemed Consent.

Soul Store Limited - in Administration

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

Company Name: Soul Store Limited - in Administration ("the Company")

Company Number: 09705419

In the High Court of Justice No. 5791 of 2017

This Notice is given under Rule 3.39 of the Insolvency Rules (England & Wales) 2016 ("the Rules"). It is delivered by the Joint Administrator of the Company, Andrew Hosking, of Quantuma LLP, 3rd Floor, 37 Frederick Place, Brighton, BN1 4EA, telephone number 01273 322400, who was appointed by the directors of the Company.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to the Joint Administrator by one of the following methods:

By post to: Quantuma LLP, 3rd Floor, 37 Frederick Place, Brighton, BN1 4EA

By email to: chi.ho@quantuma.com

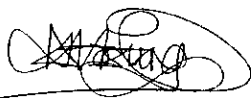
Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All nominations must be delivered by: 16:00 on 9 October 2017

Nominations can only be accepted if the Joint Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Creditors' Committees, go to:
<http://www.quantuma.com/guide/guide-creditors-committee>

Signed: _____



Dated: 22 September 2017

Andrew Hosking
Joint Administrator

NOMINATIONS FOR MEMBERS OF A CREDITORS' COMMITTEE

Soul Store Limited - in Administration

On behalf of (name of Creditor): _____

at (address of Creditor): _____

I nominate the following creditor(s) to be member(s) of a Creditors' Committee (provide name(s) and address(es)):

1. _____

2. _____

3. _____

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you are the sole member/shareholder of the Creditor (where it is a company)?

Yes / No

**Soul Store Limited
(IN ADMINISTRATION)**

THE JOINT ADMINISTRATORS' FINAL RECEIPTS AND PAYMENTS ACCOUNT

Soul Store Limited
(In Administration)
Joint Administrators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 03/08/2017 To 02/02/2019 (£)	From 03/02/2019 To 05/03/2019 (£)	Total (£)
VAT Refund		21,046.61	0.00	21,046.61
Cash at Bank		8,134.84	0.00	8,134.84
Rent		1,950.00	0.00	1,950.00
Bank Interest Gross		5.44	0.35	5.79
		31,136.89	0.35	31,137.24
PAYMENTS				
Specific Bond		135.00	0.00	135.00
Administrators' Pre-Appr Fees		3,703.00	0.00	3,703.00
Administrators' Fees		5,500.00	0.00	5,500.00
Administrators' Disbursements		230.77	0.00	230.77
Agents/Valuers Fees		5,500.00	0.00	5,500.00
Legal Fees		7,000.00	6,383.02	13,383.02
Statutory Advertising		79.50	0.00	79.50
Other Property Expenses		200.00	0.00	200.00
Insurance of Assets		448.00	0.00	448.00
Bank charges		0.00	0.35	0.35
Irrecoverable VAT		0.00	1,257.60	1,257.60
RPS - Arrears & Holiday Pay		700.00	0.00	700.00
		(23,496.27)	(7,640.97)	(31,137.24)
Net Receipts/(Payments)		7,640.62	(7,640.62)	0.00
MADE UP AS FOLLOWS				
Bank 1 Current		7,640.62	(7,640.62)	0.00
		7,640.62	(7,640.62)	0.00

Time Entry - SIP9 Time & Cost Summary

6002106 - Soul Store Limited
Project Code: POST
From: 03/02/2019 To: 05/03/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.10	0.00	1.30	0.20	1.60	289.50	180.94
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.00	0.10	0.10	12.50	125.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	3.50	0.00	3.50	647.50	185.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.10	0.00	4.80	0.30	5.20	949.50	182.60
Total Fees Claimed							
						5,500.00	
Total Disbursements Claimed						353.77	

Summary of chargeout rates for staff members involved with this case.

Grade Category	Minimum Rate	Maximum Rate
Partner	300	500
Other Senior Professional	255	450
Manager	375	375
Assistants & Support Staff	125	125

Time Entry - SIP9 Time & Cost Summary

6002106 - Soul Store Limited
Project Code: POST
To: 05/03/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	31.80	1.10	64.00	8.66	105.56	22,428.70	212.47
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.10	9.70	9.80	1,177.00	120.10
Closing Procedures	0.00	0.30	1.00	0.00	1.30	245.00	188.46
Creditors	7.90	0.00	65.10	2.50	75.50	14,661.00	194.19
Investigations	2.60	0.00	3.30	0.00	5.90	1,390.50	235.68
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	52.90	0.00	7.20	0.00	60.10	17,199.00	286.17
Trading	0.00	0.00	1.20	0.00	1.20	222.00	185.00
Total Hours	95.20	1.40	141.90	20.86	259.36	57,323.20	221.02
Total Fees Claimed							
Total Disbursements Claimed						5,500.00	
						353.77	

Summary of chargeout rates for staff members involved with this case.

Grade Category	Minimum Rate	Maximum Rate
Partner	300	500
Other Senior Professional	255	450
Manager	375	375
Assistants & Support Staff	125	125

**Soul Store Limited
(IN ADMINISTRATION)**

DETAILED LIST OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS DURING THE REVIEW PERIOD

General Description	Includes
Administration (including statutory reporting)	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending case files to storage
Creditor reports	Preparing proposal, six monthly progress reports, fee authority report to secured and preferential creditors (where appropriate), conversion to CVL (where appropriate) and final report Seeking extension via creditors (where appropriate) Reporting to secured creditor appointor Proposing further fee approval (where the fees estimate is not for the administration of the case to conclusion)
Creditors' decisions	Preparation of decision notices, proxies/voting forms Collate and examine proofs and proxies/votes to establish decisions Consider objections received and requests for physical meeting or other decision procedure (For virtual meeting) Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following decisions Issuing notice of result of decision process
Investigations	
SIP 2 Review	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with the Insolvency Service Submission of report to the Insolvency Service Preparation and submission of supplementary report (if required) Assisting the Insolvency Service with its investigations
Examinations	Preparing brief to solicitor Liaising with solicitor(s) regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of examinations and further actions available
Litigation / Recoveries	Strategy meeting regarding litigation Seeking funding from creditors Reviewing terms of solicitors' conditional fee agreements Preparing brief to solicitors/Counsel Liaising with solicitors regarding recovery actions

General Description	Includes
	Dealing with ATE insurers Attending to negotiations Attending to settlement matters
Realisation of Assets	
Sale of Business as a Going Concern	Instructing and liaising with agents Preparing an information memorandum Liaising with potential purchasers Agreeing licences to trade/occupy Assessment and review of offers received Negotiating with intended purchaser Liaising with secured creditors and seeking releases Exchanges with solicitors to agree sale and purchase agreement Surrender of lease (where appropriate) Pursuing deferred sale consideration
Plant and machinery; office furniture and equipment	Liaising with valuers, auctioneers and interested parties Reviewing asset listings Liaising with secured creditors and landlords
Freehold/Leasehold Property	Liaising with valuers and agents on marketing strategy and offers received Dealing with tenant issues (if any) Liaising with secured creditors and landlords Agreeing assignment or surrender
Debtors and retentions	Collecting supporting documentation Correspondence with debtors Reviewing and assessing debtors' ledgers Receiving updates from factoring companies and liaising reassignment of ledger Liaising with debt collectors and solicitors Agreeing debt collection agency agreements Dealing with disputes, including communicating with directors/former staff Pursuing credit insurance claims Submitting VAT bad debt relief claims
Leasing	Reviewing leasing documents Liaising with agents and owners/lessors
Stock and work in progress ("WIP")	Conducting stock takes Reviewing stock values Liaising with agents and potential purchasers Analysing the value in WIP Contracting with service-providers/suppliers to complete WIP
Other assets: motor vehicles, intangibles, intellectual property, VAT/corporation tax refunds, Insurance claims	Liaising with agents to agree disposal strategy Dealing with potential purchasers Negotiating sales Liaising with solicitors to agree sales Collecting sales consideration Liaising with insurance companies and directors to pursue claims Examining company records to support tax refunds Exchanges with government departments
Retention of Title Claims ("ROT")	Receive initial notification of creditor's intention to claim Provision of retention of title claim form to creditor Meeting claimant on site to identify goods Adjudicate retention of title claim Forward correspondence to claimant notifying outcome of adjudication Preparation of payment vouchers and correspondence to claimant to accompany payment of claim (if valid) Exchanges with solicitors in deciding claims and dealing with disputes
Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers
Trading	
Management of operations	Analysing work in progress Liaising with suppliers to secure supplies and credit terms Negotiating with ransom creditors Establishing new accounts with utility providers Ensuring security of premises, computer system, equipment and stock Liaising with customers to confirm orders and secure undertakings Liaising with management and staff Site Supervision Authorising purchase orders Maintaining purchase order registry

General Description	Includes
	<ul style="list-style-type: none"> Preparing and authorising receipt vouchers Preparing and authorising payment vouchers Liaising with RPO and Job Centre Plus regarding redundancies Arranging new PAYE scheme with HMRC and submitting online payroll returns Concluding payroll and issuing forms P45 when trading ceases Liaising with Pensions regulator regarding auto-enrolment Collecting sales ledger
Accounting for trading	<ul style="list-style-type: none"> Reviewing company's budgets and financial statements Preparing budgets Preparing weekly financial reports Finalising trading profit or loss Trading strategy review VAT returns
Ongoing employee issues	<ul style="list-style-type: none"> Consultation with staff, employee and Union representatives and sub-contractors Arranging for the election of employee representatives Review of staffing requirements for trading period Deciding on and making redundancies where necessary
Creditors (claims and distribution)	
Creditor communication	<ul style="list-style-type: none"> Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt ('POD')	<ul style="list-style-type: none"> Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	<ul style="list-style-type: none"> Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims
Distribution procedures	<ul style="list-style-type: none"> Agreeing allocation of realisations and costs between fixed and floating charges Paying distribution to secured creditors and seeking confirmation of discharged claims Preparation of correspondence to creditors advising of intention to declare distribution Advertisement of notice of intended distribution Preparation of distribution calculation Preparation of correspondence to creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Seeking unique tax reference from HMRC, submitting information on PAYE/NI deductions from employee distributions and paying over to HMRC Dealing with unclaimed dividends