

# AM10 (Scot)

## Notice of administrator's progress report



Companies House

SATURDAY



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03/12/2022

#11

COMPANIES HOUSE

### 1 Company details

Company number S C 2 8 5 0 3 1

Company name in full PSL2021 Realisations Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Anthony John

Surname Wright

### 3 Administrator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

### 4 Administrator's name ①

Full forename(s) Alastair Rex

Surname Massey

① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

② Other administrator

Use this section to tell us about  
another administrator.



# AM10 (Scot)

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
To date	<sup>d</sup> 1	<sup>d</sup> 8	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X *Spring*

X

Signature date	<sup>d</sup> 2	<sup>d</sup> 8	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
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# AM10 (Scot)

## Notice of administrator's progress report



### Presenter information

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

Contact name **Matthew Kesek**

Company name **FRP Advisory Trading Limited**

Address **2nd Floor**

**110 Cannon Street**

Post town **London**

County/Region

Postcode **E C 4 N 6 E U**

Country

DX **cp.london@frpadvisory.com**

Telephone **020 3005 4000**



### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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



### Important information

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



### Where to send

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

The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.  
DX ED235 Edinburgh.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



**PSL2021 Realisations Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**

Statement of Affairs £	From 19/05/2022 To 18/11/2022 £	From 19/11/2020 To 18/11/2022 £
POST APPOINTMENT SALES		
Sales	NIL	22,136,340.00
Royalties	NIL	54,636.69
Rent received	NIL	30,282.72
Management fee	NIL	3,640,599.85
	NIL	25,861,859.26
PURCHASES		
Stock	NIL	4,472,813.36
	NIL	(4,472,813.36)
OTHER DIRECT COSTS		
Sub Contractors	NIL	2,745.00
Direct Wages	NIL	8,429,177.10
Direct Expenses	NIL	1,283.82
Consumable Stores	NIL	71,805.28
	NIL	(8,505,011.20)
TRADING EXPENDITURE		
Rents	193,359.41	5,617,165.50
Rates	1,610.36	1,610.36
Utilities	9,827.69	1,923,776.54
Fleet Hire	NIL	94,800.75
Telephone / internet	NIL	145,788.20
Concessions / Commissions	NIL	397,593.14
Insurance	NIL	456,636.18
Professional Fees	NIL	1,800.00
Bank Charges - Trading	NIL	10,917.55
Security costs	24,649.50	189,554.39
Hire of Equipment	124.32	149,350.23
Repair, Maintenance & Waste	913.35	144,047.17
Sundry Expenses	NIL	5,329.86
Marketing / Advertising	NIL	514,316.43
Stationary and postage	NIL	16,841.28
Courier services & postages	NIL	635,934.62
IT costs	NIL	931,044.74
Payroll costs	NIL	1,606.76
Transport	NIL	1,587,941.31
Duty	NIL	19,927.48
Subscriptions	NIL	12,963.16
Employee expenses	NIL	477.22
Staff welfare	NIL	5,619.58
Customer refunds	NIL	626.86
	(230,484.63)	(12,865,669.31)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>(230,484.63)</b>	<b>18,365.39</b>



**PSL2021 Realisations Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 19/05/2022 To 18/11/2022 £	From 19/11/2020 To 18/11/2022 £
SECURED ASSETS		
Goodwill	NIL	1.00
Intellectual Property	NIL	2,460,000.00
	NIL	2,460,001.00
SECURED CREDITORS		
Chargeholder	NIL	2,460,001.00
	NIL	(2,460,001.00)
ASSET REALISATIONS		
Bank Interest Gross	141,852.58	174,890.12
Book Debts	NIL	125,796.68
Cash at Bank	(13,355.62)	19,537,816.59
Equipment option	NIL	1.00
Furniture & Equipment	NIL	1,444,563.00
Insurance Refund	NIL	5,140.61
Intercharge refund	NIL	206,969.32
Intercompany debt	NIL	21,608,505.00
Judgement proceeds	19,339.07	19,339.07
Licenses	NIL	1.00
Rates refund	54,236.91	1,296,566.40
Records	NIL	1.00
Rent refund	112.67	9,626.29
Retail Store Option	NIL	1.00
Scottish equipment option	NIL	1.00
Scottish store option	NIL	1.00
Stock	NIL	14,500,000.00
Store floats	NIL	45,430.00
Sundry refund	1,179.00	15,523.68
Trading Surplus/(Deficit)	(230,484.63)	18,365.39
	(27,120.02)	59,008,538.15
COST OF REALISATIONS		
Accountancy Fees	5,900.00	15,400.00
Administrators' Disbursements	1,483.57	41,069.50
Administrators' Remuneration	762,182.40	3,658,045.03
Agents/Valuers Fees	23,482.61	379,651.36
Agents/Valuers Fees - Pre-Administrati	NIL	15,000.00
Bank Charges - Floating	NIL	179.00
Insurance of Assets	7,080.00	27,400.00
Legal Disbursements	113.22	113.22
Legal Fees	271,375.83	1,990,880.52
Legal fees - Pre-Administration	NIL	110,601.46
Stationery & Postage	NIL	15.30
Statutory Advertising	NIL	77.98
Sundry payments	NIL	9,846.52
	(1,071,617.63)	(6,248,279.89)
PREFERENTIAL CREDITORS		
Preferential Creditors	837,621.08	842,409.66
Southern Ireland Employee Claims	NIL	1,378.79
	(837,621.08)	(843,788.45)
FLOATING CHARGE CREDITORS		
Floating Charge Creditor	NIL	37,648,504.00
	NIL	(37,648,504.00)
	<b>(1,936,358.73)</b>	<b>14,267,965.81</b>
REPRESENTED BY		



**PSL2021 Realisations Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 19/05/2022 To 18/11/2022 £	From 19/11/2020 To 18/11/2022 £
REPRESENTED BY CONTINUED		
Bonmarche Property Suspense		(906,285.81)
IB Current Floating		19,820,349.42
Option store - maintenance & utilities		(1,378,651.76)
Option store - rent & service charge		(1,045,519.44)
Option store - Business rates		(345,287.30)
Option store - insurance		70.12
Property LTO suspense account		(2,500,521.44)
Receipts cash - Worldpay		(20,257.61)
Trade Creditors		87,174.98
Vat Control Account		517,334.13
Vat Payable - Floating		(84,052.14)
Vat Recoverable - Floating		123,612.66
		<b>14,267,965.81</b>





**FRP**

**PSL2021 Realisations Limited (In Administration)**  
**(Formerly known as Peacocks Stores Limited)**

The Administrators' Progress Report for the period 19 May 2022 to 18 November 2022 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules 2016.

28 November 2022

**FRP**

## Contents and abbreviations

<b>Section</b>	<b>Content</b>
<b>1.</b>	Progress of the Administration in the Period
<b>2.</b>	Estimated Outcome for the creditors
<b>3.</b>	Administrators' remuneration, disbursements, expenses and pre-appointment costs
<b>Appendix</b>	<b>Content</b>
<b>A.</b>	Statutory information regarding the Company and the appointment of the Administrators
<b>B.</b>	Form AM10 (Scot) - formal notice of the progress report
<b>C.</b>	A schedule of work
<b>D.</b>	Details of the Administrators' time costs and disbursements for the Period
<b>E.</b>	Receipts and payments account for the Period

### The following abbreviations may be used in this report:

<b>FRP</b>	FRP Advisory Trading Limited
<b>The Company</b>	PSL 2021 Realisations Limited (In Administration)
<b>The Administrators</b>	Anthony John Wright and Alastair Rex Massey of FRP Advisory Trading Limited
<b>The Period</b>	The reporting period 19/05/22 to 18/11/22
<b>AGPL / the Purchaser</b>	Anglo Global Property Limited
<b>Duvetco</b>	Duvetco Limited (In Administration)
<b>EWM</b>	EM2020 Realisation Limited (In Administration) (formerly known as Edinburgh Woollen Mill Limited (The))
<b>Group</b>	The Edinburgh Woollen Mill (Group) Limited
<b>HMRC</b>	HM Revenue & Customs
<b>Jaeger</b>	Jaeger Retail Limited (In Administration)
<b>Secured Creditor</b>	The Edinburgh Woollen Mill (Group) Limited (to 19 August 2021) Banbury Street Limited (from 20 August 2021)
<b>SIP</b>	Statement of Insolvency Practice



**FRP**

## 1. Progress of the Administration

### Work undertaken during the period

This report should be read in conjunction with the Administrators' Proposals dated 11 January 2021 and the Administrators' previous progress reports dated 28 May 2021, 26 November 2021 and 26 May 2022.

These reports include background to the Company and the events leading to the appointment of the Administrators in greater detail, amongst other aspects and of the events in the six month periods thereafter. The Proposals were deemed approved on 22 January 2021.

A copy of the Proposals and previous progress reports are available on the website: <https://creditors.frp.advisory.com> and to view these reports and other notices posted, you will be asked for a case code which is: P2205LON.

Certain statutory information about the Company and the Administration is provided at **Appendix A**.

I attach at **Appendix C** a schedule of work undertaken during the Period together with a summary of work still to be completed.

Highlights for the Period include:

- Continuing to oversee the residual trading aspects associated with the Option stores that expired on 31 March 2022;
- agreeing a further six-month extension to the Licence to Occupy ("LTO") granted to the Purchaser, for review on 3 April 2023;
- the ongoing recovery of certain of the Company's domain names;
- the continued novation / transfer of contracts to the Purchaser;
- continuing to seek property lease assignments and surrenders;
- the ongoing reconciliation of the trading accounts; and
- the ongoing investigation into the conduct of the directors and officers of the Company.

### Trading

A separate trading receipts and payments account is attached at **Appendix E**. The direct trading ceased on 31 March 2021 with a sale of certain business and assets of the Company completing with effect from 1 April 2021 to AGPL. A full overview of the sale was provided in our progress report dated 28 May 2021.

As part of the sale transaction an LTO was granted to the Purchaser with effect from 1 April 2021 for an initial period of six months over 256 of the stores previously utilised by the Company. A Transitional Service Agreement ("TSA") was also agreed and commenced immediately following the sale.

Additionally, an Option Agreement was entered into by the Purchaser over a further 97 stores for an initial period of three months whilst post lockdown trading was reviewed and negotiations with landlords were commenced.

A second Option Agreement was entered into by the Purchaser over 16 Scottish stores which were subject to potential hypothec claims; this Option was granted for one month only and 13 stores were transferred to the LTO on 30 April 2021, with three stores closing.

To assist with the post-sale transition it was necessary to initially extend the main Option Agreement for a period of three months and thereafter to further extend both the LTO and Option agreements in September 2021 to the end of March 2022.

The Option Agreement expired on 31 March 2022 and the remaining 30 stores were added to the LTO which was further extended to 30 June 2022; the LTO encompassed 128 stores as at 1 April 2022.

At the end of the Period there were 52 stores remaining under the recently extended LTO; there were also around 70 leases still in place for stores that have been previously closed / vacated due to no longer being required for the purposes of the administration. These empty site leases are being surrendered with the associated landlords on an ongoing basis.



**FRP**

## 1. Progress of the Administration

The resultant management fee paid to the estate by AGPL in respect of this assistance under the Option Agreement through the continuance of arm's length trading of the underlying portfolio and associated employees is reflected at **Appendix E** and will benefit the creditors of the Company.

The TSA was agreed and operated for a period of two months whereupon the facility expired; all associated suppliers (with one exception) were duly notified and the Administrators' undertakings were cancelled; final accounts have been settled with all included suppliers.

The final supply agreement with Worldpay was novated on 11 April 2022 following the expiry of the Option Agreement and all retention funds held thereunder were returned to the estate shortly thereafter. All indirect trading ceased on 31 March 2022.

The Administrators' trading account is not yet complete due to unreconciled positions with one of the cash processing providers and some trade suppliers alike, including landlords, ratings authorities and utility providers. It is hoped that all these matters will be finalised in the next reporting period.

### Other Matters

In keeping with the terms of the sale agreement, the Company changed its name from Peacocks Stores Limited to PSL2021 Realisations Limited on 4 October 2021.

I can confirm that no work has been subcontracted to third parties.

Payments made from the estate are fair and reasonable and proportionate to the insolvency appointment and are directly attributable to this insolvency.

No payments have been made to associates of the Administrators without the prior approval of creditors as required by SIP9.

Further detail is set out in the schedule of work attached at **Appendix C**.

### Investigations

Part of my duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made.

I have reviewed the Company's books and records and accounting information made available, requested further information from the directors, and invited creditors to provide information on any concerns they have regarding the way in which the Company's business had been conducted.

The Administrators have previously completed the online director's conduct report and submitted this to the Department for Business Energy and Industrial Strategy ("DBEIS").

Any information provided to the DBEIS is confidential but can be used to assist the DBEIS in identifying conduct that should be investigated further and could result in individuals being disqualified from acting as a director.

Further details of the conduct of my investigations are set out in the schedule of work attached. I can confirm that my review is currently ongoing.

### Extension to the initial period of appointment

As envisaged the initial 12-month term of the administration was extended for a further 12 months to 18 November 2022 to allow for all aspects of the process to be progressed towards a conclusion.

The Administrators held the necessary consent from the secured and preferential creditors to enable them to extend the administration and this was filed at Companies House on 10 September 2021.



**FRP**

## 1. Progress of the Administration

There was a requirement to further extend the administration at the end of the current Period and consent to progress with a court application was sought and obtained for the secured and preferential creditors.

An application to court was subsequently prepared and was heard by the Clerk of Session in Edinburgh on 26 October 2022. An Order to extend the Administrators' term of office in terms of paragraph 76 of Schedule B1 to the Insolvency Act 1986 to 17 November 2023 was granted.

This Notice of extension was filed at Companies House on 28 October 2022.

The progress of the administration remains under regular review and this will in part be predicated by the speed of completion on the outstanding property aspects amongst other outstanding / ongoing realisations and/or investigations plus the prescribed part dividend.

It is too soon at this stage to assess whether a further extension will be required and this will be undertaken, if required, as above by way of an application to court under advice to the secured creditor and other key stakeholders, as applicable.

All known creditors will be updated in the next progress report.

### **Anticipated exit strategy**

It is anticipated that the Company will exit administration by dissolution as it is believed that there will be insufficient funds to pay a distribution to the unsecured creditors in excess of the prescribed part and this distribution can be undertaken by the Administrators.

This aspect remains under regular review as other matters are progressed to a conclusion.



**FRP**

## 2. Estimated Outcome for the creditors

### Outcome for the secured creditors

The secured creditor, The Edinburgh Woollen Mill (Group) Limited, was owed £140m upon our appointment. The secured balance is cross guaranteed by various companies within the Group.

Following an assignment of the secured debt from Group to Banbury Street Limited ("BSL") dated 20 August 2021, BSL is now the lender, agent, and security agent in respect of the balance of the Company's (and other companies to which this arrangement applies) original facilities of £140m.

The Purchaser utilised part of the secured position in acquiring certain business and assets of the Company by way of a credit bid in the sum of £40,108,505.

Based on the funds likely to be available from the Company only, the secured creditor will suffer a shortfall. The Administrators will separately continue to monitor the overall outstanding balance due to BSL.

### Outcome for the preferential creditors

Preferential creditors include the employees unpaid holiday entitlements and pension arrears on appointment.

The continued trading of the Company by the Administrators from appointment to 31 March 2021 inclusive and the subsequent sale of certain business and assets which included the transfers of around 2,290 employees under TUPE (Transfer of Undertakings Protection of Employment Regulations) significantly reduced the original worst case scenario cost of potentially up to £4m in this regard.

As previously advised, the Company continued to migrate the retained employees to the Purchaser during the period up to 31 March 2022 as the property portfolio under the Option Agreement continued to be transferred to AGPL as the option was taken up. Around 3,000 jobs in total have been preserved as a consequence of the sale and from the subsequent Option Agreement put in place.

Upon expiry of the Option Agreement, as described above, the final 290 remaining employees of the Company were transferred under TUPE to the Purchaser with effect from 1 April 2022.

The last claims from redundant employees were processed by the Redundancy Payments Office ("RPO") during the Period and the final agreed preferential claims were notified to the Administrators.

A total of 1,260 claims were received and processed by the Administrators' staff; the agreed preferential aspect of these claims totalled £842.5k and a 100p in the £ / full distribution was paid to qualifying former employees and the RPO on 15 November 2022.

The Administrators had previously collated and completed a pensions claim on behalf of the Company employees for unpaid contributions prior to our appointment in the sum of around £128k; this sum was paid direct to Legal & General for allocation to the individual claimants pension funds.

The final agreed preferential claims received from the separate departmental jurisdictions for Northern Ireland and Eire were paid in full during the previous period.

The redundant employees may still have residual unsecured claims outstanding and these will be dealt with in keeping with that class of creditor, outlined below.

### Outcome for the unsecured creditors

The Company's statement of affairs as at 19 November 2020 reflected unsecured creditors in the region of £70m.

It is estimated that, subject to costs, a dividend will be available to unsecured creditors in due course from funds available under the prescribed part only.



**FRP**

## 2. Estimated Outcome for the creditors

### **Prescribed Part**

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986.

The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000 and the cost of making a distribution to unsecured creditors would not be disproportionate to the benefits.

The prescribed part, in relation to the Company, is subject to a maximum of £600,000.

Based on the current receipts and payments account, the prescribed part is anticipated to be the maximum amount of £600,000 calculated on the net property estimated to be around £40m.

The prescribed part is available for all unsecured creditors and where there are only sufficient funds to enable a dividend to be paid to unsecured creditors from the prescribed part, this will be paid by the Administrators.

The Company historically operated from a significant leasehold estate of up to 500 sites which continue to be assigned or surrendered. Several of the landlords will likely have significant unsecured creditor liabilities in addition to the value reported above and it will therefore not be possible to calculate the final unsecured creditor claims or the quantum of any dividend under the prescribed part until these leases have all been completed upon.

Thereafter, work will be commenced on reviewing and agreeing the substantial number of unsecured creditors' claims in this matter, currently numbering over 2,500 creditors.

Subject to the quantum of claim received versus the value of funds available then the Administrators may need to seek directions from the court regards the application of the prescribed part.

**FRP**

### 3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

#### **Administrators' remuneration**

The approved Proposals set out that the Administrators' remuneration should be calculated on a time cost basis.

At the end of the last period, the Administrators requested approval for the balance of fees and outlays outstanding to 18 May 2022 and a resolution by the secured and preferential creditors was agreed to draw the final period fees and outlays in the sum of up to £952,728.85 plus VAT and £1,483.57 plus VAT respectively. The agreed sums were drawn on 15 June 2022.

The Administrators are now requesting approval for a fee of £585,571.10 plus VAT which covers the Period. Following approval by the secured and preferential creditors, the agreed balances will be drawn from the estate.

A breakdown of our time costs incurred during the Period is attached at **Appendix D**. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and the experience required. Time is charged to the case in maximum units of six minutes. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters.

Charge out rates are reviewed at least annually. Details of FRP's charge out rates are included at **Appendix D**.

You will see from the breakdown of my time costs attached that time costs incurred in respect of trading associated aspects total £109,624 for the Period.

#### **Administrators' disbursements**

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

#### **Administrators' expenses**

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Administrators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken.

This is reviewed by the Administrators periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Administrators and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

#### **Administrators' pre-appointment costs**

The secured and preferential creditors passed a resolution in March 2021 authorising the Administrators to settle the pre-appointment costs incurred by their solicitors and chattel agents in the combined total of £125,601.46 plus VAT.

These costs have been paid in full from the estate, as shown in the receipts and payments account appended to the progress report.

The Administrators' pre-appointment fees were settled prior to the appointment date with any unpaid fees being subsequently waived by consent.

## Appendix A

### Statutory Information

**FRP**

#### PSL2021 REALISATIONS LIMITED (IN ADMINISTRATION)

##### COMPANY INFORMATION:

Other trading names: Previously Peacocks Stores Limited

Company number: SC285031

Registered office: c/o FRP Advisory (London)  
Suite 2b, Johnston House, 52-54 Rose Street,  
Aberdeen, AB10 1UD

Previous registered office: The Edinburgh Woollen Mill Limited, Waverley  
Mills, Langholm, DG13 0EB

Business address: Capital Link, Windsor Road, Cardiff, CF24 5NG

##### ADMINISTRATION DETAILS:

Administrators: Anthony John Wright & Alastair Rex Massey

Address of Administrators: FRP Advisory Trading Limited  
2nd Floor, 110 Cannon Street, London, EC4N 6EU

Date of appointment of Administrators: 19 November 2020

Court in which administration proceedings were brought: Court of Session - Edinburgh

Court reference number: P913/20

Appointor details: The Directors

Extensions to the initial period of appointment: Extended to 17 November 2023 by court order

Date of approval of Administrators' proposals: 22 January 2021

## Appendix B

Form AM10 (Scot) - formal notice of the progress report



**FRP**