

AM10 (Scot)

Notice of administrator's progress report



Companies House

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

1 Company details

| | | | | | | | | |
|----------------------|---------------------------|---|---|---|---|---|---|---|
| Company number | S | C | 4 | 7 | 9 | 6 | 5 | 1 |
| Company name in full | PG Taverns (Scotland) Ltd | | | | | | | |

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

| | |
|------------------|--------|
| Full forename(s) | Kelly |
| Surname | Burton |

3 Administrator's address

| | |
|----------------------|--------------------------|
| Building name/number | The Manor House |
| Street | 260 Ecclesall Road South |
| Post town | Sheffield |
| County/Region | |
| Postcode | S 1 1 9 P S |
| Country | |

4 Administrator's name ①

| | |
|------------------|-----------|
| Full forename(s) | Lisa Jane |
| Surname | Hogg |

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

| | |
|----------------------|--------------------------|
| Building name/number | The Manor House |
| Street | 260 Ecclesall Road South |
| Post town | Sheffield |
| County/Region | |
| Postcode | S 1 1 9 P S |
| 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 | ^d 0 | ^d 3 | ^m 0 | ^m 5 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |
| To date | ^d 0 | ^d 2 | ^m 1 | ^m 1 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

| | | | | | | | | |
|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Signature date | ^d 1 | ^d 4 | ^m 1 | ^m 2 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |
|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

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 **Samuel Green**

Company name **Wilson Field Limited**

Address **The Manor House**
260 Ecclesall Road South

Post town **Sheffield**

County/Region

Postcode

| | | | | | | |
|---|---|---|--|---|---|---|
| S | 1 | 1 | | 9 | P | S |
|---|---|---|--|---|---|---|

Country

DX

Telephone **01142356780**



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 or email enquiries@companieshouse.gov.uk

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

PG Taverns (Scotland) Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 03/05/2020 To 02/11/2020 £ | From 03/05/2019 To 02/11/2020 £ |
|---------------------------|--|---------------------------------------|---------------------------------------|
| | HIRE PURCHASE | | |
| 4,575.00 | Hire Purchase Vehicle | 2,446.26 | 3,015.76 |
| (527.37) | RCI Finance Limited | NIL | NIL |
| | | 2,446.26 | 3,015.76 |
| | ASSET REALISATIONS | | |
| Uncertain | Fixtures & Fittings - The Jolly Botanist | 12,232.03 | 15,080.55 |
| | Fixtures & Fittings - The Dog House | 4,892.89 | 6,032.40 |
| Uncertain | Intercompany Transaction | 5,871.39 | 7,238.70 |
| Uncertain | Rent Deposits | NIL | 59,661.93 |
| 20,733.80 | Cash at Bank | NIL | 21,733.80 |
| | Bank Interest Gross | 2.44 | 120.09 |
| | Fixtures & Fittings - Fork & Field | NIL | 30,020.00 |
| | Fixtures & Fittings - Kings Wark | NIL | 14,490.00 |
| | Fixtures & Fittings - The Mouse Trap | 4,892.89 | 6,032.40 |
| | FMOP - The Dog House | 9,785.65 | 12,064.50 |
| Uncertain | FMOP - The Jolly Botanist | 19,571.31 | 24,129.01 |
| | FMOP - The Mousetrap | 9,785.65 | 12,064.50 |
| | Heineken/Star Pubs Loan Settlement | 14,678.54 | 18,096.90 |
| | Licence Fee Arrears Settlement | 19,571.31 | 24,129.01 |
| | Licence Fees | NIL | 42,000.00 |
| | Sundry refund | NIL | 370.34 |
| | | 101,284.10 | 293,264.13 |
| | COST OF REALISATIONS | | |
| | Administrators Fees | 43,179.00 | 43,179.00 |
| | Bank Charges | NIL | 408.11 |
| | Dilapidation Liabilities | 30,727.92 | 37,883.73 |
| | ERA Consultancy Fees | NIL | 2,500.00 |
| | Harmony Payroll Services | NIL | 250.00 |
| | Heineken/Star Pubs Loan Settlement | NIL | 28,393.83 |
| | Heineken/Star Pubs Professional Fee | NIL | 3,000.00 |
| | Heineken/Star Pubs Rent Arrears | NIL | 3,258.00 |
| | Insurance of Assets | NIL | 672.00 |
| | Legal Fees | 3,000.00 | 14,863.00 |
| | Licence Transfer Fees | NIL | 698.00 |
| | Mileage | 141.75 | 227.70 |
| | Pre Administrators Fee | 20,396.00 | 20,396.00 |
| | Specific Bond | NIL | 512.00 |
| | Statutory Advertising | NIL | 152.40 |
| | Subsistence | 14.46 | 14.46 |
| | Valuers Fees | NIL | 6,025.00 |
| | | (97,459.13) | (162,433.23) |
| | FLOATING CHARGE CREDITORS | | |
| (99,924.30) | Royal Bank of Scotland Plc | NIL | 101,904.81 |
| | | NIL | (101,904.81) |
| | UNSECURED CREDITORS | | |
| (30,000.00) | Business Loan | NIL | NIL |
| (98,501.00) | Directors Loans | NIL | NIL |
| (186,376.00) | HM Revenue and Customs - PAYE | NIL | NIL |
| (693,627.00) | HM Revenue and Customs - VAT | NIL | NIL |
| | Provision for Prescribed Part | NIL | 29,226.20 |
| (186,163.90) | Trade & Expense Creditors | NIL | NIL |
| | | NIL | (29,226.20) |

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(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 03/05/2020 To 02/11/2020 £ | From 03/05/2019 To 02/11/2020 £ |
|------------------------------|-----------------------|---------------------------------------|---------------------------------------|
| | DISTRIBUTIONS | | |
| (200.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (1,270,010.77) | | 6,271.23 | 2,715.65 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 27,902.98 |
| | Trade Creditors | | (29,226.20) |
| | Vat Control Account | | 4,038.87 |
| | | | 2,715.65 |



Kelly Burton
Joint Administrator

Joint Administrators' progress report

PG Taverns (Scotland) Ltd (**“the Company”**) - In
Administration

14 December 2020

CONTENTS

- 1** Introduction
- 2** Progress of the Administration
- 3** Joint Administrators' remuneration
- 4** Estimated outcome for creditors
- 5** Ending the Administration
- 6** Creditors' rights
- 7** Next report

APPENDICES

- A** Receipts and payments account ("R&P") from 3 May 2020 to 2 November 2020 ("the Period") including a cumulative R&P for period from 3 May 2019 to 2 November 2020 ("the Administration Term")
- B** Time analysis for the Period
- C** Cumulative time analysis for the Administration Term
- D** Additional information in relation to the Joint Administrators fees, expenses & disbursements

THE ADMINISTRATORS' PROGRESS REPORT

1 Introduction

- 1.1 I, together with my colleague Lisa Jane Hogg, was appointed Joint Administrator of the Company on 3 May 2019. The appointment was made by The Royal Bank of Scotland Plc ("RBS") in their capacity as holders of a qualifying floating charge pursuant to Paragraph 14 of Schedule B1 to the Insolvency Act 1986 ("the Act").
- 1.1 This Administration is being handled by Wilson Field Limited ("Wilson Field") at The Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS. The Joint Administrators' contact details are by phone on 0114 235 6780 or via email at s.green@wilsonfield.co.uk. The Administration is registered in the Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ, reference number P412 of 19.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://www.wilsonfield.co.uk/privacy-policy>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.2 The principal trading address of the Company was The Clubhouse, 106 Biggar Road, Edinburgh, EH10 7DU ("the Premises"), however, the Company also operated from five public houses across Edinburgh and the Lothians.
- 1.3 The registered office of the Company was the Premises address before being changed to C/o Addleshaw Goddard LLP ("AG"), Exchange Tower, 19 Canning Street, Edinburgh, EH3 8EH for the purposes of the Administration and its registered number is SC479651.
- 1.3 As Joint Administrator, I am required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the Period and should be read in conjunction with my earlier Statement of Proposals ("the Proposals") and any previous progress reports which have been issued.

2 Progress of the Administration

- 2.1 You may recall that the statutory objective being pursued in the Administration was the third objective of Administration. That being, realising property in order to make a distribution to one or more secured or preferential creditors. As detailed within the Proposals, the Company operated a business loan facility with RBS, who secured their lending by way of a debenture incorporating a floating charge created on 29 July 2016.
- 2.2 The Joint Administrators confirm that a distribution, in the sum of £101,905, was issued to RBS under the terms of their floating charge on 22 November 2019 discharging their indebtedness in full and thereby achieving the third statutory objective.
- 2.3 In addition to the pursuance of this statutory objective, the Joint Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.4 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.
- 2.5 Despite the statutory purpose being already achieved, the Joint Administrators will continue to manage the Company's affairs in order to finalise the following outstanding matters: -

- The collection of the remaining funds due to the Company from the sale of the its business and assets; and
 - The distribution of the Prescribed Part allocation, which was set aside from the distribution made to RBS under the terms of their floating charge, for the benefit of unsecured creditors.
- 2.6 Upon finalisation of the above, the Joint Administrators will seek to move the Company from Administration to Dissolution.
- 2.7 At Appendix A is my R&P covering the Period including a cumulative R&P for the Administration Term.
- 2.8 Attached at Appendix B is a time analysis outlining the time spent by the Joint Administrators and their staff during the Period together with a cumulative time analysis covering the Administration Term at Appendix C.
- 2.9 Further information about the basis of remuneration agreed in this case and the Joint Administrators' fees estimate can be found in section 4 of this report, together with any relevant information about revisions to my initial estimate, where applicable.

Administration (including statutory compliance & reporting)

- 2.10 As noted above, the Joint Administrators must comply with certain statutory obligations under the Act and other related legislation. Details about the work that I anticipated would need to be done in this area was outlined in my initial fees estimate/information.
- 2.11 During the Period, the following administrative work has been undertaken by the Joint Administrators and their staff: -
- Collection of the deferred consideration arising from the sale of certain of the Company's assets to Clubhouse Bars Limited ("Clubhouse")
 - The preparation and issue of the Joint Administrators' previous progress report to members and creditors, and Companies House
 - Dealing with correspondence received from stakeholders
 - Cashiering duties including VAT returns, payments, receipts & funds allocation
 - Ensuring that files are maintained, and records are kept up to date
- 2.12 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Administrators.
- 2.13 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

Sale of the Company's business and assets

- 2.14 As detailed within the Joint Administrators previous progress report, following the agreement of strategies with RBS and the Company's former landlord, Star Pubs & Bars Limited ("Star Pubs"), it was agreed that the Company's business and assets, consisting of three trading pubs be sold to Clubhouse for consideration of £212,000 on 5 November 2019. A sale and purchase agreement (SPA") was signed by Clubhouse and the Joint Administrators for and on behalf the Company which detailed the following payment terms: -

First £60,000

- £1,000 upon completion (5 November 2020)
- £1,000 within 7 days of completion and £1,000 weekly thereafter with not less than £60,000 being received on or before 30 January.

Remaining £89,198

- £3,707 on the date being one month after the date that the seller receives payment of the full amount of £60,000 detailed above and £3,707 amount being received monthly thereafter for a total of 23 payments.
- A final payment of £3,707 on the 24th month following the date that the seller receives payment of the full amount of £60,000 detailed above.

- 2.15 As detailed within the Joint Administrators' previous progress report, in light of the government imposed lockdown of Scotland, Clubhouse was forced to cease trading. As a result, Clubhouse were unable to maintain payments to the Company in line with the SPA. The table below shows the allocation of the funds received during the Administration Term, and the amounts which remain outstanding: -

| Asset category | As per SPA £ | Received £ | Outstanding £ |
|--|-------------------|-------------------|-------------------|
| Fixtures & Fittings - The Jolly Botonist | 25,000.00 | 15,080.55 | 9,919.45 |
| Fixtures & Fittings - The Dog House | 10,000.00 | 6,032.40 | 3,967.60 |
| Fixtures & Fittings - The Mouse Trap | 10,000.00 | 6,032.40 | 3,967.60 |
| FMOP - The Jolly Botonist | 40,000.00 | 24,129.01 | 15,870.99 |
| FMOP - The Dog House | 20,000.00 | 12,064.50 | 7,935.50 |
| FMOP - The Mousetrap | 20,000.00 | 12,064.50 | 7,935.50 |
| Licence Fee Arrears Settlement | 40,000.00 | 24,129.01 | 15,870.99 |
| Hire Purchase Vehicle | 5,000.00 | 3,015.76 | 1,984.24 |
| Inter-Company Transaction | 12,000.00 | 7,238.70 | 4,761.30 |
| Heineken/Star Pubs Loan Settlement | 30,000.00 | 18,096.90 | 11,903.10 |
| Total income | 212,000.00 | 127,883.73 | 84,116.27 |
| Dilapidation Liabilities - | | | |
| The Jolly Botonist/The Dog House/The Mousetrap | -62,802.00 | -37,883.73 | -24,918.27 |
| Total expenditure | -62,802.00 | -37,833.73 | -24,968.27 |
| Total | 149,198.00 | 90,000.00 | 59,198.00 |

- 2.16 The Joint Administrators have considered the options available to them with regard to the recovery of the overdue funds from this matter. However, understanding Clubhouses' inability to continuously trade at full capacity, the Joint Administrators have concluded that other recovery options such as legal proceedings, would likely not expediate recovery, and would only increase the costs borne by the Administration estate. Due to the uncertainty within the hospitality industry presented by COVID19, the timing of recovery cannot be accurately predicted. However, the Joint Administrators are in close contact with Clubhouse and are periodically assessing the position. Further updates will be provided to creditors in subsequent progress reports.

- 2.17 Whilst outside the reporting period, it is worthy of note that, a further £2,000 has been received from Clubhouse lowering the outstanding balance to £57,198.

- 2.18 The work undertaken by the Joint Administrators and their staff to date has enabled a distribution to the Company's secured creditor, RBS, under the terms of their floating charge held within their debenture. In addition, the Joint Administrators have ringfenced funds from the Company's net floating charge property known as the Prescribed Part which will be distributed to the Company's unsecured creditors in due course. It is considered that the realisation strategy implemented in the Administration has achieved additional realisations which would otherwise not have been achievable should the Company have been wound up. The execution of the Administration has therefore maximised the Company's net floating charge property which, in turn, has maximised the return to the Company's secured and unsecured creditors.

Creditors (claims and distributions)

- 1.4 Further information on the anticipated outcome for creditors in this case can be found at section 5 of this report. The Joint Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. In this instance, this involved separate reporting to the Company's secured creditor.
- 1.5 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service ("RPS") following dismissal. In this case, the Company employed 75 members of staff, all of whom have been transferred to Clubhouse under Transfer of Undertaking for the Protection of Employee ("TUPE") regulations and therefore no preferential claims are anticipated.
- 1.6 The above work will not necessarily bring any financial benefit to creditors generally, however the Joint Administrators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Administrators in dealing with those claims.
- 1.7 The Joint Administrators consider the following matters worth noting in their report to creditors at this stage:
- The Joint Administrators can confirm receipt of 6 unsecured creditor claims totalling £1,401,020;
 - The Joint Administrators are yet to receive claims from 11 creditors whose debts total £368,778;
 - The Company has 1 secured creditor in RBS whose debt stood at £101,740 upon appointment. As previously mentioned, RBS' indebtedness has been paid in full; and
 - There are no preferential creditors in this matter, further details of which are provided below.

Investigations

- 1.8 Creditors may recall from the Joint Administrators' progress report to creditors that some of the work the Joint Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice ("SIP") 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that can be pursued for the benefit of creditors.
- 1.9 The Joint Administrators' report on the conduct of the directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential. No disqualification order has been made at the date of this report.

- 1.10 As reported in the previous report, shortly after appointment, the Joint Administrators made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors as a response to the Joint Administrators' request to complete an investigation questionnaire. As mentioned in the Joint Administrators' previous progress report, the investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

3 Joint Administrators' remuneration

- 3.1 The basis of the Joint Administrators' fees has been fixed in the Administration by reference to the time properly spent by them and their staff in managing the Administration. The Joint Administrators' fees estimate/information was originally provided to creditors when the basis of their remuneration was approved and was based on information available to them at that time.

- 3.2 A copy of that estimate is reproduced below:

| Category of work | Estimated number of hours | Average blended charge out rate £ | Estimated cost £ |
|---|---------------------------|-----------------------------------|------------------|
| Administration (inc statutory compliance & reporting) | 147.60 | 308 | 45,490.50 |
| Realisation of assets | 43.50 | 338 | 14,708.00 |
| Creditors (claims & distributions) | 41.40 | 300 | 12,417.00 |
| Investigations | 31.50 | 303 | 9,550.00 |
| Trading (where applicable) | 0.00 | 0.00 | 0.00 |
| Case specific matters (where applicable) | 40.00 | 340 | 13,600.00 |
| Total estimated fees | 304.00 | 1,589.00 | £95,765.50 |

- 3.3 The Joint Administrators' time costs for the Period are £11,507. This represents 44 hours at an average rate of £260 per hour. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Administration. To date, pre administrators fees of £21,246, Administrators' fees of £43,179 plus Category 2 disbursements of £60.75 have been drawn on account.
- 3.4 Also attached at Appendix C is a cumulative time analysis for the Administration Term which provides details of the Joint Administrators' time costs since their appointment. The cumulative time costs incurred to date are £127,623 and this represents 440 hours at an average rate of £290 per hour.
- 3.5 As reported in the previous report, creditors will note from the time analysis attached at Appendix B that the Joint Administrators' time costs have exceeded the original fees estimate of £95,766. This has been mainly due to the increase in statutory and compliance time due to the extension of the Administration. In addition, the time spent in Asset Realisation has exceeded the estimated amount stated above. This has been due to the efforts of the Joint Administrators in pursuing the outstanding amounts of the sale of the Company's 3 pubs to Clubhouse, further details of which have been provided in the asset realisation section above. Creditors should note that the actions of the Joint Administrators have been necessary in realising sufficient funds for the benefit of the Administration estate which has also seen the secured creditor, RBS paid in full.
- 3.6 Despite the Joint Administrators' fees exceeding the original fee estimate, the Joint Administrators' fees in the Administration remain unchanged. This is because they have undertaken to restrict their time costs to be drawn to £95,765.50 as presented in the table above. As you will note for the attached R&P at Appendix A, the Joint Administrators have not yet drawn their approved time costs in full due to the paucity of funds available within the Administration estate.

3.7 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://www.icaew.co/en/technical/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>.

3.8 Attached at Appendix D is additional information in relation to the Joint Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

4 Estimated outcome

Secured creditors

4.2 As creditors may recall from the Proposals and previous report, RBS held a debenture incorporating a floating charge over the Company's assets. The debenture was created on 26 July 2016 and delivered to the Companies House on 2 August 2016. At the date of the Joint Administrators' appointment, the indebtedness to RBS was £99,924. The Joint Administrators were made aware following discussions with RBS, that their indebtedness had increased to £101,905 due to interest.

4.3 As previously reported, RBS have been repaid in full under their floating charge from the collection of the licence fees and the sale of the Company's five pubs.

Preferential creditors

4.4 Creditors will recall that the Company employed 75 members of staff, all of whom were transferred to Clubhouse under TUPE. The Joint Administrators instructed Jamie King of UK Employment Law Consultants Limited ("UKELC") a firm of employment law specialists to assist in the calculation required to value the liabilities avoided from the TUPE transfer of the employees to Clubhouse. This showed liabilities of £73,306 avoided by the TUPE transfer.

Unsecured creditors

4.5 The Joint Administrators have received claims totalling £1,401,020 from 6 creditors. They have yet to receive claims from 11 creditors whose debts total £368,778 as per the Company's Statement of Affairs ("SoA"). As reported in the previous report, there is no prospect of a dividend to unsecured creditors, with the exception of sums payable under the Prescribed.

4.6 Within the Act, there are provisions for a fund called the Prescribed Part, to be set aside for distribution to the unsecured creditors. The fund is calculated on the net realisations of assets subject to a floating charge contained in a debenture created on or after 15 September 2003. The fund is calculated as being 50% of the first £10,000 of net property and 20% thereafter, subject to a maximum fund of £600,000.

4.7 As mentioned above, the Company granted a floating charge to RBS on 29 July 2016. Accordingly, the Joint Administrators are required to create a fund out of the Company's net floating charge property for unsecured creditors.

4.8 As reported previously, the Joint Administrators can confirm based on present information that the value of the Prescribed Part currently totals £29,226 which will be available to unsecured creditors of the Company, subject to deductions of the costs of calculating and distributing the Prescribed Part. The provision for the prescribed part is reflected on the R&P at Appendix A below.

5 Ending the Administration

5.1 As previously reported, the Joint Administrators sought the consent of RBS to extend the expiry of the initial twelve-month period of the Administration term on 14 April 2020. As a result, the

Administration was extended until 2 May 2021. The Joint Administrators considered that this would allow the remaining matters in the Administration mentioned previously to be finalised. RBS confirmed their written consent to this and as a result, the extension was registered at Companies House and circulated to creditors.

- 5.2 As creditors may recall, the most appropriate exit route is considered to be dissolution on the basis that the realisations achieved will not permit a distribution to the Company's unsecured creditors other than by way of Prescribed Part. It is therefore anticipated that at the conclusion of the Administration term, the Joint Administrators will take steps to dissolve the Company.
- 5.3 However, in the unlikely event that realisations are sufficient to enable a distribution to the unsecured creditors over and above the Prescribed Part, then the Joint Administrators will take steps to move the Company into Creditors Voluntary Liquidation ("CVL"), with a view to facilitating payment of such a dividend. This is not anticipated in this instance.
- 5.4 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act immediately upon their appointment as Joint Administrators ceasing to have effect.

6 Creditors' rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-Administration costs) which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

7 Next report

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

For and on behalf of the Company



K Burton
Joint Administrator

Appendix A

R&P for the Period and a cumulative R&P for the Administration Term

PG Taverns (Scotland) Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 03/05/2020 To 02/11/2020 £ | From 03/05/2019 To 02/11/2020 £ |
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| | ASSET REALISATIONS | | |
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| Uncertain | Intercompany Transaction | 5,871.39 | 7,238.70 |
| Uncertain | Rent Deposits | NIL | 59,661.93 |
| 20,733.80 | Cash at Bank | NIL | 21,733.80 |
| | Bank Interest Gross | 2.44 | 120.09 |
| | Fixtures & Fittings - Fork & Field | NIL | 30,020.00 |
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| | Fixtures & Fittings - The Mouse Trap | 4,892.89 | 6,032.40 |
| | FMOP - The Dog House | 9,785.65 | 12,064.50 |
| Uncertain | FMOP - The Jolly Botanist | 19,571.31 | 24,129.01 |
| | FMOP - The Mousetrap | 9,785.65 | 12,064.50 |
| | Heineken/Star Pubs Loan Settlement | 14,678.54 | 18,096.90 |
| | Licence Fee Arrears Settlement | 19,571.31 | 24,129.01 |
| | Licence Fees | NIL | 42,000.00 |
| | Sundry refund | NIL | 370.34 |
| | | 101,284.10 | 293,264.13 |
| | COST OF REALISATIONS | | |
| | Administrators Fees | 43,179.00 | 43,179.00 |
| | Bank Charges | NIL | 408.11 |
| | Dilapidation Liabilities | 30,727.92 | 37,883.73 |
| | ERA Consultancy Fees | NIL | 2,500.00 |
| | Harmony Payroll Services | NIL | 250.00 |
| | Heineken/Star Pubs Loan Settlement | NIL | 28,393.83 |
| | Heineken/Star Pubs Professional Fee | NIL | 3,000.00 |
| | Heineken/Star Pubs Rent Arrears | NIL | 3,258.00 |
| | Insurance of Assets | NIL | 672.00 |
| | Legal Fees | 3,000.00 | 14,863.00 |
| | Licence Transfer Fees | NIL | 698.00 |
| | Mileage | 141.75 | 227.70 |
| | Pre Administrators Fee | 20,396.00 | 20,396.00 |
| | Specific Bond | NIL | 512.00 |
| | Statutory Advertising | NIL | 152.40 |
| | Subsistence | 14.46 | 14.46 |
| | Valuers Fees | NIL | 6,025.00 |
| | | (97,459.13) | (162,433.23) |
| | FLOATING CHARGE CREDITORS | | |
| (99,924.30) | Royal Bank of Scotland Plc | NIL | 101,904.81 |
| | | NIL | (101,904.81) |
| | UNSECURED CREDITORS | | |
| (30,000.00) | Business Loan | NIL | NIL |
| (98,501.00) | Directors Loans | NIL | NIL |
| (186,376.00) | HM Revenue and Customs - PAYE | NIL | NIL |
| (693,627.00) | HM Revenue and Customs - VAT | NIL | NIL |
| | Provision for Prescribed Part | NIL | 29,226.20 |
| (186,163.90) | Trade & Expense Creditors | NIL | NIL |
| | | NIL | (29,226.20) |

PG Taverns (Scotland) Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 03/05/2020 To 02/11/2020 £ | From 03/05/2019 To 02/11/2020 £ |
|------------------------------|-----------------------|---------------------------------------|---------------------------------------|
| | DISTRIBUTIONS | | |
| (200.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (1,270,010.77) | | 6,271.23 | 2,715.65 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 27,902.98 |
| | Trade Creditors | | (29,226.20) |
| | Vat Control Account | | 4,038.87 |
| | | | 2,715.65 |



Kelly Burton
Joint Administrator

Appendix B

Time analysis for the Period

Time Entry - Detailed SIP9 Time & Cost Summary

PGTA01A - PG Taverns (Scotland) Ltd
From: 03/05/2020 To: 02/11/2020
Project Code: POST

| Classification of Work Function | Directors & IP's | Managers | Administrators | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---|---------------------|----------|----------------|-------------------------------|-------------|---------------|----------------------------|
| ADCA : Cashiering | 0.10 | 1.40 | 2.70 | 6.10 | 10.30 | 2,661.00 | 258.35 |
| ADCR : Case Reviews | 0.00 | 0.20 | 0.20 | 0.00 | 0.40 | 125.00 | 312.50 |
| ADGA : File Maintenance | 0.40 | 0.00 | 1.10 | 0.40 | 1.90 | 504.00 | 265.26 |
| ADSC : Statutory and Compliance | 0.10 | 1.90 | 14.90 | 0.00 | 16.90 | 4,225.50 | 250.03 |
| ADSO : Strategic Overview | 0.00 | 0.00 | 9.40 | 0.00 | 9.40 | 2,152.00 | 230.00 |
| Admin and Planning | 0.60 | 3.50 | 28.30 | 6.50 | 38.90 | 9,677.50 | 248.78 |
| CRTV : Tax and VAT | 0.00 | 2.40 | 0.80 | 0.00 | 3.20 | 1,132.00 | 353.75 |
| Creditors | 0.00 | 2.40 | 0.80 | 0.00 | 3.20 | 1,132.00 | 353.75 |
| REIS : Identifying, Securing and Insuring | 0.00 | 0.00 | 0.20 | 0.00 | 0.20 | 46.00 | 230.00 |
| REPB : Property, Business and Asset Sales | 0.00 | 1.30 | 0.60 | 0.00 | 1.90 | 651.50 | 342.89 |
| Realisation of Assets | 0.00 | 1.30 | 0.80 | 0.00 | 2.10 | 697.50 | 332.14 |
| Total Hours | 0.60 | 7.20 | 29.90 | 6.50 | 44.20 | 11,507.00 | 260.34 |

Appendix C

Cumulative time analysis for the Administration Term

Time Entry - Detailed SIP9 Time & Cost Summary

PGTA01A - PG Taverns (Scotland) Ltd
 From: 03/05/2019 To: 02/11/2020
 Project Code: POST

| Classification of Work Function | Directors & IP's | Managers | Administrators | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---|---------------------|--------------|----------------|-------------------------------|---------------|-------------------|----------------------------|
| ADAP : Appointment | 0.30 | 0.00 | 3.40 | 0.10 | 3.80 | 1,500.00 | 394.74 |
| ADCA : Cashiering | 0.40 | 3.50 | 14.20 | 21.10 | 39.20 | 9,936.00 | 253.47 |
| ADCR : Case Reviews | 0.30 | 0.30 | 5.00 | 3.70 | 10.30 | 2,407.50 | 233.74 |
| ADDI : Directors/Client | 1.10 | 0.00 | 4.40 | 0.00 | 5.50 | 1,628.00 | 296.00 |
| ADGA : File Maintenance | 3.30 | 0.00 | 18.00 | 0.80 | 22.10 | 5,979.50 | 270.57 |
| ADSC : Statutory and Compliance | 2.40 | 5.90 | 142.20 | 3.60 | 154.00 | 41,292.00 | 268.13 |
| ADSO : Strategic Overview | 4.70 | 2.00 | 55.38 | 0.00 | 62.08 | 18,185.28 | 292.92 |
| Admin and Planning | 12.50 | 11.60 | 243.58 | 29.30 | 286.98 | 80,928.28 | 272.50 |
| CCAD : Calculation & Distribution | 0.00 | 0.00 | 0.40 | 0.00 | 0.40 | 158.00 | 395.00 |
| CRCL : Creditors Claims | 0.00 | 0.00 | 0.30 | 0.10 | 0.40 | 125.50 | 313.75 |
| CRCO : Communications with Creditors | 3.30 | 0.60 | 6.20 | 5.40 | 15.50 | 4,196.50 | 270.74 |
| CREM : Employees | 0.10 | 0.00 | 3.80 | 0.00 | 3.90 | 957.00 | 245.38 |
| CRTV : Tax and VAT | 0.00 | 3.00 | 2.50 | 0.00 | 5.50 | 1,842.50 | 335.00 |
| PCAD : Prescribed Part Calc & Dist | 0.00 | 0.00 | 1.40 | 0.00 | 1.40 | 421.00 | 300.71 |
| Creditors | 3.40 | 3.60 | 14.60 | 5.50 | 27.10 | 7,700.50 | 284.15 |
| INDR : CDDA Report | 0.20 | 0.00 | 8.60 | 0.00 | 8.80 | 3,216.50 | 365.51 |
| INRE : Investigation and Review | 0.00 | 0.00 | 9.50 | 2.20 | 11.70 | 2,504.00 | 214.02 |
| Investigations | 0.20 | 0.00 | 18.10 | 2.20 | 20.50 | 5,720.50 | 278.05 |
| REDC : Debt Collection | 0.00 | 0.00 | 2.00 | 0.00 | 2.00 | 658.00 | 329.00 |
| REIS : Identifying, Securing and Insuring | 1.20 | 0.60 | 9.90 | 4.70 | 16.40 | 4,497.00 | 274.21 |
| REPB : Property, Business and Asset Sales | 17.38 | 3.50 | 56.00 | 0.00 | 76.88 | 28,118.50 | 365.73 |
| Realisation of Assets | 18.58 | 4.10 | 67.90 | 4.70 | 95.28 | 33,273.50 | 349.21 |
| Total Hours | 34.68 | 19.30 | 344.18 | 41.70 | 439.87 | 127,622.78 | 290.14 |

Appendix D

Additional information in relation to the Joint Administrators' fees, expenses & disbursements

1 Staff allocation and the use of sub-contractors

7.2 The general approach to resourcing assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

7.3 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

7.4 On this case the Joint Administrators have utilised the services of the following sub-contractors

| Service (s) | Provider | Basis of fee arrangement | Cost to date |
|----------------------------|----------|--------------------------|-----------------|
| Employee claims processing | UKELC | Agreed fixed fee | £2,500 plus VAT |

7.5 In considering the instruction of UKELC, the Joint Administrators gave regard to the fact that, as stated in the sections above and in the Proposals, the Company had 75 employees, for whom they required TUPE figures. The Joint Administrators deemed that UKELC could complete this more efficiently at a lower cost than it would for the Joint Administrators to complete. It was considered that it would take the case Administrator at least 14 hours to calculate these figures, equating to the estate being burdened with costs of at least £4,115 whereas UKELC only charge £2,500 plus VAT. On this basis, the use of UKELC for the TUPE calculation represented a better use of the funds held or being realised for the benefit of the Administration. Creditors should note that the work undertaken by UKELC is monitored and approved by the Joint Administrators prior to any submission of claims

8 Professional advisors

8.1 On this assignment the Joint Administrators have used the professional advisors listed below. The Joint Administrators have also indicated alongside, the basis of their fee arrangement with them, which is subject to review on a regular basis.

| Name of Professional Advisor | Basis of Fee Arrangement | Costs to date |
|--------------------------------------|--------------------------|------------------|
| Addleshaw Goddard LLP (legal advice) | Time costs | £14,863 plus VAT |
| CDLH (valuation and disposal advice) | Agreed fixed fee | £6,750 plus VAT |

8.2 The Joint Administrators' choice was based on their perception of the experience and ability of the above listed professional advisors to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

9 Joint Administrators' expenses & disbursements

9.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Proposals a copy which is set out below:

| Expense | Estimated cost £ |
|----------------------|---------------------|
| Agents' costs - CDLH | 6,750.00 |
| Insurance | 160.00 |

| | |
|---|------------|
| Statutory advertising | 142.00 |
| Specific penalty bond | 71.00 |
| External storage of company's books and records | 80.00 |
| Postage, stationery & photocopying | 13.50 |
| Case related travel & subsistence | 486.00 |
| ERA consultancy UKELC | 1,500.00 |
| Pension consultancy UKELC | 1,000.00 |
| Legal fees pre-appointment Addleshaw Goddard | 5,000.00 |
| Legal fees post appointment Addleshaw Goddard | 13,000.00 |
| Licencing outlay | 330.00 |
| Insolvency software fee | 65.00 |
| Company payroll | 250.00 |
| Prescribed part distribution advertisement | 71.00 |
| Collection of books and records | 142.00 |
| Administrators' pre-appointment costs | 21,245.50 |
| Administrators' post-appointment costs (estimate) | 95,765.50 |
| Category 2 disbursements charged by the firm: | |
| Business mileage | 150.00 |
| Document upload fee | 150.00 |
| Total | 146,371.50 |

Current position of Joint Administrators' expenses

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

| | Paid in prior period £ | Paid in the Period £ | Incurred but not paid to date £ | Total anticipated cost £ |
|-------------------------------------|------------------------|----------------------|---------------------------------|--------------------------|
| Category 1 disbursements | | | | |
| ERA consultancy fees | 2,500.00 | Nil | Nil | 2,500.00 |
| Harmony payroll services | 250.00 | Nil | Nil | 250.00 |
| Legal fees - Pre | Nil | Nil | 4,000.00 | 4,000.00 |
| Legal fees – Post | 11,863.00 | 3,000.00 | 5,087.00 | 19,950.00 |
| Pre-appointment fees | Nil | 20,396.00 | 850.00 | 21,246.00 |
| Post appointment fees | Nil | 43,179.00 | 52,586.50 | 95,765.50 |
| Bank charges | 408.11 | Nil | Nil | 408.11 |
| Licence transfer fees | 698.00 | Nil | Nil | 698.00 |
| Specific bond | 512.00 | Nil | Nil | 512.00 |
| Statutory advertising | 152.40 | Nil | Nil | 152.40 |
| Valuers fees | 6,025.00 | Nil | Nil | 6,025.00 |
| Mileage | 85.95 | 141.75 | 48.60 | 276.30 |
| Dilapidation liabilities | 7,155.81 | 30,727.92 | Nil | 37,883.73 |
| Heineken/Star Pubs Loan Settlement | 28,393.83 | Nil | Nil | 28,393.83 |
| Heineken/Star Pubs professional fee | 3,000.00 | Nil | Nil | 3,000.00 |
| Heineken/Star Pubs rent arrears | 3,258.00 | Nil | Nil | 3,258.00 |
| Insurance of assets | 672.00 | Nil | Nil | 672.00 |
| Subsistence | Nil | 14.46 | Nil | 14.46 |
| Total | 64,974.10 | 97,459.13 | 62,572.10 | 225,005.33 |

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

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

10 Charge-out rates

- 10.1 Wilson Field's current charge-out rates effective from 1 July 2018 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

WILSON FIELD LIMITED CHARGE OUT RATES AND DISBURSEMENT POLICY

In accordance with Statement of Insolvency Practice 9 ("SIP 9") covering fees and disbursements, we are required to disclose to you our policy for recovering non-specific disbursements, and the charge out rates for the various grades of staff who may be involved in this case.

Remuneration

The office holder(s) may seek approval from creditors to draw remuneration on a time cost basis, in accordance with the rates detailed below.

| | Hourly charge out rate (£) | | | |
|--------------------------------------|----------------------------|-----------------------|--------------------|--------------------|
| Grade | 01/02/2014 to 31/10/2014 | to 01/11/2014 onwards | 01/11/2017 onwards | 01/07/2018 onwards |
| Director/Insolvency Practitioner | 350-500 | 500 | 500 | 500 |
| Manager | 260-400 | 400 | 400 | 400 |
| Assistant Manager | N/A | 395 | 395 | N/a |
| Team Leader | N/A | 390 | 390 | 390 |
| Senior Administrator | 240 | 330 | 330 | 395 |
| Administrator (1-5 years experience) | 120-240 | 230-300 | 230-300 | 230 - 300 |
| Trainee Administrator | - | - | 180 | 180 |
| Assistant & Support staff | 100-130 | 130 | 130 | 130 |

All time is recorded in 6-minute units.

Category 1 Disbursements

In accordance with SIP 9, these do not require the approval of creditors and are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include advertising, insurance, travel expenses etc.

Category 2 Disbursements

In accordance with SIP 9, these require the prior approval of creditors.

Category 2 disbursements are charged in accordance with the liquidator's prevailing recovery policy at the time the disbursement is incurred. The rates applicable from 1 July 2018 are detailed below:

| Disbursement | Charge | Period charged |
|---|-----------------------|---|
| Document Upload Centre charge | £150 for life of case | On appointment |
| Room Hire where held at a Wilson Field office | £100 per meeting | On appointment |
| Mileage | 45p per mile | On appointment (where appropriate) |
| Storage of books and records | £80 per box per year | Once records are logged and then annually |

In common with all professional firms, our charge out and disbursements rates increase from time to time. We reserve the right to change the rates without prior notice to you. Any change will be reported in the next statutory report to creditors.