



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

1 Company details

Company number 0 6 9 0 6 1 1 9

Company name in full Marc (Bakery) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Graham

Surname Bushby

3 Administrator's address

Building name/number The Pinnacle

Street 170 Midsummer Boulevard

Post town Milton Keynes

County/Region

Postcode M K 9 1 B P

Country

4 Administrator's name ①

Full forename(s) Nick

Surname Edwards

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number The Pinnacle

Street 170 Midsummer Boulevard

Post town Milton Keynes

County/Region

Postcode M K 9 1 B P

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 0	^d 5	^m 0	^m 3	^y 2	^y 0	^y 2	^y 1
To date	^d 0	^d 4	^m 0	^m 9	^y 2	^y 0	^y 2	^y 1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

[Handwritten signature]

X

Signature date

^d 2	^d 8	^m 0	^m 9	^y 2	^y 0	^y 2	^y 1
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**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	Samantha Rogers									
Company name	RSM Restructuring Advisory LLP									
Address	St Philips Point									
	Temple Row									
Post town	Birmingham									
County/Region										
Postcode	B	2		5	A	F				
Country										
DX										
Telephone	0121 214 3100									

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

MARC (BAKERY) LIMITED IN ADMINISTRATION ('THE COMPANY')

JOINT ADMINISTRATORS' PROGRESS REPORT
FOR THE SIX MONTH PERIOD TO 4 SEPTEMBER 2021

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING





INTRODUCTION

Contact details

The key contacts at RSM in connection with this report are:

Primary office holder	Case manager
Graham Bushby	Samantha Rogers
RSM Restructuring Advisory LLP	RSM Restructuring Advisory LLP
The Pinnacle, 170 Midsummer Boulevard,	St Philips Point, Temple Row
Milton Keynes, MK9 1BP	Birmingham B2 5AF
Tel: 0203 201 8000	Tel: 0121 214 3230

Basis of preparation

This report has been prepared solely to comply with the statutory requirements of the relevant legislation to provide creditors with information relating to the progress of the Administration. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to revision and additional costs. They should not be used as the basis for any bad debt provision or any other purpose. Neither the Joint Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report. The Joint Administrators act as agents of the Company and without personal liability.

General guidance on the Administration process

You can find guidance on the different insolvency processes at the R3 website .
R3 is the trade association for the insolvency profession.

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CONDUCT OF THE ADMINISTRATION

Realisation of assets

Debtors

As previously reported, whilst the book debts were excluded from the pre-pack sale of the business, the agreement did include a requirement for the purchaser, Galeta Bakery Limited ('Galeta') to assist with the collection of the debtors. The purchaser would retain 10% and the balance would be transferred for the benefit of the administration.

Galeta recovered book debts totalling £18,028.68 and then passed the remaining debtors back to the Administrators as being uncollectable. At this point, there was an outstanding balance of c£93,000.

The collection process has been complicated by the fact that the majority of the debtors were closed due to Covid restrictions over the last year and given the industry they are in, will be suffering the financial impact of the pandemic.

Given restrictions had started to lift and taking account of the amount that was still outstanding, the Administrators believed it would be worthwhile to have another attempt at collecting the debtor balances. Baker Tilly Creditor Services were instructed to collect in the remaining debtors. During the period, they have managed to collect in £4,278.31 and c£60,000 is currently being treated as disputed as customers have either requested documentation that we are unable to provide, or have advised that they have paid into the former bank account (operated by a third party) or to Galeta Bakery Limited.

The Company did not have a pre-appointment bank account and instead the transactions were put through a connected company's bank account, we have therefore issued correspondence to this company to establish whether they have received the payments.

We have also been in correspondence with Galeta regarding payments made to them, which do not appear to have been paid across during their collection process. If we are unable to clarify the position and obtain payment for any additional receipts, then it is likely that we will shortly instruct solicitors in this matter.

We are currently reviewing the position with regards to the debtors to establish whether to continue with the collection or bring the process to an end and close the case.

The time costs incurred to date in respect of asset realisations are shown on the attached analysis of time costs.

Leased property

The lease was assigned in a prior period, however time has been incurred in the current period in relation to correspondence with a utility provider.

Investigations

All investigative matters have previously been reported.

Case specific matters

Time has been incurred in the period in relation to two matters categorised as case specific matters:

- 1) Correspondence with the director regarding debtor's payments being paid into a pre-appointment bank account.
- 2) As the appointment was by Court Order, the Administrators are required to seek approval for their discharge from liability by way of a court application. Time has been spent seeking advice from a solicitor and instructing a solicitor to deal with the necessary application.

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Statutory and case management matters

The following work does not usually result in a financial return to creditors but is required by legislation, best practice and to ensure that the case is managed efficiently and effectively. Key work completed in the period included:

Statutory requirements

- preparing, reviewing and issuing a progress report;
- preparing a corporation tax return for the post appointment period;
- preparing and filing VAT returns;
- summoning and holding a qualifying decision procedure and associated formalities, including, recording and reporting the outcome to prescribed parties;

Case management matters

- periodic case reviews, ongoing case planning and statutory and liaising with joint office holders;

-
- maintaining and updating computerised case management records;
 - filing;
 - cashiering including bank reconciliations, posting of receipts and payments, processing journals and maintenance of cashiering records; and
 - dealing with routine correspondence not attributable to other categories of work.

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Receipts and payments

A summary of receipts and payments is attached. Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

OUTSTANDING MATTERS

Assets remaining to be realised

The following assets remain to be realised. Details of the work still required and the anticipated costs are set out in the 'Conduct of the Administration' section above, and below.

Nature of asset	Book value (£)	Estimated to realise (£)	Estimated future costs (£)
Book debts	c£89,000	Uncertain	1,000-1,500*
Group debts	c61,000	Unlikely	No time will be spent on this matter unless it appears likely that a recovery can be made

*does not include Baker Tilly's collection fees

Other outstanding matters

The only outstanding asset to deal with is the book debts as detailed earlier in the report.

The only other outstanding matter is the discharge from liability application and solicitors have been instructed to prepare the necessary court application.

Extension of the Administration

The Administration was previously extended for a 12 month period to 4 March 2022 by the consent of the Company's creditors.

The Joint Administrators do not consider that a further extension to the period of the Administration is likely to be required.

End of the Administration

As stated in the Joint Administrators' proposals, it is proposed that the administration will end through Creditors' Voluntary Liquidation, or dissolution should the recoveries from debtors be insufficient to allow for a distribution to unsecured creditors.

Due to the impacts of Covid, the debtor collections have been significantly slower than anticipated. We are currently reviewing the position of the debtors to establish whether the collection process should continue or whether we should end the process and move the case towards closure.

Exit by dissolution

At any point in the Administration should the Joint Administrators reach a conclusion that the property is insufficient to permit a distribution then they shall (unless the court orders otherwise) be required to file a notice pursuant to paragraph 84 of Schedule B1 to the Insolvency Act 1986 seeking that the company be dissolved.

Exit by Creditors' Voluntary Liquidation

If the Company exits Administration by moving into a Creditors' Voluntary Liquidation as originally proposed, the Joint Administrators or any successor(s), will be appointed Joint Liquidators of the Company. The Liquidators will have the power to act jointly and severally and any act required or authorised to be done by the Liquidators may be done by all or any one more of the persons holding the office in question.

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects

	Owed (£'000)	Paid to date (£)	Estimated future prospects
Secured creditor – Charles Russell Speechlys LLP	25	NIL	We have been informed that the secured creditor no longer has a claim.
Preferential creditors	10	NIL	Not known – dependent on debtor collections
Unsecured creditors	7,360	NIL	Unlikely
Estimated Net Property	Currently Nil*		
Estimated 'Prescribed Part' available for creditors	Currently Nil*		

Based on funds realised to date and outstanding costs/fees, the estimated net property is currently nil and therefore there is no prescribed part.

Prescribed Part

The 'Prescribed Part' is a statutory amount set aside for unsecured creditors from funds ('Net Property') available to a Qualifying Floating Charge Holder ('QFCH'). The amount of Net Property is calculated on a sliding scale up to a maximum of £800,000 depending on when the floating charge was created and whether or not it is a first ranking floating charge.

An estimate of the amounts available under the Net Property and Prescribed Part, if any, are detailed above.

Based on current information, it is not proposed that that an application will be made to court under Section 176A(5) of the Insolvency Act 1986 for an order disapplying the Prescribed Part provisions.

Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being made to that particular class of creditor. As it is currently unclear as to whether there will be a dividend to creditors in this case, time has not been spent on adjudicating creditors' claims, other than that necessary for the purposes of admitting claims for voting, where applicable.

Creditors whose debts are treated as a small debt in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a proof of debt if they wish to vote. Rule 14.31(1) states that Office Holders may treat a debt, which is a small debt according to the accounting records or the statement of affairs of the company, as if it were proved for the purposes of paying a dividend. Small debts are defined in Rule 14.1(3) as a debt (being the total amount owed to a creditor) which does not exceed £1,000.

Dividend payments

As noted above, based on current information, it is currently unclear as to whether a dividend will be paid to any class of creditors. This depends on book debt collections which have proved increasingly difficult.

Creditor communication

The following work was undertaken in the period to comply with legislation, best practice and to ensure creditors were kept informed.

- Dealing with correspondence relating to an employment tribunal;
- Correspondence with the secured creditor;
- Dealing with correspondence from unsecured creditors;
- Reviewing votes received and preparing documentation in relation to the Qualifying Decision Procedure;
- Liaising with the applicant creditor and payment of the application costs; and
- Maintenance of schedules of creditors' claims.

Creditors only derive an indirect financial return from this work on cases where a dividend has been, or will be, paid.

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.

JOINT ADMINISTRATORS' FEES, COSTS AND EXPENSES

Guide to Administrator's fees and expenses

A Guide to Administrator's Fees, which provides information for creditors in relation to the fees and expenses of an Administrator, can be accessed at [www.baker-tilly.co.uk](#) under 'general information for creditors'. A hard copy can be requested from this office by telephone, email or in writing. All fees, costs and expenses are subject to VAT.

Relevant Approving Body

The unsecured creditors are the Relevant Approving Body responsible for approving the Joint Administrators' post appointment fee basis and, where applicable, 'Category 2' expenses. However, if a creditors' committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

Post Appointment fees, costs and expenses

Basis of Remuneration

The Relevant Approving Body approved the Joint Administrators' fees on a time cost basis, limited to the sum of £78,000 plus VAT in accordance with the fee estimate provided to creditors on 14 October 2020. The fee estimate was prepared for the life of the appointment.

Remuneration Charged

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done. It does not mean the Joint Administrators' fees have been paid. Amounts paid to date, if any, are shown in the attached receipts and payments account.

During the period, the fees charged by the Joint Administrators, on the basis set out above, totalled £10,271. An analysis of time incurred in the period is attached. Time costs incurred since appointment total £101,525.50. Please note that where fees are based on time costs, remuneration charged will be limited to the amount approved.

Further fee approval

The amount of fee that can be drawn is limited to the revised amount approved by the Relevant Approving Body, whether calculated on the basis of time in accordance with a fee estimate, or for a fixed amount or a percentage rate, cannot be further increased or the percentage rate changed, without their approval.

As there are insufficient funds to meet the agreed limit on fees, the Administrators will not be seeking a fee increase. However, given the time incurred to date exceeds that which was anticipated, if sufficient funds become available, they may seek an increase at that time. If this is appropriate, full details will be provided in respect of why the fee estimate has been exceeded.

Work sub-contracted by office holders

The Joint Administrators sub-contracted the following work:

The book debt collection was sub-contracted to Baker Tilly Creditor Services and their fees are based on 20% of recoveries. Given their expertise in book debt collection, the age of the debts and lack of information/records, we believe this fee is reasonable. As Baker Tilly Creditor Services is connected to RSM, creditors approval was sought for the basis of their fees and this was approved by the general body of creditors on 28 July 2021. They have not been paid anything to date and will be paid shortly based on the amount recovered to date.

Expenses and professional costs

The total costs and expenses estimated to be incurred by the Joint Administrators are set out below together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account. The quantum of costs and expenses is in line with the estimates previously provided to creditors.

Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the Relevant Approving Body prior to being paid.

Type of expense	Total estimated (£)	Incurred in period (£)
Bond	85	0
Statutory advertising	189	0
Website fee	13	0
Storage agent (collection & storage of records)	500	0
Agent's valuation	2,000	0
Legal fees		0
- Pre-pack sale	10,000	
- General advice	2,000	
- Discharge from liability application	-	
Legal disbursements	200	0
Bank charges	150	0
Corporation tax	10	0
Debt collection fees	21,190	0
Insurance	500	0
Postage		85.68
Total	36,837	85.68

Category 2 expenses

These are costs which are not capable of precise identification or calculation, or that may include an element of shared or allocated costs. Payments to outside parties that the Office Holder, firm, or any associate has an interest, are also treated as 'Category 2' expenses. These expenses require the specific approval of the Relevant Approving Body before being paid from the insolvency estate.

The Relevant Approving Body has approved the payment of the 'Category 2' expenses, at the rates prevailing at the date they were incurred. Details of the current rates are set out below.

Type of expense	Total estimated (£)	Incurred in period (£)
Room hire (£25/£80 per room)	0	0
Mileage (42.5p per mile)	0	0
Tracker reports (£10 per report)	0	0
Subsistence (£25 per night)	0	0
Baker Tilly Creditor Services' book debt collection fees	0	855.66
Total	0	855.66

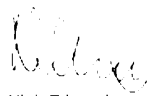
Creditors' right to information and ability to challenge fees

Creditors have a right to request further information about fees or expenses (other than pre-administration costs) and to challenge such fees or expenses.

If you wish to make a request for further information it must be made in writing within 21 days of receipt of this report either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question).

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the fees charged, the basis fixed or expenses incurred by the Administrator are in all the circumstances excessive. Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of fees or incurring of the expenses in question.



Nick Edwards
RSM Restructuring Advisory LLP
Joint Administrator

Graham Bushby and Nick Edwards are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

The affairs, business and property of the company are being managed by the Joint Administrator who act as agents of the company and without personal liability

APPENDICES

A. STATUTORY INFORMATION

Company information

Company name:	Marc (Bakery) Limited
Company number:	06906119
Date of incorporation:	14/05/2009
Trading name:	MARC Patisserie & Bakery
Trading address:	Unit 10 Perivale Park Industrial Estate Horsenden Lane South Perivale UB6 7RH
Principal activity:	Patisserie & Bakery
Registered office:	RSM Restructuring Advisory LLP The Pinnacle 170 Midsummer Boulevard Milton Keynes MK9 1BP

Administration information

Court reference:	In the High Court of Justice Business and Property Courts, Insolvency and Companies List No 7457 of 2019	
Joint Administrators:	Graham Bushby and Nick Edwards	
Date of appointment:	05/03/2020	
Joint Administrators:	Primary office holder Graham Bushby RSM Restructuring Advisory LLP The Pinnacle 170 Midsummer Boulevard Milton Keynes, MK9 1BP 020 3201 8000 IP Number: 8736	Joint office holder Nick Edwards RSM Restructuring Advisory LLP The Pinnacle 170 Midsummer Boulevard Milton Keynes, MK9 1BP 01908 687841 IP Number: 9005

B. RECEIPTS AND PAYMENTS SUMMARY

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

Statement of Affairs £		From 05/03/2021 To 05/09/2021 £	From 05/03/2020 To 05/09/2021 £
	SECURED ASSETS		
1.00	Goodwill	NIL	1.00
		NIL	1.00
	SECURED CREDITORS		
(18,786.00)	Chargeholder: Charles Russell Speech	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	NIL	42.38
999.00	Inventory	NIL	999.00
	Licence Fees - to be paid to landlord	NIL	6,271.22
44,000.00	Plant & Machinery	NIL	44,000.00
	Rent Deposit Monies	NIL	20,000.00
50,000.00	Trade debtors	3,922.52	28,532.02
	Trade debtors	355.79	355.79
		4,278.31	100,200.41
	COST OF REALISATIONS		
	Agents/Valuers Fees	NIL	2,000.00
	Applicant's Costs	3,500.00	3,500.00
	Debt Collection Fees	NIL	2,096.72
	Insurance of Assets	NIL	1,432.13
	Legal Disbursements	300.00	333.00
	Legal Fees	NIL	9,500.00
	Office Holders Expenses	NIL	265.74
	Office Holders Fees	NIL	38,000.00
	Pension Agent	NIL	350.00
	Pre-appointment expenses	NIL	142.50
	Pre-appointment Fees	NIL	13,484.50
	Prof. fees for assistance with SoA	NIL	1,000.00
	Rent & Service Charge	NIL	6,271.22
	VAT - Irrecoverable	NIL	1,254.24
		(3,800.00)	(79,630.05)
	PREFERENTIAL CREDITORS		
(19,767.00)	Pension Schemes	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(5,160,071.00)	Group Liabilities	NIL	NIL
(1,006,610.00)	HMRC	NIL	NIL
(5,223.00)	Pension Liabilities	NIL	NIL
(1,374,726.00)	Related Parties	NIL	NIL
(290,339.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(7,780,523.00)		478.31	20,571.36
	REPRESENTED BY		
	Bank 1 Current		20,511.36
	Vat Control Account		(8,178.55)
	Vat Receivable		8,238.55
			20,571.36

D. POST-APPOINTMENT TIME ANALYSIS

Joint Administrators' post appointment time cost analysis for the period 5 March 2021 to 4 September 2021

Please note that we have re-designed our SIP9 analysis table to provide a more detailed breakdown of the work carried out. This change does not alter the value of time costs recorded, purely the row within the table to which that time, and cost, has been allocated.

On 1 July 2021, RSM Restructuring Advisory LLP changed the job titles of some of their staff, and this is reflected in the SIP 9 analysis table. This change does not alter the value of time costs recorded or the column within the table to which that time has been allocated.

[illegible]

[illegible]

Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Meetings/corres/tel	0.0	0.0	0.2	0.0	0.0	0.0	0.2	£ 52.00	260.00 260.00
Correspondence/tel	0.0	0.0	2.4	0.1	0.6	0.0	3.1	£ 719.50	232.10
Meetings	0.0	0.0	0.2	0.0	0.0	0.0	0.2	£ 52.00	260.00 233.79
Total	0.0	0.1	3.4	0.1	0.6	0.0	4.2	£ 974.50	232.02
Administration and Planning									
Case planning/strategy	0.0	0.2	0.0	0.0	0.0	0.0	0.2	£ 92.00	460.00 460.00
Case review / KPI reports	0.0	0.2	0.5	0.0	0.7	0.0	1.4	£ 309.50	221.07
Diary updates / checklists	0.0	0.0	0.1	0.0	0.0	0.0	0.1	£ 26.00	260.00
Filing	0.0	0.3	1.2	0.0	4.6	0.0	6.1	£ 920.00	150.82
Ongoing case planning/strategy	0.0	1.5	1.8	0.0	2.7	0.2	6.2	£ 1,481.50	238.95 198.33
Bank Reconciliations	0.0	0.0	0.5	0.0	0.2	0.0	0.7	£ 109.50	156.43
Cashiering / TPS transaction posting	0.0	0.0	2.8	0.0	0.5	0.0	3.3	£ 552.50	167.42
Journals	0.0	0.0	0.1	0.0	0.1	0.0	0.2	£ 38.50	192.50
Receipts and Payments	0.0	0.0	1.0	0.3	0.0	0.0	1.3	£ 296.00	227.69 181.18
Total	0.0	2.2	8.0	0.3	8.8	0.2	19.5	£ 3,825.50	196.18
Total Hours	0.0	3.9	25.4	0.4	16.7	2.0	48.4	£ 10,297.00	212.75
Total Time Cost	£ 0.00	£ 1,791.00	£ 6,134.50	£ 82.00	£ 2,089.50	£ 200.00	£ 10,297.00		
Average Rates	0.00	459.23	241.52	205.00	125.12	100.00	212.75		