



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

1 Company details

Company number 1 1 2 5 0 1 0 7

Company name in full Joules Developments Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) William James

Surname Wright

3 Administrator's address

Building name/number c/o Interpath Ltd

Street 5th Floor, 130 St Vincent Street

Post town Glasgow

County/Region

Postcode G 2 5 H F

Country

4 Administrator's name ①

Full forename(s) Ryan

Surname Grant

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number c/o Interpath Ltd

Street 2nd Floor, 45 Church Street

Post town Birmingham

County/Region

Postcode B 3 2 R T

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 1	^d 6	^m 1	^m 1	^y 2	^y 0	^y 2	^y 2
To date	^d 1	^d 5	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3

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 3	^m 0	^m 6	^y 2	^y 0	^y 2	^y 3
-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

**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 Rachel Narraway

Company name Interpath Ltd

Address 5th Floor, 130 St Vincent Street
Glasgow

Post town G2 5HF

County/Region

Postcode

Country

DX

Telephone Tel +44 (0) 203 989 2800

**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

Joint
Administrators'
progress report
for the period
16 November
2022 to 15 May
2023

Joules Developments Limited - in
Administration

13 June 2023

Deemed delivered: 13 June 2023

Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 5).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, www.ia-insolv.com/case+INTERPATH+JMB14B1059.html. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 6).

Contents

1	Executive summary	1
2	Progress to date	3
3	Dividend prospects and dividends paid	5
4	Other matters	6
5	Joint Administrators' remuneration, expenses and pre-administration costs	8
6	Future strategy	10
Appendix 1	Statutory information	12
Appendix 2	Joint Administrators' receipts and payments account	13
Appendix 3	Schedule of expenses	15
Appendix 4	Joint Administrators' charging and expenses policy	16
Appendix 5	Glossary	23
Appendix 6	Notice: About this report	24

1 Executive summary

Joules Developments Limited (the 'Company') was a property holding company which acted as developer for building projects in the Joules Group, most notably the freehold head-office property in Market Harborough, which was opened in November 2021.

The directors of the Company resolved on 16 November 2022 to appoint us as Joint Administrators. The notice of appointment was lodged at High Court of Justice, Business & Property Courts of England & Wales, Insolvency & Companies List (ChD) on 16 November 2022 and we were duly appointed.

This progress report covers the period from the date of our appointment to 15 May 2023 (the 'Period').

We delivered our statement of proposals ('Proposals') to all known creditors on 23 December 2022. We used deemed consent to obtain approval of our Proposals and the creditors are treated as having approved our Proposals without modification on 9 January 2023.

The main focus of our strategy following our appointment was to continue to trade the business of Joules Limited as the main trading entity of the Group, whilst exploring a sale of the business process. The Company's main asset was a freehold interest in Market Harborough from which Joules Limited traded from. Following an intensive marketing process, a sale of business and assets of Joules Limited completed on 1 December 2022 to Project Gabriel Bidco Limited (a joint venture between Next Holdings Limited and Tom Joules). As part of the sale of business process, a sale of the freehold property held by the Company was completed on the same date to Next Holdings Limited ('the Purchaser').

During the Period, we undertook a review into the Company's affairs, which has included review of intercompany group transactions. There are intercompany debts due from associated companies within the wider Joules Group yet to be realised and we continue to pursue the recovery of these balances (Section 2 - Progress to date).

As advised in our Proposals, Barclays Bank Plc (the 'Bank') is the Group's sole secured creditor, in respect of the facilities provided to the Group. On appointment, the Bank was owed £35.9 million by the Group secured by its fixed and floating debenture security. During the Period, the Bank debt has been repaid in full (Section 3 - Dividend prospects and dividends paid).

The Company had no employees and at present we are not aware of any ordinary preferential creditor claim (Section 3 - Dividend prospects and dividends paid).

We now anticipate that the secondary preferential creditor will receive a dividend. We are not yet in position to confirm the quantum or timing of the dividend and will do so once all asset realisations have completed (Section 3 - Dividend prospects and dividends paid).

Based on current estimates we anticipate that there will be no return for unsecured creditors (Section 3 - Dividend prospects and dividends paid).

The administration is currently due to end on 15 November 2023. Whilst we continue to progress all remaining matters and pursue the recovery of intercompany balances as quickly as reasonably practicable, it is uncertain whether we will be in position to finalise the administration prior the expiry date. Therefore, we will now be seeking an

extension of the administration period for a further 12 months by deemed consent (Section 6 – Future strategy).

Please note: you should read this progress report in conjunction with our Proposals which were issued to the Company's creditors and can be found at www.ia-insolv.com/case+INTERPATH+JMB14B1059.html. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.

A handwritten signature in black ink, appearing to be 'RG' followed by a flourish and a period.

pp Ryan Grant

Joint Administrator

2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our Proposals, notice of which was delivered to all known creditors on 23 December 2022.

2.1 Strategy and progress to date

Strategy

As set out in our Proposals, the primary strategy for the administration was to continue to trade the business whilst we pursued a sale of business process as a going concern. We considered that there was a reasonable prospect of achieving the second part of the Purpose as set out in Paragraphs 3(1)(b) to achieve a better result for the Company's creditors as a whole than would be likely if the Company had been wound up without first being in administration.

Our Proposals discuss in detail the full administration strategy. However, we have set out below an overview of the key workstreams we have undertaken since our appointment.

Sale of business

As detailed in our Proposals, an accelerated sale of business process was undertaken by the Administrators. During the process, a total of 202 parties, including trade, special situation investors, high net worth individuals and private equity houses were spoken to. Ten indicative formal offers were received, however only eight parties submitted best and final offers. Of these, two parties were taken forward due to their ability to transact quickly along with their offer value.

An offer received from Project Gabriel Bidco Limited (the 'Purchaser'), a joint venture between Next Holdings Limited and Tom Joule, was received for the business and assets. The offer was accepted as it provided the best return to creditors as a whole.

The sale concluded on 1 December 2022 for a total consideration of £41 million. The consideration represented a £34 million offer for the trade and assets of Joules Limited from the Purchaser and a £7 million offer for the freehold property, that was held in the Company, from Next Holdings Limited ('Next').

The full details of the sale process are set out in our Proposals available at <http://joulesdevelopments.ia-insolv.com>.

Intercompany debtors

In light of the intercompany positions held with other Group entities, the intercompany transactions are being reviewed in order to assess whether any floating charge recoveries may be due to the Company from the administration estate of Joules Limited or Joules Group Plc via a dividend to unsecured creditors. Accordingly, we are in the process of submitting claims of £0.9 million in the estate of Joules Limited (in Administration) and £18,700 in the estate of Joules Group Plc (in Administration).

Based on current estimates, we anticipate that the Company should receive a dividend of between 12p to 15p in the £ from the Joules Limited (in Administration) and c.5p in the £ in Joules Group Plc (in Administration). As a result of the intercompany dividends due to the Company, we now expect the return to the secondary preferential creditors as detailed in Section 3.3 below.

2.2 Asset realisations

Realisations during the Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the Period are provided below.

Freehold property

During the Period we completed a sale of the freehold property in Market Harborough to Next for a total consideration of £7 million.

Investigations

We are reviewing the affairs of the Company to identify any actions which could be taken against third parties to increase recoveries for creditors.

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to the Department for Business, Energy and Industrial Strategy. The contents of our submission are confidential.

2.3 Costs

Payments made in this Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the Period are provided below.

Solicitors' fees

During the Period we paid Shoosmiths legal fees of £42,132 for drafting of the sale and purchase agreement in relation to the sale of the freehold interest.

Agents' fees

Avison Young were engaged to provide valuation advice in relation to the property. Accordingly, costs totalling £10,000 were paid to Avison Young following the sale of the freehold property.

2.4 Schedule of expenses

We have detailed the costs incurred during the Period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

3 Dividend prospects and dividends paid

3.1 Secured creditor

As advised in our Proposals, Barclays Bank plc (the 'Bank') is the Group's sole secured creditor, in respect of facilities provided to the Group. At the date of our appointment, the Bank's total net indebtedness across the Group was £32.1 million offset of cash balances held by Barclays. The Bank holds cross-collateralised security containing a fixed and floating debenture of the Company's and the Group's assets.

We engaged Eversheds LLP, a firm of independent legal advisors, to review the security held. They have confirmed that the security held by the Bank is valid.

During the Period, we have distributed £6.7 million, all of which related to fixed charge realisations.

We can now confirm that the Bank's indebtedness has been paid in full across the Group, with £6.7 million paid by the Company, £23.7 million being paid by Joules Limited (in Administration) and £1.7 million by The Garden Trading Company Limited (in Administration).

3.2 Ordinary preferential creditors (employees)

As the Company did not have any employees, we are not aware of any ordinary preferential claims against the Company.

3.3 Secondary preferential creditors (HMRC)

We estimate the amount of secondary preferential claims to be approximately £5.9 million, which relates to pre-administration Group VAT liabilities and outstanding PAYE and NIC contributions. The Company is jointly and severally liable under the VAT group registration together with Joules Group Plc and Joules Limited (both in administration).

In our Proposals, we initially advised that it was unlikely that a dividend would be available to secondary preferential creditors from the Company's administration estate. However, it is now anticipated that sufficient floating charge realisations will be achieved as a result of intercompany claims as detailed in Section 2.1 above.

Based on current estimates, we anticipate that a dividend will become available to secondary preferential creditor. However, we are not yet in position to confirm the exact quantum or timing of the dividend as this is dependent on recovery of intercompany balances from the insolvent estates of Joules Limited and Joules Group Plc.

3.4 Unsecured creditors

Based on current estimates, there will be no dividend to unsecured creditors.

4 Other matters

4.1 Deemed consent

In order to minimise costs, we are using deemed consent to seek approval to extend the administrators' term of office for a further 12 months to 15 November 2024 as noted in Section 6.

Please note that if a Creditors' Committee is formed, the votes cast by creditors in relation to this proposed decision will be disregarded.

For completeness, we advise that creditors have not voted for a Committee to be formed in the previous decision procedure held to date. However, insolvency legislation requires us to offer this option to creditors each time a decision procedure is used.

Please note that members of the Creditors' Committee are not remunerated for their time. Other than receiving travel expenses, they receive no payment from the Company.

Creditors' right to request a physical meeting

We will summon a physical meeting (1) if asked to do so by (a) creditors whose debts amount to at least 10% of the total debts of the Company, or (b) 10% in number of creditors or (c) 10 creditors and (2) if the procedures set out below are followed.

Requests for a physical meeting must be made within five business days of the date on which notice of the decision procedure was delivered. They must include:

- a statement of the requesting creditors' claim;
- a list of the creditors concurring with the request, showing the amounts of their respective debts in the administration;
- written confirmation of their concurrence from each concurring creditor; and
- a statement of the purpose of the proposed meeting.

In addition, the expenses of summoning and holding a meeting at the request of a creditor must be paid by that creditor. That creditor is required to deposit security for such expenses with us.

If you wish to request a physical meeting, please complete and return the physical meeting requisition form attached to the cover letter.

Creditors have the right to object to deemed consent. Please see the formal notice of the deemed consent procedure attached to the cover letter for details of how to object to the deemed consent.

If the decision date expires without 10% in value of creditors objecting to the deemed consent, or us being required to convene a requisitioned physical meeting, the creditors will be treated as having approved our proposed decision on the decision date.

If 10% or more in value of creditors do object to the deemed consent we will use a decision procedure to seek approval of our proposed decisions.

4.2 Other case specific matters

Corporation tax matters

Our internal tax specialists have been instructed to review the Company's and the wider Group's tax position and to prepare the necessary corporation tax returns for the periods affecting administration to date and trading period. Our specialists will also assess whether it is necessary to complete any corporation tax return relating to the pre-appointment period which remain outstanding in order to utilise any potential tax losses as may be available for the benefit of the Group entities. This workstream is ongoing and a further update will be provided to creditors in our next progress report.

5 Joint Administrators' remuneration, expenses and pre-administration costs

5.1 Joint Administrators' remuneration and expenses

During the Period, the secured and preferential creditors have provided approval that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in our Proposals in Appendix 3 and the charge-out rates included in Appendix 4.
- category 2 expenses (as defined in Statement of Insolvency Practice 9) will be charged and drawn in accordance with Interpath Advisory's policy as set out in Appendix 4.

Time costs

From the date of our appointment to 15 May 2023, we have incurred time costs of £119,682. These represent 183 hours at an average rate of £652 per hour.

Remuneration

During the period, we have drawn fixed charge remuneration of £115,784 and pre-administration fees of £12,765.

Administrators' Expenses

During the period, we have incurred expenses of £635, none of which have been paid.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from our appointment to 15 May 2023. We have also attached our charging and expenses policy.

5.2 Pre-administration costs

We disclosed the following pre-administration costs, which were unpaid at the date of our appointment, in our Proposals:

Interpath pre-administration fees	12,765.00	12,765.00	12,765.00	NIL
Shoosmiths pre-administration disbursements	726.41	726.41	174.00	552.41
Total	13,491.41	13,491.41	12,939.00	552.41

On 26 January 2023, we obtained approval from the secured and preferential creditors to pay some of these pre-administration costs as an expense of the administration. These costs were drawn in the Period as shown in the table above.

6 Future strategy

6.1 Future conduct of the administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- Recovery of intercompany debtor balances due from Joules Limited (in administration) and Joules Group Plc (in administration);
- Review of the Company's and wider Group's pre-administration corporation tax matters to ascertain whether any terminal loss relief may remain to be utilised in the post-appointment period by the Group companies and to ascertain the HMRC's level of outstanding liabilities in order to agree HMRC's preferential and unsecured claim;
- Complying with ongoing post-appointment tax and VAT requirements by the Company and at Group level, to include submission of tax and Group VAT returns, settlement of any liabilities (as may be due) and seeking tax clearance at appropriate time;
- Continuing our investigations into the affairs of the Company, and completing any resulting actions;
- To seek an extension to the administration period as we consider it necessary to enable us to complete outstanding matters as detailed in this report;
- Agreeing the claims of secondary preferential creditor with a view of making a distribution as soon as reasonably practicable; and
- Payment of administration expenses, including our remuneration and complying with statutory and compliance obligations.

6.2 Discharge from liability

Secured and preferential creditors have granted approval that we be discharged from liability in respect of any actions as Joint Administrators, upon the filing of our final receipts and payments account with the Registrar of Companies.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

6.3 Extension of the administration

The administration is currently due to end on 15 November 2023. Whilst we will continue to progress the above noted outstanding matters as quickly as practicable, we will not be in position to finalise the administration and accordingly determine the outcome for the preferential and unsecured creditors before the administration's automatic end.

This is as a result of intercompany debtor balances that are being pursued, ongoing investigations and resolving the complex Group tax position.

We therefore intend to extend the administration period for a further 12 months to 15 November 2024 by deemed consent in due course. Should the position and our intended strategy change, we will report to creditors as soon as possible.

6.4 Future reporting

We will provide a further progress report within one month of 15 November 2023.

Appendix 1 Statutory information

Company name	Joules Developments Limited
Date of incorporation	12 March 2018
Company registration number	11250107
Present registered office	Interpath Ltd, 10 Fleet Place, London, EC4M 7RB

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, Business & Property Courts of England & Wales, Insolvency & Companies List (ChD), 004208 of 2022
Appointor	Directors
Date of appointment	16 November 2022
Joint Administrators' details	Ryan Grant and Will Wright
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is currently estimated. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3).
Prescribed Part distribution	The Joint Administrators have obtained permission to distribute the Prescribed Part.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	15 November 2023
Application of EU Regulations	EU Regulations apply and these proceedings will be the COMI Proceedings as defined in Article 3 of the EU Regulations

Appendix 2

Joint Administrators' receipts and payments account

Joules Developments Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 16/11/2022 To 15/05/2023 (£)	From 16/11/2022 To 15/05/2023 (£)
FIXED CHARGE ASSETS			
2,653,000.00	Freehold property - The Building	7,000,000.00	7,000,000.00
4,347,000.00	Freehold property - Land	NIL	NIL
		7,000,000.00	7,000,000.00
FIXED CHARGE COSTS			
	Administrators' fees	(115,784.00)	(115,784.00)
	Interpath pre-administration fees	(12,765.00)	(12,765.00)
	Legal fees	(42,131.50)	(42,131.50)
	Agents'/Valuers' fees	(10,000.00)	(10,000.00)
	Statutory advertising	(86.00)	(86.00)
	Insurance of assets	(105.00)	(105.00)
	Pre-appt legal fees	(174.00)	(174.00)
		(181,045.50)	(181,045.50)
FIXED CHARGE CREDITORS			
35,121,657.00	Fixed charge creditor	(6,700,000.00)	(6,700,000.00)
		(6,700,000.00)	(6,700,000.00)
OTHER REALISATIONS			
	Bank interest, gross	17,825.79	17,825.79
		17,825.79	17,825.79
PREFERENTIAL CREDITORS			
5,949,121.00	Secondary Preferential creditors	NIL	NIL
		NIL	NIL
FLOATING CHARGE CREDITORS			
35,121,657.00	Floating charge	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
46,983,217.00	Intercompany	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
100.00	Ordinary shareholders	NIL	NIL
		NIL	NIL
130,175,752.00		136,780.29	136,780.29

Joules Developments Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 16/11/2022 To 15/05/2023 (£)	From 16/11/2022 To 15/05/2023 (£)
--------------------------	--------------------------------------	--------------------------------------

REPRESENTED BY

Floating charge current	130,489.09
Fixed charge VAT rec'able	36,194.10
Fixed charge VAT payable	(1,400,000.00)
Fixed charge VAT control	1,370,097.10
	<hr/>
	136,780.29
	<hr/>

Appendix 3 Schedule of expenses

Fixed charge costs

Administrators' fees	115,784	3,897.50	119,681.50
Administrators' disbursements	0.00	634.82	634.82.00
Interpath's pre-administration fees	12,765.00	0.00	12,765.00
Legal fees	42,131.50	0.00	42,131.50
Agents'/Valuers' fees	10,000.00	0.00	10,000.00
Statutory advertising	86.00	0.00	86.00
Insurance of assets	105.00	596.77	701.77
Pre-administration legal fees	174.00	0.00	174.00
TOTAL	181,045.50	4,532.32	185,577.82

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Rachel Narraway at Interpath Ltd, 5th Floor, 130 St Vincent Street, Glasgow, G2 5HF.

Appendix 4 Joint Administrators' charging and expenses policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of in-house Interpath Advisory , VAT and employee specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please contact Rachel Narraway on 0203 989 2851.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Partner	985	1060
Director	910	980
Senior Manager	810	870
Manager	650	700
Senior Administrator	475	510
Administrator	350	375
Support	165	175

This administration utilises Interpath's Restructuring charge out rates reflecting the complex nature and size of the business in the Group being structured as detailed in our Proposals and our progress report.

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of expenses

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 expenses from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Expenses: These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Associates: are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 45p per mile.

Use of company car – 60p per mile.

Use of partner's car – 60p per mile.

For all of the above car types, when carrying Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses from the date of our appointment to 15 May 2023.

Postage	300.32	NIL	300.32
Sundry	20.00	NIL	20.00
Travel	314.50	NIL	314.50

Total	634.82	NIL	634.82
--------------	---------------	------------	---------------

Please bear in mind that this table includes expenses incurred by Interpath and is therefore unlikely to reconcile with the expenses shown in the Schedule of Expenses.

We have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Category 2 expenses have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 16 November 2022 to 15 May 2023

The key areas of work have been:

Statutory and compliance	collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences; providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment; issuing regular press releases and posting information on a dedicated web page; preparing statutory receipts and payments accounts; arranging bonding and complying with statutory requirements; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	formulating, monitoring and reviewing the administration strategy, including the decision to trade and meetings with internal and external parties to agree the same; briefing of our staff on the administration strategy and matters in relation to various work-streams; regular case management and reviewing of progress, including regular team update meetings and calls; meeting with management to review and update strategy and monitor progress; reviewing and authorising junior staff correspondence and other work; dealing with queries arising during the appointment; reviewing matters affecting the outcome of the administration; allocating and managing staff/case resourcing and budgeting exercises and reviews; liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters; complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to debenture holders	providing written and oral updates to representatives of secured creditor regarding the progress of the administration and case strategy.
Cashiering	setting up administration bank accounts and dealing with the Company's pre-appointment accounts; preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	gathering initial information from the Company's records in relation to the taxation position of the Company; submitting relevant initial notifications to HM Revenue and Customs; reviewing the Company's pre-appointment corporation tax and VAT position; analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; working initially on tax returns relating to the periods affected by the administration; analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements;

	dealing with post appointment tax compliance.
Shareholders	providing notification of our appointment; responding to enquiries from shareholders regarding the administration; providing copies of statutory reports to the shareholders.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; drawing remuneration in accordance with the basis which has been approved by secured and preferential creditors; locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage.
Asset realisations	collating information from the Company's records regarding the assets; liaising with finance companies in respect of assets subject to finance agreements; liaising with agents regarding the sale of assets; dealing with issues associated with the sale of stock; reviewing the inter-company debtor position between the Company and other group companies.
Property matters	reviewing the Company's leasehold properties, including review of leases; communicating with landlords regarding rent, property occupation and other issues; performing land registry searches.
Sale of business	planning the strategy for the sale of the business and assets, including instruction and liaison with professional advisers; seeking legal advice regarding sale of business, including regarding non-disclosure agreements; collating relevant information and drafting information memorandum in relation to the sale of the Company's business and assets and advertising the business for sale; dealing with queries from interested parties and managing the information flow to potential purchasers, including setting up a data room; managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties; carrying out sale negotiations with interested parties.
Health and safety	liaising with internal health and safety specialists in order to manage all health and safety issues and environmental issues, including ensuring that legal and licensing obligations are complied with; liaising with the Health and Safety Executive regarding the administration and ongoing health and safety compliance.
Open cover insurance	arranging ongoing insurance cover for the Company's business and assets; liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; assessing the level of insurance premiums.
Pensions	collating information and reviewing the Company's pension schemes; calculating employee pension contributions and review of pre-appointment unpaid contributions; ensuring compliance with our duties to issue statutory notices; liaising with the trustees of the defined benefit pension scheme, the Pensions Regulator and the Pensions Protection Fund concerning the changes caused to the pension scheme as a result of our appointment;
Creditors and claims	drafting and circulating our proposals; convening and preparing for the meeting of creditors; creating and updating the list of unsecured creditors; responding to enquiries from creditors regarding the administration and submission of their claims; reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; agreeing secured claims; arranging distributions to the secured creditors; drafting our progress report.
Investigations/ Directors	reviewing Company and directorship searches and advising the directors of the effect of the administration; liaising with management to produce the Statement of Affairs and filing this document with the Registrar of Companies; arranging for the redirection of the Company's mail; reviewing the questionnaires submitted by the Directors of the Company; reviewing pre-appointment transactions; submitting the online director conduct assessment to the relevant authority.

Time costs

Pre-Administration costs (13/11/2022 to 15/11/2022)						
	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support		
Pre-Administration Sale of business - preparation	1.00	3.30	13.50		17.80	10,070.50
Pre-Admin Advising company re administration	0.10				0.10	91.00
Pre-Admin Appointment documents		1.00	1.90		2.90	1,712.50
Pre-administration checks		1.10			1.10	891.00
Total	1.10	5.40	15.40	0.00	21.90	12,765.00

SIP 9 –Time costs analysis (16/11/2022 to 15/05/2023)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	5.30	2,491.50	470.09
Reconciliations (& IPS accounting reviews)	2.00	1,099.50	549.75
General			
Books and records	0.50	267.00	534.00
Fees and WIP	8.65	5,746.50	664.34
Statutory and compliance			
Appointment and related formalities	15.80	7,797.00	493.48
Bonding & Cover Schedule	1.00	580.00	580.00
Budgets & Estimated outcome statements	1.70	1,377.00	810.00
Checklist & reviews	0.90	476.00	528.89
Closure and related formalities	0.50	405.00	810.00
Reports to debenture holders	0.50	492.50	985.00
Strategy documents	4.40	2,646.50	601.48
Tax			
Initial reviews - CT and VAT	0.80	648.00	810.00
Post appointment corporation tax	1.60	897.50	560.94
Post appointment VAT	6.00	3,839.00	639.83
Creditors			
Creditors and claims			
General correspondence	6.20	3,010.00	485.48

SIP 9 –Time costs analysis (16/11/2022 to 15/05/2023)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Notification of appointment	0.40	324.00	810.00
Payment of dividends	0.50	405.00	810.00
Secured creditors	4.70	4,272.50	909.04
Statutory reports	30.85	22,240.00	720.91
Employees			
Pensions reviews	0.60	210.00	350.00
Investigation			
Directors			
Correspondence with directors	2.10	1,533.50	730.24
D form drafting and submission	6.55	3,563.50	544.05
Directors' questionnaire / checklist	4.20	1,934.00	460.48
Statement of affairs	3.80	2,893.50	761.45
Investigations			
Correspondence re investigations	5.00	2,375.00	475.00
Realisation of assets			
Asset Realisation			
Cash and investments	4.50	2,137.50	475.00
Freehold property	6.80	5,361.00	788.38
Health & safety	1.60	560.00	350.00
Insurance	1.60	1,320.00	825.00
Leasehold property	0.50	313.00	626.00
Other assets	0.20	174.00	870.00
Sale of business	49.95	36,510.75	730.95
Stock and WIP	1.25	593.75	475.00
Trading code used when engagement didn't trade			
Trading			
Cash & profit projections & strategy	0.00	0.00	0.00
Employee Matters / PAYE	0.00	0.00	0.00
Negotiations with suppliers / landlords	0.00	0.00	0.00
Sales	2.50	1,187.50	475.00
Total in period	183.45	119,681.50	652.39
Brought forward time (appointment date to SIP 9 period start date)	0.00	0.00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	183.45	119,681.50	
Carry forward time (appointment date to SIP 9 period end date)	183.45	119,681.50	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 5 Glossary

Bank	Barclays Bank plc
Company	Joules Developments Limited - in Administration
Group	The Company together with; Joules Limited (in administration, Joules Group Plc (in administration) and The Garden Trading Company Limited (in administration)
Joint Administrators/we/our/us	Will Wright and Ryan Grant
Interpath/Interpath Advisory	Interpath Ltd
KPMG	KPMG LLP
Secured creditor	Barclays Bank plc
Avison	Avison Young (UK) Limited
Shoosmiths	Shoosmiths LLP

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

This report has been prepared by Will Wright and Ryan Grant, the Joint Administrators of Joules Developments Limited – in Administration (the ‘Company’), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the Group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

William James Wright and Ryan Grant are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

www.interpathadvisory.com

© 2023 Interpath Ltd is a limited company registered in England and Wales (trading as “Interpath Advisory”). All rights reserved.