



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

1 Company details

Company number 0 0 2 3 7 5 1 1

Company name in full AGL Realisations Limited (formerly Arcadia Group Limited)

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Matthew David

Surname Smith

3 Administrator's address

Building name/number 60

Street St Martins Lane

Post town London

County/Region

Postcode W C 2 N 4 J S

Country

4 Administrator's name ①

Full forename(s) Daniel Francis

Surname Butters

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 60

Street St Martins Lane

Post town London

County/Region

Postcode W C 2 N 4 J S

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

X

Signature date	^d 2	^d 2	^m 1	^m 2	^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 **Jessica Hough**

Company name **Teneo Restructuring Ltd**

Address **156 Great Charles Street
Queensway**

Post town **Birmingham**

County/Region

Postcode **B 3 3 H N**

Country

DX

Telephone **+44 121 619 0120**

**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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Robert Scott
Surname Fishman

3 Insolvency practitioner's address

Building name/number 60
Street St Martin's Lane
Post town London
County/Region
Postcode WC 2 N 4 J S
Country



The Global CEO Advisory Firm

Court Case No. CR-2020-004384
High Court of Justice, the Business and
Property Courts of England & Wales
Company Number: 00237511

Registered Office:
c/o Teneo Restructuring Limited
156 Great Charles Street
Queensway
Birmingham
B3 3HN

AGL Realisations Limited (in administration) (formerly Arcadia Group Limited) (“AGL” or “the Company”)






Progress report to creditors for the period 30 May 2021 to 29 November 2021 pursuant to rules 18.2 to 18.6
inclusive of the Insolvency (England & Wales) Rules 2016 (“the Rules”)

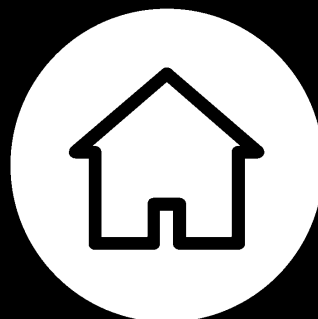
23 December 2021

Matthew David Smith, Daniel Francis Butters and Robert Scott fishman (“the Joint Administrators”) were appointed Joint Administrators of AGL Realisations Limited (formerly Arcadia Group Limited) (“the Company”) on 30 November 2020 by The High Court Of Justice. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Teneo Restructuring Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

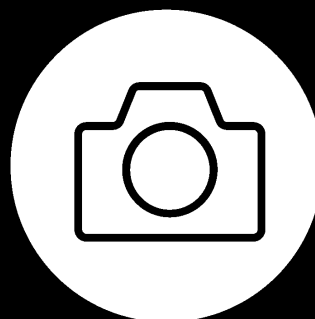
For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), (“the Act”), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

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Key messages



Key messages

Joint Administrators of the Company

Matthew David Smith

Daniel Francis Butters

Robert Scott Fishman

Teneo Restructuring Limited

156 Great Charles Street

Queensway

Birmingham

B3 3HN

Contact details

Email:

Arcadiacreditors@teneo.com

www.ips-docs.com

Purpose of administration

- The purpose of the administration is to achieve a better result for the Company's creditors as a whole than a liquidation.

Progress of administration

- The trading reconciliation with other group entities has been completed during the report period. Please see page 6 for further details.
- We have completed the sale of the freehold retail property in Long Eaton. Please see page 7 for further details.
- Progressing sale of freehold retail property in Hartlepool. Please see page 7 for further details.
- Our review of the inter-company claim position has been finalised.
- We have agreed preferential creditor claims and issued our notice of intended dividend ("NOID"). The dividend will be paid to preferential creditors whose claims have been accepted for dividend purposes within two months of 2 December 2021.
- Unsecured creditor claims received are being adjudicated at present to enable a distribution to be made. Please see page 17 for further details.
- Preparation work has been undertaken in respect of the anticipated move from administration to Creditors Voluntary Liquidation ("CVL"), in order to pay a dividend to the unsecured creditors. Please see page 17 for further details.

Costs

- The basis on which we are to be remunerated was fixed by unsecured creditors on 6 December 2021 (after the report period). Please see page 19 onwards for further information.
- Our time costs for the period of the report are £3.4m. Please see pages 19 and 20 for further details.
- We have incurred category 1 expenses in respect of third party costs totalling £495k plus VAT during the report period. Please see page 8 onwards for further details.
- We have incurred category 1 expenses, categorised as disbursements, of £2,559 plus VAT in the report period. Please see page 10 for further details.
- We have incurred category 2 expenses, categorised as disbursements of £4,624 plus VAT in the report period. Please see page 21 for further details.

Outstanding matters

- Finalise outstanding asset realisations.
- Realise the freehold retail property in Hartlepool.
- Make a distribution to secured creditors if funds permit.
- Agree creditor claims in preparation for distributions to be made to unsecured creditors.
- Declare and make payment of the preferential dividend prior to 2 February 2022.
- Statutory closing procedures in advance of moving the Company from administration to CVL.
- Conclusion of the Company's administration VAT and tax positions.



Key messages

Dividend prospects

Extension to administration period

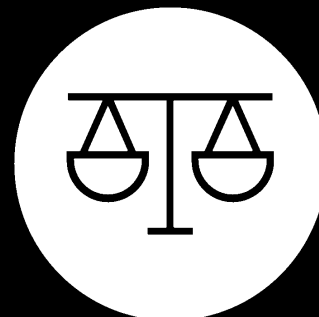
- On current information, we anticipate the following outcome for each category of creditor:
 - Secured creditors:**
 - Arcadia Group Pension Trust Limited ("the Pension Trust") - £184m out of the Pension Trust's £185m fixed charge security over the Vendor Loan Note ("VLN") owed by Top Shop/Top Man Limited has already been paid to the Pension Trust, with the remaining £1m balance due to be paid from the proceeds of the sale of Redcastle 214 Ltd (a subsidiary entity). Separately, the Pension Trust has received a c.£6.5m distribution from its second charge security over Tottenham Court Road freehold property (held in Redcastle (TCR) Limited). The remaining element of the Pension Trust's debt is unsecured and thus will not be paid in full. The Pension Trust will be able to rank as an unsecured creditor in respect of any shortfall, and dividends made in respect of the unsecured element of its claim will be paid in line with those paid to other unsecured creditors.
 - Oaknorth Bank plc ("Oaknorth") – We continue to assess the realisable value of the property (which sits outside of AGL) over which Oaknorth's debt is secured by way of a fixed charge. At this stage, the dividend prospects for Oaknorth are unknown.
 - HSBC Bank Plc ("HSBC") – A fixed charge over certain cash deposits dated 16 April 2019 which was granted in favour of HSBC. As at 30 November 2020, £9.4m of cash deposits were held, with a potential liability of £9.1m. This position is being finalised. HSBC also benefits from fixed charges relating to security over the freehold property at Tottenham Court Road, London, held in Redcastle (TCR) Limited (HSBC also holds security over shares in this entity). The amount outstanding as at 30 November 2020 was £55.3m (£55.0m plus interest and legal fees). Following the sale of the property on 22 December 2020, the amounts outstanding to HSBC under this charge have been repaid in full and the security is in the process of being released.
 - Bank of Scotland plc ("BOS") (as security agent) - BOS has fixed charges over certain properties in other group entities (Redcastle Freeholds Limited, Redcastle TSTM Limited and Redcastle Ltd) all of which have guaranteed a £61.2m debt in Taveta Investments (No.2) Limited in relation to a revolving credit facility, for which AGL is also a guarantor. We expect this debt to be repaid in full from the proceeds of the various property sales expected in the group entities. As all group entities are guarantors of the BOS facility, these entities may then have contributory claims against one another, including AGL.
 - Preferential creditors:** We expect there will be sufficient floating charge realisations to enable payment of preferential claims in full.
 - Secondary preferential creditors:** There are no Secondary Preferential Creditors due to the date of the appointment.
 - Unsecured Creditors:** It is likely there will be a distribution for unsecured creditors estimated to be between 10p to 15p in the £. The actual dividend payable will depend on final asset realisations and the level of creditor claims ultimately received.
- The period of the administration has been extended to 30 November 2022. It is unlikely that a further extension will be required. Please see page 17 for further details.





Progress of the administration

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Progress of the administration Summary

Background

AGL was integral to the trading of the wider group (AGL and its subsidiaries, together "the Group"). The Group operated the Topshop, Topman, Dorothy Perkins, Burton, Wallis, Evans, Miss Selfridge and Outfit retail brands, along with associated centralised functions (many of which are undertaken by AGL).

The Group operated from over 400 stores, plus concessions, across the eight brands and employed c.13,000 employees. The Group also operated digital sales operations that were supported by three distribution centres.

The Joint Administrators ("We") were appointed over 27 UK companies in the Group (see page 8 of the Joint Administrators' Proposals for further details), together the "Administration Companies".

Work done during the report period

Costs re-allocation and operating company receipts – shared services support and trading receipts

As mentioned in previous reports, AGL operated the treasury, shared services and cash pool functions across the Group (excluding cash for Topshop/Topman Limited). These operations have continued during the administrations, with the majority of trading transactions and cash flowing through AGL.

A thorough reconciliation exercise has been undertaken in conjunction with the Group's staff during the period to determine the appropriate allocation of these shared costs and funds have been transferred around the Group accordingly. We have followed the same basis of reallocation of receipts and payments that the Company applied prior to administration. Details of the transactions relating to the allocation exercise are provided in the receipts and payments account, and trading receipts and payments account, on pages 11 and 12.

Creditors

Unsecured creditor claims and queries have been received and responded to as required during the report period.

We have agreed preferential claims during the period and have issued our notice of intended dividend; the last date for proving was 2 December 2021. The dividend will be declared and paid to the preferential creditors within two months of 2 December 2021.

We have begun the process of adjudicating unsecured claims received in preparation of the proposed dividend payment in early 2022.

Transitional Services Agreements ("TSA")

AGL's support services (including IT, HR, Treasury and operation of the distribution centres) were required to collect and deliver the Topshop, Topman and Miss Selfridge stock purchased by ASOS.

Immediately following the sales to Boohoo and City Chic, the Joint Administrators entered into TSAs to continue to operate e-commerce platforms, distribution centres and associated IT platforms on their behalf as well facilitate the transfer of systems, assets and stock.

The City Chic TSA concluded on 31 March 2021 and Boohoo TSA on 30 April 2021, and we have now concluded our reconciliation of the final position and raised appropriate recharges to both City Chic and Boohoo. Details of the outcome of this reconciliation is found on the receipts and payments account on pages 11 and 12.

Intangible assets

As previously reported, AGL owned many of the domain names and websites for the trading brands. The sale of these assets concluded in conjunction with the sale of business processes mentioned in our last report.

AGL also owned domains and trademarks relating to the Arcadia and Outfit brands, which were not part of the business sales and are currently being separately marketed for sale.

Hilco Streambank was engaged to review other IT assets such as software licences and Microsoft licenses. A sale process to realise value from these IT assets has been concluded and c.£31k has been realised during the report period.

Freehold properties

As previously advised, AGL owns two freehold properties (retail stores), in Hartlepool and Long Eaton.

The Long Eaton property was under offer at the time of the appointment of the Joint Administrators. Jackson Criss were engaged as agents by AGL and were retained by the Joint Administrators. A full marketing campaign was undertaken prior to appointment. The Joint Administrators were satisfied that the offer received was the best offer at the time. The transaction has now completed and the property was sold for £150k. We expect to receive the sale proceeds in the next report period.

We instructed Gooch Cunliffe & Whale ("GCW") to undertake a full marketing campaign for the Hartlepool property which is now under offer. The property was exchanged at auction for £650k and is expected to complete imminently. Shoosmiths is acting for us on the transaction.

Deloitte Real Estate has been working alongside the Joint Administrators to complete the sales of these assets.



Progress of the administration

Summary

Work done during the report period (continued)

Leasehold properties

As previously reported, we have been unable to realise any value in AGL's leasehold property portfolio. This position is unchanged and no realisations are expected.

Pre-appointment overpayments recovery

Hilco Profit Recovery were engaged to perform a property review to recover any historical overpayments of business rates from billing authorities.

GL Hearn were instructed to act in appeals against rating assessments, whereby a review of pre-appointment expenditure was conducted to identify overcharges that may be

As a result of the reconciliation process across Group entities, £646k of rates refunds were reallocated to other entities, leaving £308k in AGL (a net outflow of £164k to other Group entities during this period). £124k of the amount currently remaining in AGL will be reallocated in the next report period, leaving £185k in AGL. We will continue to seek to maximise realisations from this source and will update creditors in our report on progress.

Trade debtors and other debtors

During the report period, an additional c.£2.8m has been realised in respect of trade and other debtors, including amounts from World Pay (the Group's merchant services provider) and an unsecured dividend received from SHB Realisations Limited (formerly BHS Limited).

Deferred tax

The Directors' Statement of Affairs showed a deferred tax asset valued at £23k, the estimated to realise value was nil. We are currently exploring opportunities to realise value for tax losses in AGL by using these to offset potential chargeable gains elsewhere in the Group.

Cash at bank

As per the Statement of Affairs, the estimated to realise figure for Cash at Bank totalled c.£5.4m. During the report period, a further £145k has been realised, bringing total cash at bank realisations to c.£3.6m to date. Updates will be provided in future reports.

Chattel assets

As advised in our last report, funds totalling £1,283k from chattel asset sales had not yet been received into the administration bank account. We received £1,235k of this outstanding balance during the report period as a small number of the sales did not complete.

Following further sales achieved during the report period, total realisations in respect of Chattel assets increased to £1,383k, and can be seen in the receipts and payments account at pages 11 and 12. These sales have resulted in net realisations of c.£1.0m after the deduction of Hilco Valuation Services' fees.

Bank interest

Amounts accrued on funds held in the administration bank accounts during the report period total c.£2.4k, bringing total realisations to c.£3k.

Subsidiary dividend

During the report period, £800k has been received in respect of a dividend declared and paid from one of the Company's subsidiaries, AG Insurance Company Limited.

Statutory tasks

- During the period we have carried out the following tasks in respect of the Company, which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:
- Case management actions, including updating the insolvency creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Agreeing the Joint Administrators' fee basis and an extension to the administration period with the consent of unsecured creditors;
- Statutory reporting, including the preparation of the Proposals and previous progress report;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs ("HMRC") in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors. Intangible assets



Progress of the administration

Professional costs

Third party costs incurred during the report period

Joint Administrators' Category 1 Expenses

Legal costs

Freshfields Bruckhaus Deringer LLP ("Freshfields")

Freshfields are the principal legal advisor for the Company and the Joint Administrators. They are experienced in this area and their workstreams to date include, but are not limited to procedural appointment preparation and formalities, general insolvency advice and advice on matters including employees, pensions, sale of business, properties, stock, contracts and litigation.

Freshfields' discounted costs incurred in AGL for the report period total £238k (exclusive of VAT). Expenses of £3k (exclusive of VAT) have been incurred during the period.

Freshfields have been paid discounted costs of £2.0m and expenses of £45k (exclusive of VAT) to date.

Unbilled discounted Work In Progress ("WIP") amounts to £160k and is subject to review before billing.

Future costs will be dependent on the level of legal advice and support required to the conclusion of the administration (or any subsequent liquidation).

Brown Rudnick LLP ("Brown Rudnick")

Brown Rudnick, who are experienced in this area, are instructed to specifically provide advice to the Joint Administrators on appointment matters, director investigations and other matters where Freshfields would otherwise potentially be conflicted.

Brown Rudnick have not incurred any costs during the period in AGL.

Their previously reported billed and paid costs of £44k (exclusive of VAT), have been recharged to the Group companies for which they were incurred. Their previously reported unbilled WIP of £23k (exclusive of VAT) has been billed and paid during the report period.

Allen & Overy LLP ("A&O")

A&O, who are experienced in this area, was instructed to advise on banking and debt matters such as secured claims. A&O's costs incurred in AGL for the report period total £7k (exclusive of VAT). These costs have all been billed and paid.

Teacher Stern LLP ("Teacher Stern")

Teacher Stern, who are experienced in this area, were instructed to deal with conveyancing matters in relation to the Long Eaton property.

They have incurred £6k (exclusive of VAT), which has been billed and paid.

DLA Piper UK LLP ("DLA")

DLA, who are experienced in this area, was instructed to advise on properties where BOS is the secured creditor. DLA's work included security reviews, completion of freehold property sales, correspondence with landlords, leasehold surrenders and other related matters.

DLA's costs incurred in AGL during the previous report period totalled £7k (exclusive of VAT) and €11k. These costs are unpaid.

Gateley Plc ("Gateleys")

Gateleys, who are experienced in this area, were instructed to deal with correspondence for a particular matter involving employments tribunals. They have incurred £3k (exclusive of VAT) which remains unpaid.

Littleton Chambers ("Littletons")

Littletons, who are experienced legal counsel in this area, were engaged through Freshfields and are assisting with employment tribunal claims alongside Gateleys. They have incurred £17k plus VAT which remains unpaid at present.

£k (net)	Costs incurred	WIP	Paid
Freshfields			
Costs incurred during the previous period	2,568	-	-
Costs incurred during the period	238	-	-
Billed costs	-	-	2,022
Outstanding WIP	-	160	-
Freshfields pre-appointment fees (see page 14)	-	-	25
Brown Rudnick			
Unbilled costs incurred during the previous period	23	-	-
Costs incurred during the period	-	-	-
Billed costs	-	-	23
A&O			
Costs incurred during the period	7	-	-
Billed costs	-	-	7
Teacher Stern			
Costs incurred during the period	6	-	-
Billed costs	-	-	6
DLA			
Costs incurred during the previous period - £	7	7	-
Costs incurred during the previous period - € converted	10	10	-
Gateley - costs incurred during the period	3	3	-
Littletons - costs incurred during the period	17	17	-
Total legal costs	2,879	197	2,083



Progress of the administration

Professional costs

Third party costs incurred during the report period (continued)

Professional costs – Agents' costs

Engine Partners UK LLP ("Engine")

- Engine were instructed to provide public relations advice.
- Engine's costs incurred in AGL for the report period total £300k (exclusive of VAT). All of these costs have been billed and paid.
- These costs have been recharged to the Group companies for which they were incurred.

Hilco Valuation Services ("Hilco Val")

- Hilco Val were instructed to provide advice on valuation of both stock and chattels of the Group, and assisted in the realisation of chattels and fixed assets.
- During the period £22k (exclusive of VAT) has been incurred by and paid to Hilco Val in addition to previously reported unbilled WIP of £50k (exclusive of VAT), relating to commission on the sale of assets and has been paid.

Hilco Profit Recovery Limited ("Hilco PRL")

- As detailed in our Proposals, Hilco PRL was instructed to review historical utilities and business rates payments to identify any potential rebates that may be due to the Group.
- Hilco PRL have not incurred any costs in AGL during the report period as no refunds have been received.

Jackson Criss ("JC")

- As previously reported JC acted as agents for the sale of the freehold property at Long Eaton, for which they incurred £5k (exclusive of VAT).
- The previously reported WIP has been paid during the period.

Joseph Patrick O'Reilly ("JPO")

- JPO was appointed as a director of Kardaib Limited, a subsidiary of AGL that was set up in December 2020 to hold European Union ("EU") domain names in preparation for the UK leaving the EU on 1 January 2021.
- For these services, JPO have incurred €8k of fees, which has now been paid.

Aleman, Cordero, Galindo & Lee Trust (BVI) Limited ("Alcogal")

- Alcogal has provided legal services in relation to franchise tax and representation.
- Alcogal incurred costs of \$850 in the previous period, which has now been paid.

The below table summarises the agents' costs initially paid by AGL which were subsequently re-allocated during the report period.

As noted below costs of £117k remain to be allocated:

£k (net)	Period	Total
Agents/Valuers Fees - paid by AGL	499	1,747
Agents/Valuers Fees reallocated	(1,545)	(1,545)
Total per receipts and payment account	(1,046)	201
Hilco Val	-	72
JC	-	5
JPO (converted from €)	-	7
To be allocated	-	117
Total agents costs	-	201

Whilst we have provided details of lawyers/agents instructed to date, given that our negotiations regarding disposal of the Company's assets are ongoing, it is likely that further lawyers/agents will be instructed as required. We will provide further details in our next report to creditors.

We are regularly in correspondence with professional advisors regarding anticipated costs.



Progress of the administration

Professional costs

Category 1 Expenses - Disbursements

Category 1 expenses, categorised as disbursements, are payments made by us direct to third parties and for which no approval is required and which are summarised in the table below:

Category 1 disbursements

£ (net)	Estimate	Incurred in previous period	Incurred in current period	Paid
Auto / Taxi	600	447	-	-
Meals	1,500	1,126	-	-
Printing & Copying	55,000	34,681	-	-
Mailing Incurred	25,000	15,425	-	-
Train	500	143	-	-
Advertising costs (Isle of Man)	900	288	-	-
Specific Penalty Bond	230	230	-	-
TV Licence	158	158	-	-
Defibrillator battery replacement	286	286	-	-
IT software	5,400	5,400	-	-
Legal Fees	-	-	2,559	-
Total	89,573	58,183	2,559	-

Category 2 Expenses

These are payments:

- To us (as officeholder), for example reimbursement to staff engaged on the case for their mileage costs or in respect of shared or allocated costs; and also
- To our associates, e.g. to Deloitte LLP where their costs are being charged to the estate following the sale of the Deloitte UK Restructuring team to Teneo Restructuring Limited ("Teneo" and "the Transaction") on 29 May 2021.

These expenses require creditor approval in the same manner as our remuneration and as discussed in further detail on page 21.

Payment of Category 1 Expenses

Where noted costs have been paid, as shown in the receipts and payments accounts on pages 11 and 12.

Costs that have not yet been paid will be settled as and when funds permit.

All professional costs are reviewed and analysed in detail before payment is approved.



Progress of the administration

Receipts and payments

AGL is not a trading entity and acts as a shared service centre and cash pool for the group. We have now concluded our initial reconciliation process and reallocated receipts and payments to the appropriate Group entities.

AGL Realisations Limited Joint Administrators' Trading Receipts and Payments Account 30 May 2021 to 29 November 2021

£	Notes	SoA	Period	To date
Trading Receipts				
Opco Sales and Debtors	1		12,298,774	91,963,042
Other Income	2		1,113,333	1,113,333
CJRS Claims			-	7,533,887
TSA Fees	3		4,134,313	24,919,924
ASOS Contribution to Costs			-	10,000
Rent			123,827	309,935
Intercompany Receipts Reallocation	4		(99,490,809)	(99,490,809)
Intercompany Funding:				
Wallis Retail Limited			-	3,000,000
Burton Trading Limited			-	2,000,000
Evans Retail Limited			-	1,500,000
Miss Selfridge Retail Limited			-	1,500,000
Dorothy Perkins Retail Limited			-	7,000,000
Total Trading Receipts			(81,820,563)	41,359,312
Trading Payments				
Merchant Service Provider Fees	5		(271,136)	(1,065,663)
Merchandise/Stock Purchases	6		(1,272,789)	(18,112,503)
Concession Stock	7		1,020	(3,816,033)
Freight Forwarders			(468,969)	(3,497,523)
Employee Costs (inc. NI, PAYE and Other Related Expenses)	8		(1,906,626)	(61,767,330)
Consumable Stores			(86,975)	(895,365)
Indirect Labour	9		177,908	(5,581,754)
Rents			(1,234,706)	(6,379,759)
Rates			(5,607)	(5,607)
Heat & Light			(494,581)	(1,467,083)
Telephone			(717,926)	(3,515,052)
Carriage	10		1,091,780	(15,886,267)
Insurance			(213,184)	(2,021,175)
Professional Fees			(352,029)	(615,417)
Customs VAT/Duty			-	(4,019,869)
Hire of Equipment			(26,126)	(238,171)
Property Repairs & Maintenance			(154,236)	(1,235,567)
Advertising			294,786	(3,846,119)
Stationery			4,600	(145,473)
Service Charge			(193,069)	(1,065,368)
Own Site Digital Brand Costs			(516,844)	(4,423,996)
Central Costs	11		(707,729)	(7,097,569)
Central Costs - Other			(620)	(51,670)
Finance and Admin Services			(159,612)	(511,601)
Haulage			566	(1,741,473)
Warehouse Services			(165,484)	(893,306)
Pre Appointment Pensions/3rd Party			-	(919,835)
Other Sundry Expenses			(39,897)	(214,463)
Intercompany Payments Reallocation	4		134,764,790	150,515,310
TSA Costs	3		(24,667,788)	(24,667,788)
Intercompany Funding:				
Wallis Retail Limited			(3,000,000)	(3,000,000)
Burton Trading Limited			(2,000,000)	(2,000,000)
Evans Retail Limited			(1,500,000)	(1,500,000)
Miss Selfridge Retail Limited			(1,500,000)	(1,500,000)
Dorothy Perkins Retail Limited			(7,000,000)	(7,000,000)
Total Trading Payments			87,679,517	(40,183,491)
Trading Surplus				1,175,821

Notes to trading account

The trading account shown in the column opposite has been prepared on a cash basis. All trading accounts have now been reconciled and, as can be seen, there was an overall trading surplus of £1,175,821 which is included in the receipts and payments account overleaf.

The trading surplus amount may change as further reconciliations are required as the Company is a non trading entity and only acted as the Group treasury function as detailed on page 6.

Notes to the trading account are shown on the next page.

Progress of the administration

Receipts and payments

AGL Realisations Limited Joint Administrators' Receipts and Payments Account 30 May 2021 to 29 November 2021

£	Notes	SoA	Period	To date
Fixed Charge Receipts				
Property (Hartlepool Store)		170,000	150,000	150,000
Long Leasehold		500,000	-	-
Vendor Loan Notes (TSTM Receivable)		200,000,000	-	173,400,000
Total Fixed Charge Receipts		200,670,000	150,000	173,550,000
Fixed Charge Payments				
EPC Costs			(1,890)	(1,890)
Rent Apportionment			(3,791)	(3,791)
Legal Fees and Disbursements			(5,813)	(5,813)
Agents/Valuers Fees			(5,000)	(5,000)
Distribution to Fixed Charge Holder			-	(173,400,000)
Total Fixed Charge Payments			(16,494)	(173,416,494)
Fixed Charged Balance in Hand				133,506
Floating Charge Receipts				
Trading Surplus			5,858,955	1,175,821
Vendor Loan Notes (TSTM Receivable)	127,562,000		-	10,600,000
Sale of Business - Intangibles:				
ASOS	-	-	-	9,500,003
City Chic	-	-	-	5,000,000
Other	-	-	-	3
Stock	23,000		-	-
Trade Debtors	583,000		1,770,157	1,776,123
Other Debtors	14,464,000		1,000,000	1,000,000
Transfer from Company Voluntary Arrangement	-	-	-	7,020,275
Amounts Due from Group Undertakings	703,000		23	122
Cash at Bank at Appointment	5,440,000		145,079	3,607,893
Fixtures & Fittings	12 100,000		1,234,852	1,383,746
Motor Vehicles	-		344	344
Software Licences	-		30,500	30,500
Subsidiary Dividend	-		800,000	800,000
Bank Interest Gross	-		2,424	2,989
Monies Received in Error	-		32,555	76,395
Rent Received on Behalf of Propcos	-		12,431	158,280
Debtor - CJRS Claims	-		-	6,533,670
Sundry Refunds	-		1,338	6,167
Rates Refunds	-		(164,075)	308,629
Insurance Refunds	-		(15,401)	128,259
Stock Receipts on Behalf of ASOS/Boohoo	-		229,716	265,617
Cash Held by Lawyers	-		94	94
Cash Received on Behalf of Boohoo	-		(633,390)	26,900,957
Cash Received on Behalf of City Chic	-		372,149	3,716,540
Intercompany Receipts Reallocation	4		-	(157,680)
Total Floating Charge Receipts		148,875,000	10,520,070	79,834,747

AGL Realisations Limited Joint Administrators' Receipts and Payments Account 30 May 2021 to 29 November 2021

£	Notes	SoA	Period	To date
Floating Charge Payments				
Distribution to Floating Charge Holder			-	(10,600,000)
Agents/Valuers Fees			(499,379)	(1,746,573)
Agents/Valuers Fees reallocated			1,545,428	1,545,428
Legal Fees			(2,077,230)	(2,662,628)
Legal Disbursements			(45,060)	(45,060)
Storage Costs			(4,780)	(16,382)
Statutory Advertising			(284)	(945)
Return of Monies Received in Error	15		11,875	(74,057)
Repayment of Funds Received for ASOS/Boohoo			(93,104)	(93,104)
Pre Appointment Tax/NIC on CJRS Grant			-	(362,854)
Cash Paid to Boohoo	3		(8,584,370)	(26,081,733)
Cash Paid to City Chic	3		(1,640,917)	(3,523,747)
Intercompany Payments Reallocation	4		115,268	115,268
Total Floating Charge Payments			(11,272,553)	(43,546,187)
Floating Charge Balance in Hand				36,288,560
Made up of:				
Fixed Charge Interest Bearing Bank Account	13			133,506
Floating Charge Interest Bearing Bank Account				36,608,300
VAT Receivable/(Payable)	14			(400,337)
Legal Fees Paid on Behalf of AGCRH/RFF	16			83,289
Trade Creditors	17			(2,592)
Balance in hand				36,422,066



Progress of the administration

Receipts and payments

Notes to receipts and payments account

A receipts and payments account and trading account as shown on page 11, detailing the transactions during the report period and also cumulatively for the entire period of our appointment on 30 November 2020 to 29 November 2021.

In addition to the commentary provided earlier in this report, we set out below some additional information:

1. Opco Sales and Debtors: Receipts in respect of Dorothy Perkins, Burton, Wallis, Evans, Miss Selfridge and Outfit operating companies.

2. Other Income: This relates primarily to gift card providers, including additional smaller amounts for compensation, stock sold to realisation agents and insurance refunds.

3. TSA Fees inc. stock recharges: Fees and costs received from City Chic and Boohoo in relation to their respective TSAs. Immediately following the sales to Boohoo and City Chic, the Joint Administrators entered into TSAs to continue to operate e-commerce platforms, distribution centres and associated IT platforms on their behalf as well facilitate the transfer of systems, assets and stock. The City Chic TSA concluded on 31 March 2021 and Boohoo TSA on 30 April 2021 and we have now concluded our reconciliation of the final positions.

4. Intercompany Receipts Reallocation: AGL is not a trading entity and acts as a shared service centre and cash pool for the group. We have now concluded our reconciliation process and reallocated receipts and payments to the appropriate Group entities.

5. MSP Fees: Fees paid to Merchant Service Providers.

6. Merchandise/stock purchase: Stock purchased which was either realised through trading or sold to City Chic, ASOS or Boohoo as part of the sale of business processes.

7. Concession stock: The Group's clothing range consisted of own brands and concessions. Refunds from concession partners totalling c.£1k during the report period, bringing total amounts paid to c.£3.8m. The Group pays either a fixed fee or percentage of sales (depending on the contract terms) to concession partners for clothing sold in Arcadia stores or online.

8. Employee costs: Includes retail, head office and distribution centre staff costs.

9. Indirect labour: Primarily relates to agency staff required to operate the distribution centres.

10. Carriage: Refunds associated with delivering stock from the distribution centres to stores and customers (e-commerce).

11. Central costs: Central costs comprise predominately IT support and logistic costs incurred.

12. Fixtures and fittings: Primarily funds received from Boohoo in relation to the sale of assets held at the Leeds distribution centre and other asset realisations.

13. Bank Interest: All funds are held in an interest-bearing account. The associated corporation tax on interest received will be accounted for to HMRC in due course.

14. VAT: All sums shown on the prior pages are shown net of VAT, which is recoverable and will be accounted for to HMRC in due course.

15. Funds received in error

During the period funds have been paid to the Company in error, where possible these have been refunded to the correct party. A balance of £2.3k remains to be refunded, this will be done as soon as possible.

16. Legal fees paid on behalf of other companies

During the period AGL has paid legal fees on behalf of three group companies, A.G. clothing Limited, Redcastle (Holdings) Limited and Redcastle Finance Limited, these funds will be repaid to AGL as soon as possible.

17. Trade Creditors: Invoices received are logged, recorded and posted to the cash book on an accrual basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the Company's bank accounts.

Rounding note: In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



Progress of the administration

Pre-administration costs

Pre administration costs

We included the following statement of pre-administration costs in our Proposals:

Pre-administration administrators' costs

In the following paragraphs we have provided an explanation of the work carried out by us in the period prior to the administration and which was carried out with the intention of achieving the objective of the administration, i.e. to achieve a better result for AGL's creditors as a whole than a liquidation and includes, but is not limited to:

- Planning for the administration and administration strategy;
- Gathering company information in preparation for trading on day one;
- Planning and arranging staffing;
- Identifying key suppliers;
- Gathering information in preparation for immediate post appointment statutory notifications;
- Liaison with the Pension Trust, and key stakeholders;
- Consultation with the Bank of Scotland Plc and HSBC Bank Plc as secured creditors; and
- Preparation for, and facilitation of continuation of shared services in AGL.

This work was performed before the Company went into administration in order to ensure continuity of trading post appointment, to protect the value in the Group's businesses.

The costs set out in this column and opposite (other than certain costs incurred by A&O, where indicated) were all incurred on work undertaken to implement the administration strategy and statutory purpose.

In relation to this work our time costs were £757,806, all of which remains unpaid.

Pre-administration legal costs

Freshfields

Freshfields were instructed to assist in planning for the administration and to undertake formalities of the administration appointments in relation to the Company and the wider-Group, including but not limited to: drafting and preparation of Court documents and notices; Court attendance; and advice on timings and procedural aspects of appointments.

In respect of this work, Freshfields incurred £24,925 in each of the Administration Companies.

The Court ordered that these costs be paid as an expense of the administration.

Freshfields were also instructed to advise on operational matters in order to facilitate continuity of trading post appointment, including but not limited to:

- Employment matters;
- Rent and Day 1 landlord letters;
- Retention of title;
- Review of letters of credit / financing arrangements;
- TSAs and non disclosure agreements;
- Ransom suppliers; and
- Advice in relation to the Pension Schemes and UK pensions stakeholders.

In respect of this work, Freshfields incurred £189,546 of time costs (after discount) across the Group of which £124,595 is applicable to AGL.

Costs of £28,351 have been paid as an expense of the administration as ordered by the Court (£24,925 fees and £3,425 expenses).

These costs were all incurred on work undertaken to implement the administration strategy and statutory purpose.

A&O

A&O were instructed to assist with planning for the administration, in relation to security review matters. In respect of this work, A&O incurred c.£75k plus VAT of pre-administration time costs in AGL, the breakdown of which was awaited at the time of the Proposals.

In accordance with the administration Court order, £10k of this amount has now been paid as an expense of the administration. The balance (c.£65k) related to pre-administration financing advice to AGL and did not relate to work undertaken with a view to placing AGL into administration. The balance will therefore rank as an unsecured creditor in the administration.

Approval and payment of unpaid pre-administration costs

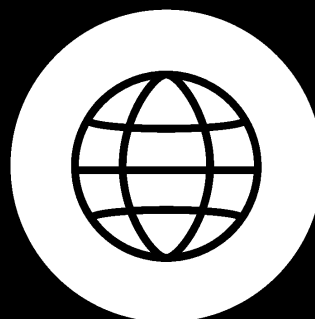
These costs have now been approved by a decision of the unsecured creditors on 6 December 2021 and will be drawn as and when funds permit.



Information for creditors

Outcome

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Information for creditors

Outcome

Outcome for creditors

Secured creditors

At the date of our appointment, AGL's records show that the following security and amounts were outstanding to secured creditors:

Arcadia Group Pension Trust Limited

AGL has provided funding to Top Shop/Top Man Limited, secured by the Vendor Loan Note ("VLN"), with approximately £327.6m outstanding as at the date of appointment.

Top Shop/Top Man Limited and Top Shop/Top Man Properties Limited granted AGL a fixed and qualifying floating charge in respect of this VLN, registered at Companies House on 12 July 2012.

On 12 June 2019, AGL assigned part of this VLN security to the Pension Trust, in addition to a second charge over the property owned by Redcastle 214 Limited. The total value of this secured element of the Pension Schemes' deficit is capped at £185m. To date, £184m of this secured claim has been distributed to the Pension Trust, and we expect that this secured claim will be paid in full with the remaining balance expected to be paid from the proceeds of the sale of Redcastle 214 Ltd (over which the Pension Trust also holds a security).

In addition, the Pension Trust also benefits from a second charge over the freehold property at Tottenham Court Road, London, held in Redcastle (TCR) Limited which was capped at c.£25m and following the sale of the property on 22 December 2020, c.£6.5m was distributed to the Pension Trust.

It is currently unknown whether there will be any further distributions in relation to this security.

The balance of any monies owing to the Pension Trust will rank as an unsecured claim.

Oaknorth

A fixed charge dated 31 July 2020 over AGL's 53% share in Gresse Street Limited ("GSL") (a solvent company which owns a property at Gresse Street, London) was granted to Oaknorth.

The balance outstanding is £1.7m. GSL is jointly owned by a number of other retailers. We are still in the process of negotiating value for this holding and we expect to resolve this matter in the next six months.

HSBC

A fixed charge over certain cash deposits dated 16 April 2019 was granted in favour of HSBC. As at 30 November 2020, £9.4m of cash deposits were held, with a potential liability of £9.1m. We are continuing to finalise this position.

HSBC also benefits from fixed charges relating to security over the freehold property at Tottenham Court Road, London, held in Redcastle (TCR) Limited (HSBC also holds security over shares in this entity). The amount outstanding as at 30 November 2020 was £55.3m (£55m plus interest and legal fees).

Following the sale of the property at Tottenham Court Road on 22 December 2020, the amounts outstanding to HSBC under this charge have been repaid in full and the security is in the process of being released.

BOS as security agent

BOS has fixed charges over certain properties across the Group to secure a £61.2m debt in Taveta Investments (No.2) Limited in relation to a revolving credit facility, for which AGL is a guarantor. The other security provided is also to guarantee this facility.

We expect this debt to be repaid in full through proceeds of the sale of secured properties by other Group entities who have also guaranteed this facility (Redcastle Freeholds Limited, Redcastle Ltd and Redcastle TSTM Limited). These other guaranteeing entities will then have a contribution claim against AGL which will be marshalled between estates to the extent the guaranteeing entities are able to pay to allocate the repayment of the guarantees.

Lease creditors

Approximately 80 vehicles were subject to lease agreements with Arval UK Limited ("Arval"). As staff have left the business, vehicles have been returned to Arval. Since our last report, the remaining 18 vehicles have been collected.

Having regard to the amounts outstanding under the lease agreements, it is unlikely that any surplus funds will become available for the administration estate.

Preferential creditors

Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions. During the period, we have agreed all preferential claims received to date and issued our notice of intended dividend. The last date for proving was 2 December 2021.



Information for creditors Outcome

Preferential creditors (continued)

The dividend will be declared to preferential creditors within two months of 2 December 2021, total agreed claims to date are c.£1.9m. These claims will be paid in full.

Secondary Preferential Debts due to HMRC

Secondary preferential debts are debts due to HMRC in respect of deducted taxes (including VAT, PAYE, student loan repayments, employee NICs and CIS deductions) on insolvency appointments falling on or after 1 December 2021.

As the appointment date for the Company predates 1 December 2020, the Secondary Preferential Debt provisions do not apply.

Prescribed Part

The Prescribed Part is an amount set aside for unsecured creditors from asset realisations that would otherwise be paid to secured creditors under their floating charge, (referred to as the net property), as set out under section 176A of the Act. It applies only where the charge was created on or after 15 September 2003.

The Prescribed Part is calculated as a % of the net property and is subject to a statutory maximum of £600,000 per company.

As we anticipate that there will be sufficient funds to repay the floating charge holder in full and therefore provide a surplus available for distribution to unsecured creditors, the Prescribed Part provisions will not apply to this case.

Unsecured creditors

AGL's records show as at 30 November 2020 show c.550 unsecured creditors with balances totalling c.£17.8m.

This list does not capture a number of other unsecured creditor claims which are expected to arise in the administration, including the unsecured element of the pension deficit, a number of intercompany creditors, amounts due under guarantees crystallised by the insolvency of other Group companies and amounts due to HMRC in respect of VAT. The total value of unsecured creditors is expected to be materially higher than the total above once these liabilities have been quantified and included.

On present information we anticipate that sufficient funds will be realised to enable a distribution to be made to unsecured creditors.

The quantum of the dividend payable will depend on final asset realisations and the level of creditor claims ultimately received.

Claims process

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed, according to the Company's Statement of affairs, is £1,000 or less. Instead, we will notify you if funds become available for dividend purposes and provide you with details of the amount at which your claim has been admitted. If you disagree with that amount, you will be provided with an opportunity to notify us of the correct amount.

Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of debt to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us either directly via the case website at www.ips-docs.com or by downloading and completing a proof of debt form from the case website and which should be sent to the address on page 3. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

Extensions to the administration

The administration was extended by the unsecured creditors on 27 October 2021 and will now end on or before 30 November 2022. We do not anticipate that it will be necessary to further extend the period of the administration.

Exit

As detailed in our Proposals, we consider that a move to CVL is the most appropriate exit route from the administration to enable dividends to be paid to unsecured creditors.





Remuneration and expenses

Joint Administrators' remuneration

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Remuneration and expenses

Joint Administrators' remuneration

Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.ips-docs.com.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration in respect of the respective Companies was fixed on 6 December 2021 by the unsecured creditors by reference to the time properly given by the Joint Administrators and their staff plus VAT thereon.

Please also note that our approved fee basis is inclusive of the costs in respect of ongoing work being delivered by Deloitte LLP and as detailed further on page 21.

Fees drawn to date

No fees have been drawn to date.

Time costs - analysis of actual against initial estimate

Please refer to next page where we have updated the Fees Estimate to provide details of our actual time costs for the period of the report and for the entire period of our appointment and which we have also summarised here:

Our total time costs to 29 November 2021 are £9,784,240 made up of 13,877 hours at a blended charge out rate of £705 per hour across all grades of staff.

As can be seen on page 20 our actual time costs are higher than we initially anticipated, and which can be attributed to the following:

- Additional cashiering tasks have been carried out with relation to a high volume of receipts and payments during the report period.
- Increased amount of work carried out regarding liaising with employees and work on employment tribunals including liaising with external solicitors. This work has to be carried out by specialists from our Employment Rights Act Team.
- Higher volume than anticipated of creditor queries.
- Increased number of queries received from suppliers not familiar with insolvency procedures.

Although our actual time costs to date are higher than we anticipated, we do not intend to draw fees in excess of the approved estimate as provided for in our Fee Estimate on the next page.





Fees Estimate and Joint Administrators’ time costs for the period of the report and for the entire period of the appointment

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs per Approved Fees Estimate			Actual Time and Costs for Report Period			Actual Time and Costs since Appointment		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	Hours incurred to date	Avg Rate £/h	Total time costs incurred to date (£)
Administrative activities	Cashiering	560.0	400	223,859	1,202.1	348	417,773	1,634.1	353	576,530
	Case supervision	690.4	646	445,720	178.5	742	132,499	496.4	734	364,507
	Case reviews	16.8	470	7,898	1.0	650	650	5.7	420	2,394
	Case closure matters	41.0	558	22,868	1.9	932	1,735	1.9	932	1,735
Statutory & compliance	Compliance & IPS diary	137.4	738	101,457	118.8	974	115,731	168.4	996	167,819
	Insurance	62.0	777	48,153	14.3	864	12,322	43.8	838	36,665
	General reporting	560.0	664	371,885	79.1	778	61,541	160.6	781	125,431
	Statutory meetings	-	-	-	52.1	993	51,757	52.1	993	51,757
	Regulatory & other legislation	2.4	762	1,828	-	-	-	1.1	800	880
	Court applications	21.0	639	13,422	-	-	-	-	-	-
Initial actions	Appointment matters	12.0	783	9,393	0.8	896	748	11.8	803	9,488
	Securing assets	40.0	769	30,727	2.1	1,100	2,310	33.1	825	27,310
	Notifications	9.6	572	5,465	-	-	-	8.4	563	4,737
Investigations	CDDA reporting	45.5	445	20,242	0.0	900	4	43.1	434	18,682
	Investigations	1,442.0	510	735,268	1,159.0	857	993,407	2,472.9	665	1,643,401
Total of above categories		3,640.0	560	2,038,183	2,809.8	637	1,790,478	5,133.4	591	3,031,335
Taxation	Tax	1,403.7	1,027	1,441,127	613.1	943	577,987	1,747.7	1,053	1,840,757
	VAT	367.5	965	354,627	63.6	1,172	74,529	244.9	1,210	296,433
Asset realisations	Third party assets	40.0	566	22,620	0.0	900	7	21.9	516	11,293
	Book debts	37.5	788	29,555	0.0	900	18	4.2	813	3,432
	Chattel assets	20.0	802	16,031	0.1	802	102	18.1	800	14,502
	Other assets	320.0	786	251,377	273.6	880	240,620	481.6	836	402,720
	Property	138.6	677	93,888	111.2	648	72,032	191.3	651	124,480
	Retention of title	5.0	681	3,403	-	-	-	-	-	-
	Sale of business	230.0	984	226,351	-	-	-	179.4	999	179,139
Trading	Day 1 control of trading	107.7	724	78,028	-	-	-	106.7	725	77,389
	Ongoing trading	2,925.0	661	1,933,589	485.5	723	350,861	3,361.4	670	2,251,773
	Monitoring trading	850.0	832	707,397	-	-	-	685.0	872	597,522
	Closure of trade	464.5	629	292,331	12.2	969	11,786	260.4	615	160,153
Employees	Consultation	88.8	762	67,611	0.4	900	348	73.7	780	57,467
	Correspondence	694.1	478	331,649	143.5	541	77,639	790.5	487	384,776
	Employment tribunals	94.0	673	63,264	45.9	805	36,960	60.4	738	44,527
	Pensions	49.5	727	35,970	2.4	1,078	2,542	16.0	782	12,542
Correspondence	Creditors	517.5	511	264,220	115.4	650	75,040	432.6	550	237,758
	Shareholders	12.0	787	9,448	-	-	-	1.4	1,025	1,435
	Customers	-	-	-	8.7	412	3,584	8.7	412	3,584
	Press & media queries	12.6	838	10,561	-	-	-	3.3	1,070	3,531
Distributions	Secured creditors	58.0	758	43,969	-	-	-	0.4	1,070	428
	Preferential creditors	297.8	659	196,271	49.9	899	44,899	49.9	899	44,899
	Unsecured creditors	398.5	584	232,608	-	-	-	4.3	555	2,363
Total fees estimate		12,772.3	685	8,744,078	4,735.2	709	3,359,434	13,877.2	705	9,784,240

Remuneration and expenses

Detailed information

Category 2 Expenses

Category 2 Expenses - are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

Joint Administrators’ Category 2 Expenses (including disbursements)

As described on page 10, these are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. Our estimate of Category 2 expenses is given below, all figures are shown exclusive of VAT:

£ (net)	Estimate	Incurred in previous period	Incurred in current period	Paid
Mileage	1,000	-	-	-
Data hardware	8,400	8,400	-	-
Deloitte call centre	120,000	46,556	4,624	-
Deloitte Ireland	633	633	-	-
Total	130,033	55,589	4,624	-

Mileage is calculated at the prevailing standard mileage rate of up to 45p at the time when the mileage is incurred.

Data hardware costs were incurred in order to store the electronic data the Group held. Each storage device costs £400. we estimated in our proposals that only one device would be needed, however 21 devices have been used.

Deloitte call centre - were engaged to assist with running a call centre to help customers, suppliers and employees with queries. Their work, which is no longer ongoing following the Transaction, was charged on a time costs basis. During the current period, their costs are £4,624 plus VAT.

Deloitte Ireland - were engaged to assist with undertaking work in connection with preparation of appointment notifications and related matters. Their work, which is no longer ongoing following the Transaction, was charged on a time costs basis. They incurred £633 net of VAT in prior periods.

Specific approval is required before these costs and expenses can be drawn from the administration estate, which was given by the unsecured creditors of AGL on 6 December 2021.

Deloitte LLP services and associated costs

Prior to the Transaction, the work delivered by Deloitte service lines (excluding Deloitte Ireland and the Deloitte call centre) was charged to the estate to be recovered as part of the Joint Administrators’ remuneration (from which an internal recharge would have then been made).

We have thus included the anticipated costs for the services being delivered by Deloitte LLP in our fees estimate as approved by the unsecured creditors (excluding the costs of services delivered by Deloitte Ireland).

Following the Transaction, whilst all such costs will continue to be paid out of our approved remuneration (i.e. will not be an additional cost), we will provide a narrative summary of the work being delivered. We will also provide a summary rates table of the applicable charge out rates in force at the time of the report.

Further details regarding the other Deloitte LLP services and summary charge out rate table are provided below.

Deloitte LLP Charge out Rate Bands (£/hour)

Grade	Rate (£/hour)
Partners	1430 - 1475
Directors	1205 - 1240
Associate Directors	1095 - 1130
Managers/Assistant Managers	94 - 400
Consultants	565 - 845
Associates	135 - 340
Administrators/Analysts	90 - 370
Agent	34

Deloitte LLP – Services being provided

We have detailed below the services which have been or continue to be provided by Deloitte LLP (excluding services provided by Deloitte Ireland and call centre), the costs of which are included in our fee estimate and will thus be paid out of our approved remuneration:

- Deloitte Tax/VAT** – were engaged to assist with corporation tax planning and formal corporation tax filings. Completing and filing VAT returns, VAT compliance advice with regards to bonded warehouse stock, stock on the water and shared services agreements. Their work, which is ongoing, is charged on a time costs basis and which will be paid out of our approved remuneration.
- Deloitte Global Financial Advisory India (“DIJV”)** – were engaged to assist with general case management and administration. Their work, which is ongoing, is charged on a time costs basis and which will be paid out of our approved remuneration.



Remuneration and expenses
Detailed information

Deloitte LLP – Services being provided continued
Deloitte Real Estate – were engaged to assist with the marketing and sales strategy for the freehold and leasehold properties. Their work, which is ongoing, is charged on a time costs basis and which will be paid out of our approved remuneration.
Deloitte Forensic – were engaged to assist with the back up and management of the Groups records and systems. Their work, which is ongoing, is charged on a time costs basis and which will be paid out of our approved remuneration.

Creditors’ right to request information
Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors’ right to challenge remuneration and/or expenses
Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.
Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.
Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.





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