

# AM10

## Notice of administrator's progress report



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number	0	0	3	6	7	9	9	5
Company name in full	C.W.Peach, Chemists Limited							

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s)	Paul
Surname	Dounis

### 3 Administrator's address

Building name/number	First Floor, Quay 2
Street	139 Fountainbridge
Post town	Edinburgh
County/Region	
Postcode	E H 3 9 Q G
Country	

### 4 Administrator's name ①

Full forename(s)	Gareth
Surname	Harris

① **Other administrator**  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number	Central Square
Street	5th Floor
Post town	29 Wellington Street
County/Region	Leeds
Postcode	L S 1 4 D L
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	<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9	
To date	<sup>d</sup> 1	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	

### 7 Progress report

☐ I attach a copy of the progress report

### 8 Sign and date

Administrator's signature	Signature <b>X</b>  <b>X</b>								
Signature date	<sup>d</sup> 0	<sup>d</sup> 9	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	

**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 **Kirsty Low**

Company name **RSM Restructuring Advisory LLP**

Address  
**First Floor, Quay 2**  
**139 Fountainbridge**

Post town **Edinburgh**

County/Region

Postcode **E H 3 9 Q G**

Country

DX

Telephone **0131 659 8300**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

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

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# C.W.PEACH, CHEMISTS LIMITED IN ADMINISTRATION

JOINT ADMINISTRATORS' PROGRESS REPORT

FOR THE SIX MONTH PERIOD TO 14 SEPTEMBER 2020





# INTRODUCTION

**Contact details**

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

Primary office holder	Case manager
Paul Dounis	Kirsty Low
RSM Restructuring Advisory LLP	RSM Restructuring Advisory LLP
First Floor, Quay 2, 139 Fountainbridge,	First Floor, Quay 2, 139 Fountainbridge,
Edinburgh, EH3 9QG	Edinburgh, EH3 9QG
Tel: 0131 659 8300	Tel: 0131 659 8300

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**Basis of preparation**

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

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

**General guidance on the Administration process**

You may also wish to note that profession's trade body, R3, have also produced general guidance on the different insolvency processes, which can be located at their website

**Appendices**

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## CONDUCT OF THE ADMINISTRATION

### Realisation of assets

#### Sale of business

The Joint Administrators are obliged to realise and get in the Company's property and maximise realisations. In some cases this does not result in sufficient realisations to result in a financial return to creditors, after taking into account the costs and expenses of realisation and dealing with the legislative requirements of administering the case. Details of the realisations made are set out below, with information relating to dividends, if any, contained within Appendix B.

Creditors will recall that the Administrators accepted an offer of £685,000 for the business and assets which formally completed on 17 July 2019.

#### Investigations

All investigative matters have previously been reported.

#### Case specific matters

Following the sale of the pharmacy, it was anticipated that the potential capital gains tax liability on the disposal of the pharmacy could be significant. There was limited data available regarding an appropriate base cost and therefore specialist agents were instructed to provide a valuation of the business as at March 1982. The valuation report has been received, indexation applied, and will be utilised in preparation of the Administrators' tax return. In addition, the Joint Administrators instructed the Company's pre-administration accountant to prepare the financial statements and the tax returns for the periods leading up to the administration to ensure that any accumulated losses could be used to offset the capital gain on sale. Once the corporation tax returns have been finalised and the final liability quantified, the Joint Administrators will be able to progress to closure of the case.

#### Statutory and case management matters

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

- Ongoing consideration of ethical and anti-money laundering regulations
- Ongoing correspondence with third party advisors
- Periodic case reviews, ongoing case planning and strategy

- Maintaining and updating computerised case management records
- Maintenance of cashiering records and preparation of receipts and payments accounts
- Filing of statutory documentation at Companies House and Court, and with other relevant parties
- General taxation matters, as referred to in case specific matters
- Dealing with routine correspondence not attributable to other categories of work
- Preparing, reviewing and issuing reports to creditors and other parties

#### Receipts and payments

A summary of receipts and payments is attached. Any amounts due to or from HM Revenue and Customs shown separately.

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## OUTSTANDING MATTERS

### Other outstanding matters

The post administration tax returns require to be prepared and submitted in order to quantify the tax liability due following the sale of the pharmacy.

Work is ongoing in relation to adjudication of ordinary unsecured claims to enable a dividend to be paid as set out in the Creditors' Claims and Dividend Prospects section below.

### Extension of the Administration

The Administration was extended on 11 September 2020 to 13 June 2021 by the court.

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

### End of the Administration

It is currently anticipated that the Company will exit Administration by way of dissolution.

It is not possible to ascertain at present when the Administration will end. Further information will be provided in subsequent progress reports.

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## CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

### Dividend prospects

	Owed (£)	Paid to date (£)	Estimated future prospects
Secured creditor (1) Clydesdale Bank Plc	2,600,000	450,000	Shortfall
Preferential creditors	Nil	Nil	Nil
Unsecured creditors	48,866.53	Nil	Payment in full
Estimated Net Property	518,069		
Estimated 'Prescribed Part' available for creditors	106,614		

### Prescribed Part

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

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

### Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being made to that particular class of creditor.

As set out above, it is anticipated that a dividend will be paid to unsecured creditors sufficient to discharge ordinary creditors' claims in full. Consequently, in the period, work has been undertaken adjudicating and agreeing the unsecured claims.

If you have not already submitted a Proof of Debt, a copy of the form can be obtained at the <https://rsmuk.ips-docs.com> or by request to this office.

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

### Dividend payments

- Unsecured creditors in relation to the Prescribed Part – within the next 4 months

### Creditor communication

The following work was done in the period to comply with legislation, best practice and to ensure creditors were kept informed. It is also necessary to enable a dividend to be paid.

- Preparation and issue of progress reports to various parties, including creditors
- Maintenance of schedules of unsecured creditors' claims
- Dealing with correspondence and telephone calls
- Liaising with, and reporting to, the secured creditor
- Consideration of creditors' claims; acceptance or rejection of claims and complying with the legislative obligations in relation to adjudication of creditors' claims generally for voting and dividend purposes

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



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## JOINT ADMINISTRATORS' FEES, COSTS AND EXPENSES

### Guide to Administrator's fees and expenses

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

### Relevant Approving Body

The secured creditor is the Relevant Approving Body responsible for approving the Joint Administrators' post appointment fee basis and, where applicable, 'Category 2' expenses. They will also be responsible for approving the payment of outstanding pre-Administration expenses. However, if a creditors' committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

To whom due / paid	Basis	Total incurred (£)	Amount outstanding (£)
Joint Administrators' fees		96,409.50	0
<b>Joint Administrators' 'Category 2' expenses</b>			
- Room hire	Nil	0	0
- Mileage	42.5p per mile	32.30	0
- Tracker reports	£10 per report	0	0
- Subsistence	£25 per night	0	0
<b>Subtotal 'Category 2' expenses</b>		32.30	0
<b>Joint Administrators' costs &amp; 'Category 1' expenses</b>			
Legal fees		11,981.70	0
Agents Fees		4,675.00	0
Creditor Ransom Payments		63,477.26	0
Insurance of Assets		5,326.98	0
Marketing Agent's costs		24,150.00	0
Bank charges		312	0
Bordereau Premium		85	0
Courier		158.80	0
Statutory Advertising		157.90	0
Accountants valuation		9,460	9,460
<b>Subtotal costs &amp; 'Category 1' expenses</b>		110,356.84	9,460
<b>Total</b>		<b>206,766.34</b>	<b>9,460</b>

#### Post Appointment fees, costs and expenses

##### Basis for remuneration

Insolvency legislation allows an Administrator to charge fees on one of, or a combination of, the following bases:

- as a percentage of the value of the property the Administrator has to deal with (percentage basis);
- to the time spent by the Administrator or their staff on the administration of the case (time cost basis);
- as a set amount (fixed fee basis); or
- a combination of the above (mixed fee basis).

The Relevant Approving Body has approved the Joint Administrators' fees on a time cost basis, limited to the sum of £75,739.

##### Remuneration charged and paid

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done. An analysis of time incurred in the period of this report is attached. Time costs incurred since appointment total £96,409.50.

#### Further fee approval

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

The Joint Administrators do not anticipate that it will be necessary to seek any further approval for additional fees.

#### Expenses and professional costs

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

##### Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the relevant approving party prior to being paid.

Type of expense	Total estimated (£)	Incurred in period (£)
Bond	85	85
Statutory advertising	78.25	157.90
Website fee	24	0
Books & records collection & storage	100	0
Total	287.25	242.90

##### Category 2 expenses

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

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

Type of expense	Total estimated (£)	Incurred in period (£)
Room hire (Nil)	0	0
Mileage (42.5p per mile)	0	32.30
Tracker reports (£10 per report)	0	0
Subsistence (£25 per night)	0	0
Total	0	32.30

##### Other professional costs

The office holders retained the following advisers based on their experience and expertise. These costs are not subject to approval by the Relevant Approving Body. However, they are subject to review and approval by the Joint Administrators.

Party	Nature of advice	Total estimated (£)	Incurred in period (£)
Addleshaw Goddard	Legal advice	15,000	11,981.70
Christie & Co	Asset valuation and disposal	22,250	24,150
Orridge	Stocktake fees	1,600	2,200
HNH Partners Limited	Valuation as at March 1982	0	9,460
Total		38,850	47,791.70

#### Creditors' right to information and ability to challenge fees

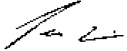
Creditors have a right to request further information about fees or expenses (other than pre-Administration costs) and to challenge such fees or expenses.

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

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Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the fees charged, the basis fixed or expenses incurred by the Administrator are in all the circumstances excessive.

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



Paul Dounis  
RSM Restructuring Advisory LLP

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APPENDICES

## A. STATUTORY INFORMATION

Company information		Administration information		
Company name:	C.W.Peach, Chemists Limited	Court reference:	Manchester- Insolvency and Companie No 2850 of 2018	
Company number:	00367995	Joint Administrators:	Paul Dounis and Gareth Harris	
Date of incorporation:	06/07/1941			
Trading name:	C W Peach Chemists	Date of appointment:	14/09/2018	
Trading address:	62 Westbourne Road, Huddersfield, HD1 4LE	Joint Administrators:	Primary office holder Paul Dounis RSM Restructuring Advisory LLP First Floor, Quay 2, 139 Fountainbridge, Edinburgh, EH3 9QG 0131 659 8312 IP Number: 9708	Joint office holder Gareth Harris RSM Restructuring Advisory LLP Central Square, 5th Floor, 29 Wellington Street, Leeds, LS1 4DL 0113 285 5000 IP Number: 14412
Principal activity:	Pharmacy			
Registered office:	RSM Restructuring Advisory LLP First Floor, Quay 2 139 Fountainbridge Edinburgh EH3 9QG			
Previous company names:	62 Westbourne Road Huddersfield HD1 4LE			
Directors:	Mrs Elizabeth Dodd Mr James Fowler Mrs Wendy Fowler			
Secretary:				

## B. RECEIPTS AND PAYMENTS SUMMARY

**C.W.Peach. Chemists Limited Trading As: C W Peach Chemists  
In Administration  
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 14/03/2020 To 13/09/2020 £	From 14/09/2018 To 13/09/2020 £
	ASSET REALISATIONS	
	Bank Interest Gross	86.15
	Business Name	NIL
	Business Rights	NIL
20,457.00	Cash at Bank	20,253.02
	Contribution to legal costs	900.00
	Customer Contracts	1.00
11,303.20	Debtors (Pre-Appointment)	38,569.03
551.00	Furniture & Equipment	1,000.00
Uncertain	Goodwill	682,995.00
NIL	Leasehold Improvements	NIL
	Leasehold Property (1)	1.00
551.00	Motor Vehicle	1,000.00
53,676.33	Stock	49,931.38
	Third party funding	80,000.00
	Trading Surplus/(Deficit)	(30.00)
	Transferred Records	NIL
		<u>56.15</u>
		<u>873,609.55</u>
	COST OF REALISATIONS	
	Agents / Valuers Fees	NIL
	Bank Charges	NIL
	Bordereau Premium	NIL
	Courier	NIL
	Creditor Ransom Payments	NIL
	Insurance of Assets	NIL
	Legal Fees	NIL
	Marketing Agent's Costs	NIL
	Office Holders Expenses	NIL
	Office Holders Fees	NIL
	Repayment of funding from the Bank	NIL
	Statutory Advertising	NIL
		<u>NIL</u>
		<u>(266,095.94)</u>
	FLOATING CHARGE CREDITORS	
(260,000.00)	Floating Charge Creditor	NIL
		<u>NIL</u>
		<u>(450,000.00)</u>
	UNSECURED CREDITORS	
(88,114.10)	Trade & Expense Creditors	NIL
		<u>NIL</u>
		<u>NIL</u>
	DISTRIBUTIONS	
(505.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
		<u>NIL</u>
<u>(262,080.57)</u>		<u>56.15</u>
	REPRESENTED BY	
	Current Account - AIB	135,439.95
	VAT Control Account	886.48
	VAT Payable	(614.33)
	VAT Receivable	21,801.51
		<u>157,513.61</u>
		<u>157,513.61</u>

## C. TRADING ACCOUNT

**C.W.Peach. Chemists Limited Trading As: C W Peach Chemists  
In Administration  
Joint Administrators' Trading Account**

Statement of Affairs £	From 14/03/2020 To 13/09/2020 £	From 14/09/2018 To 13/09/2020 £
POST APPOINTMENT SALES		
Card Sales	NIL	18,817.32
Cash Sales	NIL	11,505.43
Hospice Income	NIL	52,324.09
Miscellaneous Income		
Unassigned	NIL	5,654.73
Licence Fee	NIL	2,140.00
NHS Income	NIL	283,131.80
	<u>NIL</u>	<u>373,573.37</u>
PURCHASES		
Alliance Healthcare		
Alliance	NIL	45,599.06
Purchases (1)		
Unassigned	NIL	399.57
DE Pharma	NIL	99,087.78
NHS Orders	NIL	32.34
EMT Healthcare	NIL	257.95
Supplier- Transglobal	NIL	65.86
AAH	NIL	154,664.65
BAF Printers	NIL	239.00
Juzo	NIL	956.72
Rosemont	NIL	61.54
Stationery	NIL	726.31
	<u>NIL</u>	<u>(302,090.78)</u>
OTHER DIRECT COSTS		
Locum Fees	NIL	3,014.93
	<u>NIL</u>	<u>(3,014.93)</u>
TRADING EXPENDITURE		
Employee expenses	NIL	367.50
Hire of Equipment	NIL	45.00
Licence fee	NIL	326.00
Locum Agency Fees	NIL	170.00
Payroll		
Wages & Salaries	NIL	50,383.16
Sundry Expenses	NIL	50.00
Employers NI	NIL	3,733.16
Employee pension contribution	NIL	453.14
Payroll fee	NIL	200.00
Pension Charge	NIL	81.00
Employer Pension Contribution	NIL	502.60
Rates	NIL	257.40
Rates	NIL	128.70
Rent	NIL	8,560.00
Repairs & Maintenance	NIL	540.17
Telephone	NIL	1,734.03
Utilities	NIL	2,141.73
Worldpay	30.00	30.00
	<u>(30.00)</u>	<u>(69,723.59)</u>
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>(30.00)</b>	<b>(1,255.93)</b>



## D. POST-APPOINTMENT TIME ANALYSIS

Joint Administrators' post appointment time cost analysis for the period 14 March 2020 to 13 September 2020

From Jan 2003	Administration and Planning								
	Appointment	0.0	0.0	0.6	0.0	0.0	0.0	0.6	£ 126.00
	Case Management	0.2	0.0	1.0	0.0	0.2	0.0	1.4	£ 341.00
	Director(s)/debtor/bankrupt	0.0	0.0	0.8	0.0	0.0	0.0	0.8	£ 168.00
	Post-appointment - general	1.5	0.0	1.1	0.0	1.7	0.0	4.3	£ 1,239.50
	Receipts and Payments	0.0	0.0	0.1	0.0	0.8	0.0	0.9	£ 197.00
	Tax Matters	2.2	0.0	5.7	0.0	0.2	0.0	8.1	£ 2,379.00
	Total	3.9	0.0	9.3	0.0	2.9	0.0	16.1	£ 4,450.50
	Realisation of Assets								
	Debtors & sales finance	0.0	0.0	0.2	0.0	0.0	0.0	0.2	£ 42.00
	Stock and WIP	0.4	0.0	0.0	0.0	0.0	0.0	0.4	£ 210.00
	Total	0.4	0.0	0.2	0.0	0.0	0.0	0.6	£ 252.00
	Creditors								
	Other Creditor Meetings and Reports	0.5	0.0	0.0	0.0	0.0	0.0	0.5	£ 262.50
	Secured Creditors	0.0	0.0	0.0	0.0	0.1	0.0	0.1	£ 13.00
	Unsecured Creditors	0.0	0.0	6.0	0.0	0.0	0.0	6.0	£ 1,260.00
	Total	0.5	0.0	6.0	0.0	0.1	0.0	6.6	£ 1,535.50
		4.8	0.0	15.5	0.0	3.0	0.0	23.3	£ 6,238.00
		£ 2,536.50	£ 0.00	£ 3,241.50	£ 0.00	£ 460.00	£ 0.00	£ 6,238.00	
Total Hours		4.8	0.0	15.5	0.0	3.0	0.0	23.3	£ 6,238.00
Total Time Cost		£ 2,536.50	£ 0.00	£ 3,241.50	£ 0.00	£ 460.00	£ 0.00	£ 6,238.00	