

Rule 1.26/1.54

The Insolvency Act 1986
Notice to Registrar of
Companies of Supervisor's
Abstract of Receipts and
Payments
Pursuant to Rule 1 26(2)(b) or
Rule 1 54 of the
Insolvency Rules 1986

To the Registrar of Companies

R1.26(2)(b)/

R.1.54

For Official Use

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Company Number

00399575

Insert full name of
company

Name of Company
 Austin Reed Limited

Insert full name and
address

I, Robert James Harding
 Deloitte LLP
 PO Box 810
 66 Shoe Lane
 London
 EC4A 3WA

Insert date

supervisor of a voluntary arrangement taking effect on

5 February, 2015

present overleaf my abstract of receipts and payments for the period

From

5 February 2015

To

4 February 2016

Number of continuation sheets (if any) attached

8

Signed



Date

23 March 2016

Presenter's name,
address and reference
(if any)

AUST00L
 Austin Reed Limited

 George Richardson
 Deloitte LLP
 PO Box 810
 66 Shoe Lane
 London
 EC4A 3WA

For Official Use

Liquidation Section

Post Room

SATURDAY



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26/03/2016

#131

COMPANIES HOUSE

Deloitte.

Austin Reed Limited (“AR”) Country Casuals Limited (“CC”) (both subject to Company Voluntary Arrangements) (“the Companies”)

Court Case No
Country Casuals Limited 515 of 2015
Austin Reed Limited 514 of 2015
High Court of Justice, Chancery
Division, Leeds District Registry
Company Numbers
Austin Reed Limited 00399575
Country Casuals Limited 00510900

Registered Offices: Station Road, Thirsk, North Yorkshire, YO7 1QH

Progress report to creditors and court for the period 5 February 2015 to 4 February 2016 pursuant to Rule 1.26A of the Insolvency Rules 1986 (as amended) (“the Rules”).

Neville Barry Kahn and Robert James Harding (“the Joint Supervisors”) were appointed Joint Nominees of the Companies on 16 January 2015 and were subsequently appointed Joint Supervisors following meetings of members and creditors held on 5 February 2015

All licensed Insolvency Practitioners of Deloitte LLP (“Deloitte”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales

For the purposes of Rule 1.22 of the Insolvency Rules 1986, the Joint Supervisors confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally

Contacts

Joint Supervisors of the Company

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Robert James Harding

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London

EC4A 3WA

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Websites

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www.deloitte.com/uk/countrycasuals

Tel 020 7007 0304



Key messages

Commentary

Progress of CVA





- The terms as detailed in the directors' Proposals have been effected
- The unconditional payments to Compromised Landlord Creditors have been distributed from the Compromised Lease Fund

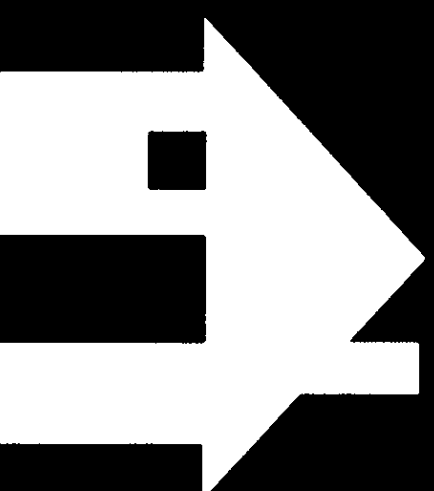
Outstanding matters and dividend prospects

- The periods of compromised rent have now ended
- The CVAs will continue for both companies until it has been determined whether there will be a second payment to Compromised Landlord Creditors from the Compromised Lease Fund
- This will be dependent upon the level of profits of the Austin Reed Group, for the 12 months to January 2016, in the Group's audited financial statements
- The Joint Supervisors do not currently envisage that there will be an additional Ratchet Payment to Compromised Landlord Creditors of the Companies
- The Group's audited financial statements for the 12 months to January 2016 are expected to be available by July 2016

Costs

- The Joint Supervisors' remuneration has been fixed by reference to time costs and is settled by the Companies directly
- The Joint Supervisors' time costs incurred for the CVAs during the period of this report are £127,842 at an average charge out rate of £495
- £19,062 has been paid in the period in respect of AR
- £19,062 has been paid in the period in respect of CC
- Further detail on the Joint Supervisors' remuneration is provided on page 9 of this report

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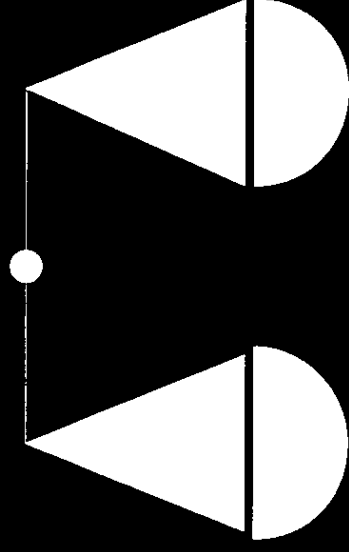
Progress of the CVA

Summary

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Receipts and payments

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Progress of the CVA Summary

Terms of the CVAs

The terms, as detailed in the directors' Proposals, were approved at meetings of creditors held on 5 February 2015, and have been effected to date

The approved Proposals set out the following in respect of landlord CVA creditors

Cat 1

Category 1 Landlords' compromised terms consist of a change in payment terms to rent, services charge, insurance and all sums contractually payable under the Leases payable monthly in advance for 12 months, these terms to revert after the 12 month period. They do not form part of the Compromised Landlords' Claims and do not have a share in any distribution made

Cat 2

Category 2 Landlords' compromised terms consist of rent reduced by 20%, paid monthly in advance for 12 months, together with an option of serving a 45 day Vacation Notice to the Companies. At the end of the 12 month period, the terms revert to the original terms or either party is able to exercise a break in the Lease

Cat 3

Category 3 Landlords' compromised terms consist of rent reduced by 50%, paid monthly in advance for 6 months, 5% of annual rent in settlement of dilapidations claims at the end of the 6 month period, and an option for landlords of giving notice to the Companies to vacate the Category 3 premises in 45 days. At the end of the 6 month period, either the Landlord/Companies have been able to terminate the Lease, or if no notice given, the Lease continues with rent at 50% of pre-CVA level

Both Category 2 and 3 Landlords form part of the Compromised Landlords' Claims and receive a share of any distribution from the Compromised Lease Funds. Any Contingent Property Creditors form part of the Compromised Landlords' Claims and receive a £1.00 share of any distribution

Distributions to CVA creditors

On 4 August 2015, in accordance with the Proposals, each of the Companies transferred £125,000 ("the Initial Payments") to the Joint Supervisors of the Companies. These funds were subsequently distributed ("the Initial Distributions") to the Compromised Landlord Creditors on 26 August 2015, in accordance with the Companies' Proposals

The Compromised Landlord Creditors of AR received a dividend of 6.7 pence in the pound. The Compromised Landlord Creditors of CC received a dividend of 7.8 pence in the pound

There remain a small number of dividend cheques that remain to be banked. Should you have not yet banked your dividend cheque, please contact us using the details at the front of this report for the cheque to be reissued



Progress of the CVA Country Casuals Limited Receipts and payments

Joint Supervisors' receipts and payments account 5 February 2015 to 4 February 2016

£ SoA Values To date

Receipts		
Compromised Lease Fund	-	125,000
Total receipts	-	125,000

Payments		
Compromised Landlord Creditors	-	125,000
Total payments	-	125,000

Balance	-	-
----------------	---	---

Made up of:		
Balance held in bank account	-	-
Balance in hand	-	-

A receipts and payments account is provided opposite, detailing the transactions made over the last twelve months

The Joint Supervisors', in accordance with the directors' Proposals, received £125,000 from CC, which was subsequently distributed to creditors of CC

This distribution was made on 26 August 2015



**Progress of the CVA
Austin Reed Limited
Receipts and
payments**

**Joint Supervisors' receipts and payments account
5 February 2015 to 4 February 2016**

£	SoA Values	To date
Receipts		
Compromised Lease Fund	-	125,000
Total receipts	-	125,000
Payments		
Compromised Landlord Creditors	-	125,000
Total payments	-	125,000
Balance	-	-
Made up of:		
Balance held in bank account	-	-
Balance in hand	-	-

A receipts and payments account is provided opposite, detailing the transactions made over the last twelve months

The Joint Supervisors', in accordance with the directors' Proposals, received £125,000 from AR, which was subsequently distributed to creditors of AR

This distribution was made on 26 August 2015



Information for creditors

Outcome and information to assist
creditors

9



Information for creditors Outcome and information to assist creditors

Secured creditors

Per the directors' Statement of Affairs, the Group's total secured debt as at 15 January 2015 was £16,564,000, owing to Burdale Financial ("the Secured Creditor")

The Secured Creditor was not directly affected by the CVAs

Preferential creditors

There are no preferential creditors as neither AR or CC have any employees (all employees of the Group are employed by Austin Reed Group Limited)

Unsecured creditors

Per the directors' Statement of Affairs, the total unsecured debt as at 15 January 2015 amounted to £73,537,000

We understand that unsecured creditors, save for landlords, continue to be paid in the normal course of business in accordance with the directors' Proposals

As per the directors' Proposals, a further distribution to Compromised Landlord Creditors of the Companies is dependent on the Group's financial performance

Should the Group's financial performance exceed the profit forecast of £6,200,000, the first £250,000 of profits will be additionally paid into the Joint Supervisors' accounts. This will be transferred on a 50/50 pari passu basis for the Companies, meaning an additional £125,000 ("the Ratchet Payment") for each of the companies' Compromised Landlord Creditors will be available for distribution to them

The Ratchet Payments will be paid into the Joint Supervisors' accounts within 30 days of the signing off of the Group's audited accounts, which directors anticipate will be no later than July 2016. The Joint Supervisors will then distribute the funds to Compromised Landlord Creditors of the Companies on the same basis as per the Initial Distribution, as soon as reasonably possible. The Joint Supervisors do not currently envisage that there will be an additional Ratchet Payment to Compromised Landlord Creditors of the Companies

Creditors' committee

There is no creditors' committee

Exit

The Joint Supervisors will file the necessary notices with the Registrar of Companies and the Court on determination of the completion of the CVAs

The timing of the completion of the CVAs is dependent on the timing of the release of the Group's audited accounts, as these are required to validate the position in respect of any Ratchet Payments





Remuneration and expenses

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Remuneration and expenses

Joint Supervisors' remuneration

Joint Supervisors' remuneration

The basis of the Joint Supervisors' remuneration was approved on a time costs basis as part of the directors' Proposals and ratified at the meetings of creditors and members held on 5 February 2015. As previously advised time is charged in six minute units.

At the date of the directors' Proposals it was envisaged that the remuneration for each CVA would be in the region of £25,000 - £40,000, plus out-of-pocket expenses.

Joint Supervisors' time costs – work undertaken

A detailed breakdown of the time costs incurred by the Joint Supervisors and their staff for the CVAs during the period from 5 February 2014 to 4 February 2016 is shown on the following page.

The Joint Supervisors' time costs for the CVAs for the period are £127,842 made up of 259 hours at an average charge-out rate of £495 per hour, across all grades of staff.

The Joint Supervisors have invoiced fees of £19,062 for each CVA, amounting to £38,124 in total, for the period to 30 June 2015. These invoices have been settled directly by the Companies, future costs will also be agreed directly with the Companies.

The work undertaken during the period of the CVAs has been categorised into the following task headings:

Administration and planning

- Includes attendance at the CVA meetings, preparing the Chairman's reports, case set-up and management, statutory compliance, appointment notifications and correspondence, obtaining monthly management accounts from the Companies and subsequent review.

- Review of the Companies trading performance and compliance with the terms of the CVA Proposals, including obtaining legal advice and discussions with the Companies.

Trading

- Correspondence with the Companies and suppliers regarding the terms of the CVAs.

Creditors

- Includes communications with the CVA creditors regarding the terms of the Proposals, preparation for and payment of the Initial Distributions, correspondence with the Companies and the CVA creditors regarding the Initial Distributions, reissuing of unbanked cheques.

Case specific matters

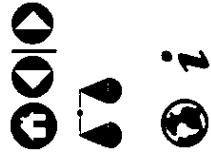
- VAT advice obtained regarding the Initial Payments to the Joint Supervisors, to ensure the payments and distributions were carried out in a VAT efficient manner.



Remuneration and expenses Joint Administrators' time costs for the period 5 February 2015 to 4 February 2016

All partners and technical 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.

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning													
Cashiering and Statutory Filing	46 25	41,926 25	3 30	2,194 00	1 10	560 50	2 60	1,083 00	3 30	1,005 00	10 30	4,842 50	470 15
Case Management and Closure	-	-	21 10	13,998 50	-	-	7 40	3,141 00	38 55	8,653 50	113 30	67,719 25	597 70
Initial Actions	-	-	-	-	-	-	2 10	892 50	32 50	6,550 00	34 60	7,442 50	215 10
Liaison with Other Insolvency Practitioners	3 00	2,730 00	3 00	2,002 50	-	-	3 00	1,275 00	-	-	9 00	6,007 50	687 50
General Reporting	49 25	44,656 25	27 40	18,195 00	1 10	560 50	15 10	6,391 50	74 35	16,209 50	167 20	89,011 75	514 42
Investigations													
Investigations	-	-	-	-	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading													
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	-	-	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-	-	-	-	-
Realisation of Assets													
Book Debts	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	-	-	-	-	-	-	-	-	-	-	-	-	-
Chattel Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Creditors													
Employees	-	-	-	-	-	-	-	-	-	-	-	-	-
Preferential	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured	5 00	4,850 00	-	-	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured	12 00	11,100 00	7 80	5,122 50	-	-	8 00	3,400 00	33 10	9,305 00	60 90	28,927 50	475 00
	17 00	15,950 00	7 80	5,122 50	-	-	8 00	3,400 00	33 10	9,305 00	65 90	33,777 50	512 58
Case Specific Matters													
Litigation	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT	2 30	2,472 50	-	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
	2 30	2,472 50	-	-	-	-	-	-	-	-	-	-	-
TOTAL HOURS & COST	68 55	63,078 75	35 20	23,317 50	1 10	560 50	26 70	11,321 50	126 95	29,563 50	258 50	127,841 75	404 55
AVERAGE RATE/HOUR PER GRADE													
FEES DRAWN													
	£	920 19	£	682 43	£	509 55	£	424 03	£	232 88		38,124 00	



Remuneration and expenses

Detailed information

Grade	From 1 Sept 2014	From 1 Sept 2015
Partners & Directors	615 - 970	645 - 1,020
Assistant Directors	475 - 735	500 - 770
Managers	410 - 660	430 - 695
Assistant Managers	310 - 525	325 - 550
Assistants & Support	50 - 310	80 - 325

Charge out rates

The average charge - out rates applicable to this case are provided in the final column of the table in the preceding page

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Financial Advisory or Deloitte Real Estate may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands.

Charge out rates increased on 1 September 2015



Remuneration and expenses

Detailed information

Expenses and disbursements

Category 1 disbursements

These are expenses incurred by making payments direct to third parties

Category 2 disbursements

These are expenses incurred through the use of Deloitte services and will require specific approval
Approval and payment for both categories will be sought from the Companies

No disbursements have been paid in the period

Category 1 disbursements

£ (net)	Value	Paid	Unpaid
Travel	226	-	226
Subsistence	361	-	361
Telephone	119	-	119
Bordereau	460	-	460
Total expenses	1,166	-	1,166

Category 2 disbursements

£ (net)	Value	Paid	Unpaid
Website set up (AR)	500	-	500
Website set up (CC)	500	-	500
Total disbursements	1,000	-	1,000





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