

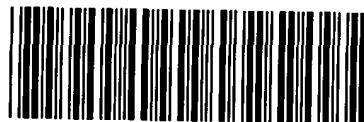
AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A9JIK709

A17

09/12/2020

#40

COMPANIES HOUSE

1 Company details

Company number 01012631

Company name in full Laura Ashley Holdings PLC

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

2 Administrator's name

Full forename(s) Robert Nicholas

Surname Lewis

3 Administrator's address

Building name/number PricewaterhouseCoopers LLP

Street 7 More London Riverside

Post town London

County/Region

Postcode SE1 2RT

Country

4 Administrator's name ①

Full forename(s) Zelf

Surname Hussain

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

5 Administrator's address ②

Building name/number PricewaterhouseCoopers LLP

Street 7 More London Riverside

Post town London

County/Region

Postcode SE1 2RT

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	2	d	3	m	0	m	3	y	2	y	0	y	2	y	0
To date	d	2	d	2	m	0	m	9	y	2	y	0	y	2	y	0

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	0	m	1	m	0	y	2	y	0	y	2	y	0
----------------	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

AM10

Notice of administrator's progress report



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 Beth Stoker

Company name PricewaterhouseCoopers LLP

Address 8th Floor Central Square

29 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 4 D L

Country

DX

Telephone 0113 289 4331



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
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Rachael
Surname Wilkinson

3 Insolvency practitioner's address

Building name/number PricewaterhouseCoopers LLP 3 Forbury Place
Street 23 Forbury Road
Reading
Post town
County/Region Berkshire
Postcode RG1 3JH
Country

Joint administrators' progress report from 23 March 2020 to 22 September 2020

Laura Ashley Holdings PLC, AL Realisations Limited
(formerly Laura Ashley Limited), ALI Realisations
Limited (formerly Laura Ashley Investments Limited),
Premier Home Logistics Limited and Texplan
Manufacturing Limited – all in administration

High Court of Justice, Business and Property Courts of England
and Wales Insolvency and Companies List (ChD)

Case no. 001887 of 2020

Case no. 001886 of 2020

Case no. 001892 of 2020

Case no. 001890 of 2020

Case no. 001891 of 2020

20 October 2020

Table of contents

Abbreviations and definitions	3
Key messages	5
Overview of what we've done to date	7
Progress to date	9
Appendix A: Receipts and payments	19
Appendix B: Expenses	26
Appendix C: Remuneration update	29
Appendix D: Pre-administration costs	56
Appendix E: Other information	58

Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
Administrators/Original Administrators	Rob Lewis, Zelf Hussain and Rachael Wilkinson of PricewaterhouseCoopers LLP as administrators of each of the Companies
Additional Administrators	Anthony John Wright and Paul David Allen of FRP Advisory Trading Limited as additional administrators of LAL and TML
Bank	Wells Fargo Capital Finance UK Limited, the secured creditor of the Companies
Companies	Laura Ashley Holdings PLC, AL Realisations Limited (formerly Laura Ashley Limited), ALI Realisations Limited, Laura Ashley Investments Limited, Premier Home Logistics Limited, Texplan Manufacturing Limited
CJRS	Coronavirus Job Retention Scheme
CVL	Creditors voluntary liquidation
Firms	PricewaterhouseCoopers LLP & FRP Advisory Trading Limited
FRP	FRP Advisory Trading Limited
Gordon Brothers	Gordon Brothers LLC, retail agents to the administrations (and a related entity to the Purchaser)
Group	Laura Ashley Holdings PLC and subsidiaries listed above
HMRC	HM Revenue and Customs
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
LAH	Laura Ashley Holdings PLC - in administration
LAL	AL Realisations Limited (formerly Laura Ashley Limited) - in administration
LAI	ALI Realisations Limited (formerly Laura Ashley Investments Limited) - in administration
PHL	Premier Home Logistics Limited - in administration
PPF	Pension Protection Fund, the UK statutory fund designed to protect members if their defined benefit pension fund becomes insolvent
Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Proposals	The Joint Administrators' proposals for achieving the purpose of the administration, dated 15 May 2020

Purchaser	Gordon Brothers Brands LLC
PwC	PricewaterhouseCoopers LLP
ROT claims	Claims to retention of title over goods supplied to the Company but not paid for before the Administrators' appointment
Sch.B1 IA86	Schedule B1 to the Insolvency Act 1986
TML	Texplan Manufacturing Limited - in administration
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by Robert Nicholas Lewis, Zelf Hussain and Rachael Maria Wilkinson of PricewaterhouseCoopers LLP and Anthony John Wright and Paul David Allen of FRP Advisory Trading Limited as Joint Administrators of the Companies, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administrations, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Administrators' previous reports issued to the Companies creditors, which can be found at www.pwc.co.uk/lauraashley. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Robert Nicholas Lewis, Zelf Hussain and Rachael Maria Wilkinson of PricewaterhouseCoopers LLP ("the Original Administrators") were appointed as joint administrators of Laura Ashley Holdings plc, AL Realisations Limited (formerly Laura Ashley Limited), ALI Realisations Limited (formerly Laura Ashley Investments Limited), Texplan Manufacturing Limited and Premier Home Logistics Limited to manage their affairs, business and property as their agents and without personal liability. Robert Nicholas Lewis and Zelf Hussain were appointed on 23 March 2020 and Rachael Maria Wilkinson was appointed on 17 April 2020. They are all licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

Anthony John Wright and Paul David Allen of FRP Advisory Trading Limited ("the Additional Administrators") (together with the Original Administrators, "the Joint Administrators") were appointed Joint Administrators of AL Realisations Limited (formerly Laura Ashley Limited) and Texplan Manufacturing Limited on 3 July 2020. Anthony Wright is licensed in the United Kingdom by the Institute of Chartered Accountants in England & Wales and Paul Allen is licensed in the United Kingdom by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

The Joint Administrators may act as controllers of personal data as defined by the UK data protection law depending upon the specific processing activities undertaken. The Joint Administrators may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website, the privacy notice at <https://www.frpadvisory.com/privacy/> or by contacting the Joint Administrators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Key messages

Why we've sent you this report

I'm writing to update you on the progress of the administration of the Group in the six months since our appointment on 23 March 2020.

How much creditors may receive

The following table summarises the possible outcome for creditors, based on what we currently know.

Class of creditor	Estimated amount owed	% Recovery	Forecast timing
Secured Creditor	£ 3.3m	100%	Paid in full

Preferential Creditors

Arrears of wages and accrued holiday pay were paid during the trading period of the administrations. We do not anticipate further Preferential Claims. Should this change we will notify creditors accordingly in a subsequent progress report.

Payments of holiday pay and arrears of wages are included as part of wages paid in the receipts and payments account, which can be found in Appendix A of this progress report.

Unsecured Creditors of:	Estimated amount owed	% Recovery	Forecast timing
LAH	£7.3m	Up to 100%**	12-18 months
LAIL	£92.8m	1%	12-18 months
LAL	£195.8m	18% - 20%	12-18 months
PHL	£7.8m	10% - 11%	12-18 months
TML	£25.2m	14% - 15%	12-18 months

****Dependant on the eventual claims that are levied and whether contingent claims are levied**

This is a brief summary of the possible outcome for creditors based on what we know so far. You shouldn't use it as the main basis of any bad debt provision or debt trading. Please read the rest of this document.

As you may recall from the Proposals, we reported that following the sale of the brand and Intellectual Property on 22 April 2020, the Secured Creditor was fully repaid its lending of £3.3m to the Group.

We have provided in the table above the estimated dividend figures for the 5 Group companies based on what we know currently. The expected recovery has improved for all entities when compared to our Proposals as a result of greater asset and debt recoveries and stronger than expected trading.

As provided in our proposals, we've asked for outstanding claims from creditors so that we can agree them in principle. This should help us pay a dividend to creditors earlier than might otherwise be the case once we've decided the most appropriate way to distribute the monies.

What you need to do

If you haven't already done so, please send your claim to us so that we can agree it in principle. Our preferred method for creditors to submit claims and supporting documentation is via the online Turnkey IPS Portal www.ips-docs.com, as this is the most effective way for claims to be dealt with and also allows you to better track its status, so we recommend the use of the online portal for claim submission. In order to receive the documentation to submit your claim please email your name and address to www.pwc.co.uk/lauraashley. In the event you are unable to submit your claim via the portal, please contact us at uk_lauraashley_creditors@pwc.com or c/o PwC, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

All creditors wishing to receive the anticipated dividend payment must submit a proof of debt.

We may decide that some or all creditors who are owed £1,000 or less by any of the Companies won't be required to submit a proof of debt in order to receive the anticipated dividend payment.

A creditor who we decide is not required to submit a proof of debt will be notified when we deliver notice of our intention to pay a dividend of the amount we'll treat as their admitted debt for the purpose of the dividend, unless the creditor advises us that the amount is incorrect (in which case a proof of debt will be required) or not owed.

Please note that should you wish to vote in relation to any decision procedure during the administrations or any subsequent liquidations or object to a decision sought by deemed consent, you'll need to submit a proof of debt for the associated company, even if one is not required for dividend purposes.

Overview of what we've done to date

You'll remember from our proposals for achieving the purpose of administration that when we were appointed, the position was as follows:

- The Group, founded in 1953, was an international lifestyle brand specialising in furniture, home accessories, decorating and fashion products.
- We were appointed because the Group's revenue had declined in preceding years due to the challenging retail market in the UK and technical issues when changing website platforms causing underperformance in that sector along with the loss of concessions and franchise partners.
- The Group was facing challenges round maintaining stock levels due to the decline in financial performance, reduced ABL ("Asset Based Lending") facilities as a result of the fall in stock, a changing and uncertain retail environment as a result of COVID-19

After an initial review, we decided the most appropriate strategy was to continue trading to facilitate a sale of all or substantially all of the business and assets.

Immediately on our appointment, we secured and took control of the Companies assets, which included:

- Stocks of finished goods.
- Plant and equipment.
- An interest in freehold and leasehold properties.
- Group debts with a book value of £2,567,309.
- Intercompany claims against associated companies are held by LAH and LAL.
- Funds of c.£9.5m held by merchant services providers from credit and debit card payments as cash collateral against their exposure

Planning was put in place to operate the business within social distancing constraints, but the announcement of the national lockdown on the same day as the administration, with the closure of all non-essential retail in the UK from the following day, meant that the store-led trading strategy had to be suspended. Online retail operations continued, but with limitations on deliveries due to COVID-19 constraints. A review of customer orders was undertaken and negotiations held with merchant services providers to identify which orders could be delivered for value or for release of funds from the merchant services providers. Communications were held with the employees and arrangements put in place to allow staff to be furloughed under the government scheme.

In parallel to this, the businesses and assets of the Companies were marketed for sale, resulting in a sale of the brand and intellectual property for £21m.

Opportunities were explored for the non-retail companies, resulting in a contract being obtained from Alexandra Workwear for the manufacture of PPE for the NHS.

Following the easing of COVID-19 restrictions, a phased re-opening of the stores was undertaken, followed by a period of trading to realise the stock. All stores had completed trading and closed by the end of August. Trading achieved gross sales of £55.1m and is estimated to have produced a net realisation after the costs of trading of c£34.8m.

The table below summarises the benefit to each of the group Companies towards meeting objective (b) of the statutory purpose of administration through this period, and why this provided most benefit to each class of creditors. Objective (b) is stated as:

Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration).

Further to this, the Companies have remained in administration to enable any relevant investigations to be undertaken.

Benefit to creditors of continued trading and stock disposition	
LAH	Enhanced value of intellectual property rights, mitigates holding costs of freehold properties and enhanced dividends from its intercompany debtors.
LAI	Enhanced realisations from intellectual property rights and debtors.
LAL	Increased net realisations from the sale of stock through dedicated stores realising better value, mitigation of some creditor claims through the fulfilment of creditor and supplier orders and the payment of employee claims through the trading period, and enhanced value for the intellectual property.
PHL	Preferential claims of unpaid wages and accrued holiday pay were paid, with the amounts met by LAL as PHL was supporting the trading of LAL to maximise realisations for Unsecured Creditors. PHL also continued to employ a number of staff through the continued trading of LAL for a period of time which would otherwise not have occurred.
TML	Preferential claims of unpaid wages and accrued holiday pay were paid, with the amounts met by LAL, as TML was supporting the trading of LAL to maximise realisations for Unsecured Creditors. TML also continued to employ a number of staff through the continued trading of LAL for a period of time which would otherwise not have occurred.

Progress to date

Sale of the Laura Ashley Brand and Intellectual Property

You may recall from the proposals upon appointment we began to market the business for sale. There were a number of interested parties who engaged in review of detailed financial information from the Group's retail store footprint, e-commerce platform, supply chain, IT systems, legal structure, licencing and franchise operations, and headcount. Through this process, 8 indicative offers were received, the majority around only acquiring intellectual property rights. The Administrators continued the sales process, further details of which can be found in the Proposals dated 15 May 2020.

On 22 April 2020 the Administrators secured a sale of the Laura Ashley brand to Gordon Brothers Brands, LLC, a global advisory, restructuring and investment firm ("the Purchaser"). It acquired the global Laura Ashley® brand, brand licence agreements and archives and related intellectual property from the Administrators of the Group. The sale of the brand was a significant first step to allow the Administrators to realise funds to support ongoing trading and provide time to pursue a sale of the UK and ROI operations.

The Administrators continued to explore all opportunities to preserve the retail, manufacturing and logistics operations in the UK and Republic of Ireland as a going concern, both with the brand owner and other interested parties. As part of their work, the Administrators retained a small team of Laura Ashley employees to support the sales process and aided the development of a working capital model to present the potential funding requirement of a going concern business to interested parties.

An offer was received in June from an interested party looking to acquire select operations of the retail, manufacturing and logistics business. The deal required external investment and support from both the public and private sector which unfortunately could not be secured in time. Further, the deal was not of a level that would be financially acceptable to the creditors of the companies. As stores and the e-commerce business continued to trade, the Administrators considered that better value for creditors could be achieved by a sale of the stock in the normal course of business.

Further interest was received in the Texplan operations but was subsequently withdrawn.

Trading

We considered the best outcome for creditors would be achieved by allowing the business to trade under our supervision rather than effecting an immediate shutdown of the stores. This maximised the value realised from the stock held at the point of administration, providing better returns for creditors. Consequently, LAL continued to trade post administration until 29 August 2020 to affect a disposal of stock.

Separate to the sale of the Intellectual Property to the Purchaser and following a tender process, the Administrators instructed Gordon Brothers to act as retail agents overseeing the running of the stores during the trading period. As part of our contract with Gordon Brothers, a minimum level of net realisations into the administration estate was agreed. The fee structure incentivised Gordon Brothers to drive sales at competitive prices in the stores and to keep trading costs as low as possible, ultimately, to protect the administration estate and realisations for creditors. Gordon Brothers worked directly with PwC and consulted on planned discounts, planned store opening and closures and planned expenditure to ensure that the best possible outcome to creditors was achieved.

The strategy undertaken by Gordon Brothers and PwC ensured that stock could continue to be sold to customers under business as usual trading conditions, maximising realisations in comparison to a forced sale. Ultimately, this had the best outcome for creditors, rather than disposing of the stock through a forced sale at an auction where the return would be minimal. The guarantee provided by Gordon Brothers ensured that a minimum return was made. The administrators are currently in the process of finalising the outcome of the trading period, however expect the ultimate recovery to exceed the minimum guarantee provided by Gordon Brothers.

The Companies worked with a number of merchant services providers (credit card payment services) across the retail store and e-commerce businesses. At the time of our appointment the merchant services providers were each holding funds as collateral against potential chargebacks from customers. In order to facilitate orderly administration trading and obtain the release of funds to the estate, we have had ongoing discussions with merchant services providers to ensure the timely release of funds held by them. This has included provision of information to allow a more accurate assessment of the level of chargeback risk and completing on pre-paid deliveries to mitigate that risk. At present,

Elavon, Valitor, Newday, Paypal and Amex continue to withhold certain funds (see below). We continue to liaise with the providers, seeking the release of further funds.

It was also important to liaise with the group's key service providers in order to maintain business as usual during trading. The Administrators provided purchase orders and undertakings to a number of suppliers in order to safeguard supply, as well as to key suppliers of back office functions. In some cases it was necessary to make duress payments, of which a total of £683,390 was paid. These payments were only made to suppliers which were irreplaceable (either because it would be more expensive to get a new supplier in or there was not a new supplier that was willing to provide services during the administration) and the amount of duress was subject to significant negotiation. The largest duress payment made was to Hellmann Worldwide Logistics Limited for £202,098, in order to release stock in transit. This was an amount due at the date of administration, and without payment of this the supplier would not facilitate the ongoing release of stock needed for trading. Other duress payments included suppliers responsible for logistics, IT and essential maintenance services. In addition, the Administrators communicated with a number of suppliers to ensure that stock was correctly released from various UK ports.

LAL is the main trading company, undertaking retail sales through its stores and online. PHL provides logistical services to LAL. TML manufactures items for sale to LAL, with a small sale volume to third parties. In line with Group practice prior to the administration, LAL has reimbursed PHL at cost for its services, and TML on a costs plus set margin. Intercompany charges have been made and these are reflected in the attached receipts and payments accounts; these intercompany accounts will be finalised in due course once all third party supplier costs are known.

The costs of trading were funded from trading revenues and other asset realisations, supported by the retail agent guarantee. In order to ensure sufficient cash availability in the initial stages, we secured funding of £4.0m from the Bank, LAL's pre appointment lender. This funding was repaid in the week commencing 20 April 2020.

Due to COVID-19 restrictions, Laura Ashley was initially unable to trade from its 147 stores. During this period, the business continued to trade through its e-commerce platform until it was closed on the 24 July 2020.

Once UK Government guidance permitted, and on the advice of our retail agent, the stores were opened under a phased approach from 15 June 2020 which accounted for the restrictions being lifted at different times in each of the four UK nations. The stores were predominantly closed over the period from 10 August 2020 until 29 August 2020. A detailed store closure plan was followed, which meant that all the stores were closed in a safe and organised manner, with all employees being kept informed and supported during the process. There was no residual stock as Gordon Brothers ensured that the stock was sold in-situ through the stores. Following the closure of the stores, the properties were handed back to the respective landlords with an offer to surrender the leases.

Our trading receipts and payments to date are detailed in Appendix A. We are still awaiting confirmation of final trading expenses and release of funds to suppliers which will change these reported figures.

As a result of COVID-19 restrictions, we had to undertake a number of measures to protect the health and safety of employees and the public including sourcing sufficient PPE in stores, in the distribution centres and for the drivers. We have implemented social distancing measures to enable the staff to work safely during the lockdown period, particularly in the distribution centres where the stock was picked and packaged for online customer orders. As a result of COVID-19 there were a number of challenges and costs incurred such as maintaining the stationary fleet required to restock the stores once restrictions lifted, upkeep of assets during lockdown, preparing store opening guidelines, additional staff training on health and safety measures, PPE equipment in stores including screens and masks and ensuring the business adheres to the latest government guidance in all territories.

The Administrators reached an agreement with Alexandra Workwear to manufacture over 3,000 sets of scrubs and other essential products for the National Health Service (NHS) each week from their Texplan Manufacturing division. This not-for-profit activity saw 41 members of staff volunteer to return to work from furlough to fulfill the urgent requirements for clothing and outerwear to support the NHS frontline workers.

As part of the trading process we worked with Laura Ashley Customer Support to provide updates for customers regarding outstanding and new orders. As a result of the lockdown and social distancing requirements, there were restrictions placed on certain items being delivered which required 2 people to deliver it. This presented a significant challenge during the lockdown period but was resolved once restrictions began to ease. During the period from appointment to 22 September 2020, PwC staff have responded to over 5,500 customer emails and worked closely with the customer support team to ensure those responses are as accurate as we can currently give.

Merchant Service Providers

At the date of appointment, the merchant service providers were holding significant reserves to mitigate against the risk of customers making claims on their credit cards for unfulfilled orders (chargebacks). As the business continued to trade through its online platform and stores, it was critical that we ensured the sales proceeds from trading and any

excess reserves held by the merchant service providers were released into the administration estate for the benefit of creditors.

We engaged with all the merchant providers to discuss and challenge their estimated exposures. We worked with the Companies IT and Finance functions to design automated customer reports and data sets to advise the merchant service providers on their true exposure. We also worked hard to deliver all outstanding customer orders, relating to both pre and post appointment whilst also complying with COVID-19 restrictions, so as to mitigate chargebacks where possible. We have worked with the LA customers services team to process over 3,800 chargeback requests from customers up to 22 September 2020 to date.

We also worked up alternative options should the merchant providers not agree to work with the Administrators through the trading period in order to secure the realisation of cash into the estate.

Our work has successfully culminated in the release of c.£2.6m of pre-administration reserves held and we are currently discussing the release of further reserves and all future sales proceeds into the administration estate.

Employees

Furlough communications

Over 1,500 employees have been furloughed during the period of the administration. We have prepared and sent all relevant furlough agreements to the employees as well as the notifications for them to return to work. We supported the Companies with preparing a COVID-19 Human Resources ("HR") policy in order to assist them to deal with requests from employees who were unable to return to work from periods of furlough in a fair and consistent manner, whilst trying to ensure the Companies had sufficient resource to be able to trade to optimum levels.

Workplace safety and COVID-19

We worked closely with the Health and Safety team at the Companies to ensure that the workplaces were COVID-19 secure and that appropriate risk assessments were carried out. We prepared employee communications in relation to the adjustments that were undertaken in order to help ensure employees felt safe to return to work in light of COVID-19.

Furlough pay

We have provided a significant level of support for the Companies' payroll team in calculating the amount of furlough pay due to each individual each month. Given the Government's Coronavirus Job Retention Scheme was a new scheme, the application of furlough led to a significant number of queries from employees across the business in relation to furlough and the levels of pay. We have supported the HR and payroll teams in dealing with these queries.

Managing resource and staffing levels

We have worked closely with the management teams to ensure that each team had sufficient resource during the stock disposition period. This involved working closely with the management teams and our agents to agree appropriate levels of temporary employees to ensure that there was sufficient resource to meet the high levels of customer demand during the stock disposition. We have also been meeting with the management of the Companies and Gordon Brothers on a weekly basis to review staffing levels in each team to ensure that only those employees who were required to support with ongoing requirements of the stock disposition process were retained and that staffing costs were closely managed.

Employee representative forum

An employee representative forum was set up in May 2020 in order to inform and consult with the employee representatives. We have held weekly redundancy consultation meetings with the employee representatives. Following each meeting we have prepared updated employee FAQs.

Employee support

We have operated a helpline for employees as well as an employee mailbox and have received a high volume of employee queries. We have received over 1,970 calls to the employee helpline. We have also responded to c.4,800 employee emails.

Employee communications

We have held webexes with employees at key stages of the administrations in order to keep employees informed of key updates and what it meant for them, such as the sale of the brand.

Redundancy support

We have liaised with the relevant agencies in England, Wales, Scotland and Northern Ireland to collate guidance and information regarding the support available for redundant employees in each region. We arranged a series of employee webexes, led by contacts in the local agencies to talk employees through the support that was available. We have prepared and sent individual letters to all employees who have been made redundant with guidance on how to claim statutory entitlements and sources of support. We have also arranged for references to be sent to all employees who have left the business since appointment. We were made aware of a business who was looking to hire employees who had been made redundant so worked with management to identify employees who may have the relevant skill set and wrote to the employees to make them aware of the potential vacancies.

Employee complaints

We have liaised with the Advisory, Conciliation and Arbitration Service (ACAS) to achieve resolution of specific individual complaints at an early stage. We have also been corresponding with legal representatives of employees regarding potential protective award claims.

Redundancy payments service

We have been liaising with the Redundancy Payments Service and the employee representatives in relation to the levels of statutory payments due to employees who have been made redundant.

Ongoing HR requirements

We have also supported the Companies with general HR queries including responding to Data Subject Access Requests, complex disciplinary and grievance investigations, payroll queries, approach to calculation of holiday pay, reviewing and inputting into employee communications (such as the LA news and retail communications), collection of company property from employees who have left the business and retention of HR documents.

Pensions and Benefit Schemes

Following our appointment, we complied with our statutory duties to give notice of our appointments to the PPF, the Pensions Regulator and the trustees of occupational pension schemes operated by the Companies.

LAL and TML acted as employers in relation to the Group's defined benefit pension scheme, the Laura Ashley Retirement Benefits Scheme (which also has a defined contribution section). The administration appointments of LAL and TML had the effect of placing this pension scheme into an assessment period under the Pensions Act 2004. During an assessment period, the financial position of the defined benefit section of the scheme is considered: depending on the outcome, the section will either enter the PPF or (if there are sufficient assets to provide higher benefits than the compensation under the PPF) wind up outside the PPF.

As a result of statutory restrictions following the start of the assessment period, it was not possible for further contributions to be paid to the Laura Ashley Retirement Benefits Scheme after the administration appointments. Also, the scheme's previous role in providing lump sum death benefits for all Group employees could no longer be carried out. Accordingly, we arranged for a new life assurance scheme to be established, with cover being maintained by the same insurer.

Apart from the Laura Ashley Retirement Benefits Scheme, the Group's other pension schemes did not enter an assessment period and could continue to receive contributions: we have therefore arranged for pension contributions to continue to be paid for remaining employees. This has proved to be a difficult process due to the procedures of the Group's main defined contribution pension provider. Our pension specialists continue to press for post-appointment contributions to be correctly allocated to employees' pension accounts.

We have ensured the continuation of cover for employees with regard to private medical insurance and other similar covers.

Retention of Title

As at 23 September 2020, we have been contacted by 44 creditors claiming retention of title over goods supplied. A retention of title questionnaire was provided to all creditors who requested it, including those that indicated they had retention of title over stock in their proof of debt submissions.

In order to process this large number of claims quickly and efficiently, we assigned a dedicated team to monitor the mailbox, respond to queries, liaise with Group staff and review the validity of claims.

Seven of these submitted claims have been assessed as valid, and we have agreed a settlement deal or agreed to have the stock collected. This has resulted in goods with a cost price of £146,944 being collected by creditors, and £33,500 paid to creditors for the purchase of stock.

22 claims have been rejected by the administrators as the suppliers did not possess a valid Retention of Title claim. 15 suppliers initially inquired about a Retention of Title claim, but have not submitted a completed questionnaire needed to process their claim.

We are currently engaged in communications with two creditors regarding their claims. The value of these claims is £18,028. We do not anticipate that we will receive any further claims.

Where claims are agreed, suppliers are contacted by members of the operations team to arrange collection of their goods or agree to a financial settlement. To ensure the collection process is performed in a safe, orderly manner, we have considered a number of logistical challenges including:

- Availability of Administrators' and Group representatives to facilitate the visit and answer questions;
- Location of stock, access to premises and compliance with government guidelines on social distancing; and
- Managing suppliers who arrive at premises without an allocated time slot (who have to be sent away).

Where claims have been considered valid, we have permitted creditors access to the Companies' warehouses to perform a stocktake. As a result of the COVID-19 pandemic, all stock counts have taken place under current UK Government guidelines, with social distancing and other sanitary measures enforced.

Any further creditors who believe they have a valid RoT claim should contact the Administrators as soon as possible. Claims should be made by email to uk_jauraashley_suppliers@pwc.com.

Third party and leased assets

Since our appointment, we have taken steps to identify leased assets in the Companies' control.

Where leased assets were required to facilitate trading, we have liaised with suppliers to negotiate terms for ongoing use of the assets.

An outline of the main assets used during trading is set out below:

- **Fleet:** We retained 51 of 106 lorries and trailers to facilitate delivery of customer orders and store replenishment. These retained vehicles were subsequently returned to the owner on 14 August 2020.
- **Forklifts:** We retained all forklifts that the Companies leased across the warehouse sites. All of these forklifts were returned to the lease companies during August with the exception of [3] retained to assist with asset disposal at the Texplan site.
- **IT equipment:** Leased IT equipment has been returned (or notification provided) to the lease companies where possible. A small number of leased assets (primarily printing / scanning assets) remain in the business to assist with remaining payroll functions and will be returned to lessors once these functions have been completed.
- **Company cars:** On appointment 50 vehicles were retained for employees. As these were no longer needed we liaised with the leasing company to arrange the collection of these. On writing this report 2 vehicles remained in use with employees.
- **Other assets:** A small amount of other assets (such as franking machines, coffee machines etc.) remain in the business and discussions are underway for these to be returned to lessors.

Where leased assets were not required to assist trading, we have taken steps to contact owners to arrange collection.

Properties

The Properties occupied by the Group at the date of appointment comprised:

- 147 UK leasehold stores (plus 4 leasehold Republic of Ireland stores);
- 6 non-store (warehousing, distribution and head office) leasehold properties;
- 4 freehold non-store (warehousing, manufacturing, administrative and distribution) properties.

Due to the Government's requirements in relation to the COVID-19 pandemic, the stores closed on the date of appointment. A letter was sent shortly after appointment to the store landlords and this included notification to landlords that rent would not be paid for the closure period. With the assistance of a property agent, rent concessions were sought from landlords in relation to any future trading period and confirmation that rent would not be payable during the enforced closure period. Rent concessions were agreed with over two-thirds of the store landlords and these were documented by the administrators with legal input as required.

Following the end of the required closure period, the leasehold stores were utilised for operational trading during the administration for the sale of stock and fixtures and fittings. At the time of reporting, all of these stores have now been vacated. No stores were operational beyond 31st August 2020. Surrenders of the leases on these properties have been offered with keys having been handed over at closure or in the process of being sent to landlords. The lease surrender process will continue with progress dependent on landlords being willing to accept the termination of the leases. Rent payments are being processed and these reflect the concessionary deals agreed with landlords.

The leasehold non-store locations were used for logistics, warehousing and administrative functions during the period of store operations. Following the cessation of trading from stores these locations have also been exited. Surrenders have been offered on these leases with most landlords agreeing at this stage to hold keys for security and marketing purposes.

The freehold properties remain in use for ongoing administrative functions and to facilitate the final plant and machinery assets being marketed for sale. Property agents, Avison Young, have been instructed to undertake a marketing process for the sale of these freeholds; this process is currently underway. Actions have been undertaken to ensure prospective interested parties have access to the sites and a number have undertaken preliminary visits to date.

Sale of Fixed Assets

We have been working with our agents, Gordon Brothers, to realise the residual fixed assets owned by the Companies.

To date, our agents have achieved gross realisations of £1.06m. The majority of this cash is being held by our agents so is not shown on the receipts and payments accounts at Appendix A.

We expect that the remaining fixed assets will be sold over the coming weeks and we will provide an update on the final position in our next report.

Debts

Third party debts currently owed to the Companies are as follows:

ALI Realisations Limited (formerly Laura Ashley Investments Limited) - £529,294.58

AL Realisations Limited (formerly Laura Ashley Limited) - £922,067.52

Texplan Manufacturing Limited - £146,147.76

As of 23 September 2020, we have contacted all 16 debtors comprising the total current outstanding debts of £1,597,510.

We have currently received c.£1.6m in debt collections across the Group, with agreements reached to receive £114,375 in future instalments. In all cases, a letter from the Administrators was sent to debtors requesting payment of the debt to the new post administration bank accounts.

Where debtors have not responded to the correspondence or paid the balance due, the Administrators have worked together with the Companies' staff to follow up with debtors and seek to take action as appropriate to recover the debt.

Legal action is being considered against 2 debtors considered to hold significant debt owed to the Companies to recover said debt.

Licence Fee debtors were excluded from the assets transferred under the sale of the brand rights to the Purchaser, but the Purchaser is continuing to work with the Administrators to collect outstanding Licence Fees and will be entitled to retain a commission of the debts it collects.

Realisation of other assets

There are unsecured intercompany debts between the Companies. Notably, LAH, TML and PHL all have a claim against LAL. LAH has a claim against TML and LAI has a claim against LAH. LAL has a claim against LAI. Each company should recover on these debts in line with the other Unsecured Creditors.

Intercompany claims against associated companies within the Group are held by LAH and LAL. We will continue to pursue these claims and will provide an update in our next progress report.

We have been made aware of a class action by the Road Haulage Association ("RHA") in respect of European truck manufacturers pricing fixing across Europe (including the UK), this involved the delaying of the introduction of more fuel efficient engines to fix prices. LAL lodged a claim with the RHA consortium in April 2019 in respect of this. We will continue to pursue any potential claim due to LAL and will provide an update in our next progress report.

Tax and VAT

During the period, our VAT team has been working with management to assist with the VAT affairs of the Laura Ashley Limited VAT group. This includes advising on the VAT implications of the disposal of business and assets, as well as, preparing the pre appointment and first post appointment VAT returns for the Laura Ashley Limited VAT group. The first post appointment VAT return showed a net payment from LAL to HMRC of c.£6.6m; which has been paid by the VAT group. Going forward, we will continue to prepare the quarterly VAT returns for the VAT group, with the next return being due for the period ending 31 October 2020.

Regular discussions have also been held with HMRC on the VAT and customs duties affairs of the Laura Ashley Limited VAT group. Most notably, the VAT team engaged with HMRC to authorise the transfer of the bonded warehouse authorisations to the Administrations, to facilitate the continual movement of stock in the post-appointment period. To date, the majority of import VAT paid on the importation of goods has been recovered through the respective VAT returns, with the remaining amount due to be recovered in future VAT returns.

Following analysis and reconciliation of the Companies' pre-administration management accounts, we drafted and submitted corporation tax returns for the 30 June 2019 period.

There was no tax liability for any of the Companies. We will continue to submit tax returns while the administration is ongoing.

Original administrators investigations and actions

As administrators we are required to investigate the actions of the directors in the period leading up to the insolvency. The level of any detailed investigatory work is determined by the findings from an initial review of the companies books and records, the complexity of the structure and trading of the business and information provided to us by third parties such as creditors and regulatory bodies. In this case, as a result of the companies being part of a large and complex international group, concerns raised by creditors and investigations already being undertaken by certain regulatory bodies prior to our appointment we considered it was appropriate to involve PwC's Forensic Services team to capture and secure data from IT systems, laptops and the Companies' offices and then undertake a detailed review of certain of that information, including reviewing bank statements, performing reconciliations to general ledgers and trial balances and interviewing former and current employees where appropriate.

Further to this the administrators have also complied with filing the Company Directors Disqualification Act 1986 returns to the Insolvency service and continue to provide answers to any further questions raised in relation to any of the Group Companies.

Fulfilment of requests made by regulators

In response to requests for information made by the Financial Reporting Council ("FRC"), The Pensions Regulator ("TPR") and the Financial Conduct Authority ("FCA") we captured, compiled and sent information to the relevant regulatory bodies throughout the duration of the investigation. This included current email data and user documents from Google (15 mail and document accounts) and historic email data from Groupwise (13 mail accounts). We also obtained file server data in the form of tape backups of the London and Newtown file servers (neither of which were processed) and imaged 12 laptop / desktop computers.

We visited the offices of LAL on three occasions to identify and collect any hard copy documents of interest. Scanned copies of the hard copy materials were then loaded onto our document review platform to be searched. The hard copy data collection focused on material relevant to TPR and FRC requests.

FRC / TPR - Disclosures were made in response to requests from both regulators. These requests included Audit Committee minutes / packs, Board Meeting minutes / packs, Cash Flow forecasts and reports, Monthly Management Accounts, information on banking covenants, and statistics regarding email communications. These requests were completed as at 12 June 2020, with the FRC making a formal request for a disclosure of the underlying emails on 1 September 2020, which were subsequently disclosed on 7 September 2020.

FCA - We have also assisted with a document request from the FCA, which involved the retrieval of more recent Board and Audit Committee minutes relating to the FY20 period.

Appointment of FRP

As noted in our Proposals we had been in discussion with the Pensions Regulator and the PPF (a significant creditor of LAL and TML) in relation to investigation work for certain pre-administration matters subsequently agreeing that two partners from FRP would be appointed as additional administrators with a specific role to investigate certain pre-administration matters. Anthony John Wright and Paul David Allen of FRP were appointed as joint administrators of LAL and TML on 3 July 2020 following which PwC, informed FRP of the investigatory work performed to date and have subsequently provided FRP with information requested by them as well as attending a number of calls to deal with follow up queries.

Avenues for recovery including future claims

The original administrators continue to investigate avenues for future claims in respect of areas outside of the FRP remit.

FRP Investigations and actions

As noted above, on 3 July 2020 FRP were appointed as additional administrators in LAL and TML. As part of the work they will undertake, they will be looking at investigations and potential actions in these 2 companies. This is still in the early stages following their appointment and at present there is nothing further that can be shared with creditors. Due to the sensitive nature of these investigations we cannot disclose anything further at this stage.

FRP were also engaged to respond to a request from TPR in connection with a specific regulatory matter; this was in addition to the requests made by TPR of the Original Administrators

Connected party transactions

We have a duty (under SIP 13) to disclose any disposal of assets in the Administration to a director or other connected party, regardless of the nature or value of the assets concerned.

We are not aware that any such transactions have occurred and none are currently expected.

Approval of our proposals

We issued creditors with our proposals for achieving the purpose of administration dated 15 May 2020.

LAL and TML

The general body of creditors approved our proposals on 8 June 2020 with modifications as a decision by correspondence. These modifications were: an adjustment to the resolution for the approval of the administrators

fees; a requirement that an application be made to court for the appointment of the Additional Administrators; and for the Additional Administrators to act as liquidators in any subsequent liquidations of LAL and TML.

LAI, LAH and PHL

The general body of creditors approved our proposals on 8 June 2020 as a decision by correspondence (rather than at a meeting).

Changes of Administrator

The original administration appointment named Zelf Hussain and Rob Lewis of PwC as the administrators. Due to the size and complexity of the insolvency and the possibility of one or more of the administrators becoming indisposed, it was felt appropriate to ask the court to appoint a third administrator. Rachael Wilkinson, who has worked on the Companies' administrations since the notices of intention to appoint were filed, was appointed by the court as administrator to each of the Companies on 17 April 2020. Rachael Maria Wilkinson is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

Prior to the administrations, the Laura Ashley Retirement Benefits Scheme had appointed FRP to provide it with financial advice. Following the administration, discussions were held between the Original Administrators, the Pension Regulator and the PPF (a substantial creditor of LAL and TML) in relation to investigation work for certain pre-administration matters. As a result it was agreed that an application should be made to court for two partners in FRP to be appointed administrators with a specific role to investigate those pre-administration matters, and this was subsequently formalised as a modification to the proposals for these two companies.

Further to this, an application was made to court which was granted so Anthony John Wright and Paul David Allen of FRP were appointed as joint administrators of LAL and TML on 3 July 2020. Anthony John Wright is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales and Paul David Allen is licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association.

A protocol has been agreed as between the Original Administrators and the Additional Administrators to ensure that the administration work for LAL and TML is dealt with efficiently and effectively. The Additional Administrators will take lead responsibility on the majority of the investigation work and the Original Administrators will deal with most other aspects of the administrations. The Additional Administrators will become the liquidators of LAL and TML if, as currently expected, those companies exit administration into CVL. Regular team calls are held between the Original Administrators' team and the Additional Administrators' team to ensure that information and progress is shared and to minimise any duplication of work.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administrations from 23 March 2020 to 22 September 2020.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Also attached at Appendix C are details of FRP's post appointment time costs, as at 22 September 2020, in respect of LAL and TML.

Pre-administration costs

You can find in Appendix D information about the approval of the unpaid pre-administration costs previously detailed in our proposals.

Also attached at Appendix D are details of FRP's pre appointment time costs and expenses in respect of LAL and TML.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Oct_2015.pdf

You can also get a copy free of charge by telephoning Helena Perevalova; on 0113 289 2046 or alternatively email uk_laureashley_creditors@pwc.com.

What we still need to do

Now that trading has ceased we need to complete the wind down of all warehouse facilities and settle all outstanding trading liabilities, including accounting between the Companies. There are a number of further areas where work needs to be concluded before a dividend can be paid to the unsecured creditors. These include:

- Realisations of assets in all of the Group;
- Final debtor realisations in LAL and LAI;
- Agreement and settlement of trading and other costs of the administrations;
- Completing all outstanding property matters including selling of the Group properties;
- Continued compliance with statutory matters;
- Recover or pay all outstanding VAT due and deregister the Group;
- Complete the tax return(s) and deregister with HMRC;
- Complete any investigations work and pursue any claims that the Companies may have;
- Seek approval of the timing of our discharge from liability in LAL and TML; and
- File notice to move the Companies to liquidation in order to pay any dividends due.

Some of the above matters may be able to be dealt with in the subsequent liquidations.


Ending the administrations

We are currently considering the best strategy for extending or ending each of the administrations, taking into account investigations requirements, finalising realisations and sale of property and fixed assets. We may have different strategies for each of the Companies. We'll provide an update on this in our next report.

We expect to send our next report to creditors at the end of the administrations or in about six months, whichever is the sooner.

If you've got any questions, please get in touch with Helena Perevalova, on 0113 289 2046 or alternatively email uk_laureashley_creditors@pwc.com.

Yours faithfully
For and on behalf of the Companies



Rob Lewis
Joint Administrator

Appendix A: Receipts and payments

<u>Laura Ashley Holdings PLC</u>			From 23 March 2020 to 22 September 2020
Statement of Affairs	£	Note	£
<u>Assets subject to a fixed charge</u>			
Receipts			
50,000 Sale of brand and IP		1	50,000
2,450,000 Freehold land and building			-
20,000 Motor Vehicles			-
- Intercompany shares			-
2,520,000 Total receipts			50,000
Total payments			
Net cash position			50,000
<u>Assets subject to a floating charge</u>			
Receipts			
125,638 Bank Balance			-
3,830,249 Short term intercompany debtors			-
Funds from LAL to pay legal fees and storage costs			84,330
3,955,887 Total receipts			84,330
Security costs for property			(48,438)
Legal Fees and Disbursements			(35,892)
Total payments			(84,330)
VAT Control account			-
Net floating charge realisations			0
Total cash at bank			50,000
Notes	1 Secured creditor has been paid out in full across the whole group.		

<u>Laura Ashley Investments Limited</u>		
Affairs £	Note	2020 to 22 £
<u>Assets subject to a fixed charge</u>		
150,000	Sale of brand and IP 1	150,000
150,000	Total receipts	150,000
	Total payments	-
<u>Net cash position</u>		150,000
<u>Assets subject to a floating charge</u>		
653,081	Debtor receipts	235,876
622,398	Intercompany debtors	
2,019,296	Bank Account	
99	Prepayments	
	Funds from LAL to pay Legal fees 2	8,294
	Funds provided to LAL for employee costs	30,227
3,294,874	Total receipts	244,169
	Payment of Legal fees and disbursements	(8,294)
	Payment of employee costs	(30,227)
	Total payments	(8,294)
	VAT Control account	-
<u>Net floating charge realisations</u>		235,876
<u>Total cash at bank</u>		385,876
Notes		
1 Secured creditor has been paid out in full across the whole group.		
2 Funds from LAL to be repaid following debtor recoveries		

AL Realisations Limited (formerly Laura Ashley Limited)				
Statement of Affairs	Note	From 23 March 2020 to 22 September 2020	From 23 March 2020 to 22 September 2020	From 23 March 2020 to 22 September 2020
£		£	£	£
Assets subject to a fixed charge				
20,800,000 Sale of brand and IP	1	20,800,000	-	-
3,030,000 Freehold Building cost		-	-	-
- Shorthold lease		-	-	-
- Leasehold improvements		-	-	-
454 Plant and Machinery		-	-	-
112,000 Motor vehicles		-	-	-
7,931 Fixtures and Fittings		2,814	-	-
51,616 Computer Hardware		-	-	-
34,854 Computer Software		-	-	-
- Sale of brand and IP due to other Group Companies		200,000	-	-
24,016,655 Total receipts		21,002,814	-	-
Payment to fixed charge holder		(3,299,598)	-	-
Payment to Group Companies for sale of brand and IP		(200,000)	-	-
Total payments		(3,499,598)	-	-
Net cash position		17,503,216	-	-
Assets subject to a floating charge				
Receipts				
Net trading receipts		34,879,972	-	-
3,542,729 Stock		126,537	-	-
14,287,279 Finished goods		-	-	-
Pre appointment funds held by third parties		-	-	-
Cash at stores		228,573	-	-
905,408 Pre appointment cash at bank	2	529,420	1,722	136,578
581,748 Book debt collections		1,255,767	578	-
3,960,788 Credit card debtors (pre appointment merchant funds released)		2,614,624	-	-
2,782,531 Intercompany debtors		-	-	-
939,566 Prepayments		-	-	-
Refunds		48,135	-	-
Bank interest		1,916	-	-
27,000,069 Total receipts		39,684,945	2,299	136,578
Payments				
Licence fee		(40)	-	-
Storage costs		(826)	-	-
Statutory advertising		(168)	-	-
Funds provided to LA Ireland Liquidators		(249,815)	-	-
Pre appointment administrators fees for LAL		(535,055)	-	-
Joint Administrators fees for LAL		(3,464,945)	-	-
Joint administrators disbursements		-	-	-
Office holders expenses		(3,864)	-	-
Legal fees and disbursements LAL		(540,372)	-	-
Legal fees and disbursements LAI		(8,294)	-	-
Legal fees and disbursements LAH	3	(35,892)	-	-
Legal fees and disbursements PHIL		(5,137)	-	-
Legal fees and disbursements TML		(23,933)	-	-
Bank charges		(1,944)	-	(8)
Total payments		(4,870,283)	-	(8)
Irrecoverable VAT		(9,688)	-	-
Vat control account		314,457	-	-
Net floating charge realisations		35,119,452	2,299	136,570
Total cash at bank		52,622,668	2,299	136,570

Trading	Note	From 23 March 2020 to 22 September 2020
Receipts		
Trading sales		55,061,887
Funding from Secured creditor		3,980,000
HMRC Furlough receipts LAL		3,883,938
HMRC Furlough receipts TML	4	178,277
Receipt from TML for costs incurred through trading and paid by LAL	4	736,626
Total receipts		63,820,708
Payments		
Trading costs		(3,746,841)
Costs recharged to TML	5	(150,208)
Purchase of stock from TML		(621,416)
Security costs paid for LAL - to be recharged	4	(48,438)
Contribution to PHL for trading costs	3	(781,520)
Covid 19 costs		(131,258)
Cash advances to stores		(81,314)
Repayment of funding to secured creditor	7	(4,022,333)
Insurance		(289,661)
Wages and other employee costs LAL		(14,444,168)
Wages and other employee costs LAL	6	(30,227)
Contribution to PHL for employee costs and wages		(1,357,970)
Wages and other employee costs TML	5	(586,418)
Furlough Funds paid to TML	5	(178,277)
Employee expenses		(12,208)
Telephone		(5,459)
Dues Payments - LAL		(454,546)
Dues payments - cost recharged to PHL	3	(228,844)
Lease/Hire/HP Payments		(3,328)
Repairs & Maintenance		(12,817)
Rent		(494,611)
Utilities		(113,125)
Other property costs		(4,250)
Duties		(547,185)
Licenses, trade marks, royalties etc		(3,098)
Office costs, Stationery & Postage		(83,161)
Professional fees		(496,788)
ROT stock purchases		(31,250)
Total payments		(28,940,736)
Net trading receipts		34,879,972

Notes

- 1 Secured creditor has been paid out in full across the whole group.
- 2 Companies in the Group were part of a cash pooling arrangement. We are working to finalise the split of this money across the Group Companies.
- 3 Funds incurred in the trading of PHL were provided for LAL given the benefit to creditors in both of ongoing trading
- 4 Funds provided to LAL - to be recharged at a later date
- 5 Funds incurred in the trading of TML were provided by TML. These have since been recharged
- 6 Funds incurred by LAL - to be recharged at a later date
- 7 The funds repaid include the arrangement fee and interest accrued on the initial funds provided

Premier Home Logistics Limited**Statement of Affairs**From 23 March 2020
to 22 September 2020

£

£

Assets subject to a fixed charge

Receipts

- Leasehold improvements	
1,902 Fixtures and fittings	639
- Computer hardware	-
- Leased assets	-
1,902 Total receipts	639

Total payments

Net cash position	639
-------------------	-----

Assets subject to a floating charge

Net trading receipts	0
1,363,329 Intercompany debtors	-
1,046 Trade debtors	-
58,250 Prepayments	-
51,851 Cash on hand and at bank	1,080
Contribution from LAL for Legal fees and disbursement	5,137
1,474,476 Total receipts	6,218
Legal fees and disbursements	(5,137)
Total payments	(5,137)
VAT Control account	128
Net floating charge realisations	1,209
Total cash at bank	1,848

TradingFrom 23 March 2020
to 22 September 2020

£

Receipts

Contribution from LAL for trading costs	1,010,364
Contribution from LAL for employee costs	1,357,970
Furlough receipts	545,020

Total receipts	2,913,354
----------------	-----------

Payments

Direct expenses	(781,520)
Duress payments	(228,844)
Wages and other employee costs	(1,902,990)

Total payments	(2,913,354)
----------------	-------------

Net trading receipts	0
----------------------	---

<u>Texplan Manufacturing Limited</u>		
Statement of Affairs	Note	From 23 March 2020 to 22 September 2020
£		£
<u>Assets subject to a fixed charge</u>		
- Freehold building		-
15,361 Plant and Machinery Heavy		-
2,210 Plant and Machinery Light		-
92 Fixtures and fittings		-
1,120 Computer Hardware		-
18,783 Total receipts		-
Total payments		-
<u>Net cash position</u>		-
<u>Assets subject to a floating charge</u>		
- Net trading receipts	1	188,597
883,191 Stock		-
159,987 Warehouse Stock		-
5,184,492 Intercompany debts		-
115,667 Trade debtors		2,700
122,668 Prepayments		-
- Bank balance		-
- HMRC		-
6,466,005 Total receipts		191,297
Total payments		-
VAT Control account		25,106
<u>Net floating charge realisations</u>		<u>216,402</u>
<u>Total cash at bank</u>		<u>216,402</u>
Trading		
		From 23 March 2020 to 22 September 2020
		£
<u>Receipts</u>		
Sales to external customer		22,264
Recharges to Alexandra Workwear NHS		103,284
Sale of stock to LAL		621,416
Furlough receipt from HMRC		178,277
Total receipts		925,223
<u>Payments</u>		
Direct expenses		(150,208)
Wages and other employee costs		(586,418)
Total payments		(736,626)
<u>Net trading receipts</u>		<u>188,597</u>

Notes to the R&P

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties.
2. As explained further in Appendix C, our fees are based on time costs. The receipts and payments account for LAL shows the amounts paid in the period and total to date.
3. Included within our expenses is £4,870.13 paid in the period, in relation to payments to associates in accordance with the policy explained in Appendix C.
4. In Appendix C we explain what work has been subcontracted out (that would otherwise have been done by us). These are included in professional fees within the R&P accounts.
5. Funds are held in interest bearing accounts. Further to the funds noted above there are also the amounts detailed below and held in Company pre appointment bank accounts:

Account type	Total £
LAI pre appointment bank account	7,092
LAL pre appointment bank account	409,329

6. Funds have been held in different currencies as prior to the appointment certain entities had USD and EUR accounts. We set up these to enable recoveries into these accounts, should they be due.
7. Remuneration and expenses have been allocated between the fixed/ floating/ on the basis of asset and charge this relates to.

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as administrators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The tables should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

Laura Ashley Holdings PLC

	Incurred in the period under review (£k)	Estimated future (£k)	Anticipated total (£k)	Initial estimate (£k)	Variance (£k)
Employees	Nil	Nil	Nil	54.0	54.0
Property ¹	48.0	20.0	68.0	20.0	-48.0
Pre-administration fees	Nil	Nil	72.0	72.0	Nil
Legal fees	35.9	25.1	61.0	61.0	Nil
Administrator disbursements	0.6	9.4	10.0	10.0	Nil
Storage costs	0.2	9.8	10.0	10.0	Nil
Total expenses	84.7	64.3	221.0	227.0	6.0

Notes

- Security costs have exceeded the initial estimate due to the unknown timescale regarding the enforced lockdown and length of trading period.

Laura Ashley Investments Limited

	Incurred in the period under review (£k)	Estimated future (£k)	Anticipated total (£k)	Initial estimate (£k)	Variance (£k)
Employees ¹	30.2	Nil	30.2	19.0	-11.2
Pre-administration fees	Nil	Nil	6.0	6.0	Nil
Legal fees	8.3	4.7	13.0	13.0	Nil
Administrator disbursements	0.3	9.7	10.0	10.0	Nil
Storage costs	Nil	10.0	10.0	10.0	Nil
Total expenses	38.8	24.4	69.2	58.0	-11.2

Notes

- Employee costs exceed the initial estimate due to the decision for the sake of efficiency to pay all preferential claims due on appointment and on costs of these as a trading expense.

Laura Ashley Limited

In the remuneration report, the initial estimate on expenses was shown as the net of those payable as an expense of the administration after taking account of the retail guarantee provided by Gordon Brothers. We have amended the table below for LAL to show the total expense incurred, where the retail guarantee covered an element of this cost and the amount that remains an expense of the administration. We have also shown the variance between the initial estimate and the net cost to the administration, with details on this variance explained at the end of Appendix B.

	Incurring in the period under review (£k)	Estimated future (£k)	Anticipated total (£k)	Initial estimate	Costs anticipated covered by the retail agents guarantee	Net cost to administratio n	Variance between net cost to administratio n and initial estimate
Trading							
Employees ¹	14,444.2	360.0	14,804.2	4,194.0	6,744.0	8,060.2	-3,866.2
Property ²	6,943.0	28.0	6,971.0	156.0	5,057.0	1,914.0	-1,758.0
Transport and logistics	2,790.0	Nil	2,790.0	616.0	2,265.0	525.0	91.0
Duty	547.2	20.0	567.2	1,173.0	Nil	567.2	605.8
IT	917.0	10.0	927.0	139.0	793.0	134.0	5.0
Finance costs	715.0	Nil	715.0	124.0	715.0	0.0	124.0
COVID-19 costs	131.3	Nil	131.3	900.0	Nil	131.3	768.7
Duress payments	454.5	Nil	454.5	219.0	Nil	454.5	-235.5
Pre-administration fees	Nil	Nil	535.0	535.0	Nil	535.0	0.0
Agents' revenue share per retail agreement ³	8,795.0	Nil	8,795.0	0.0	8,795.0	0.0	0.0
Non trading expenses							
Legal fees	540.4	336.6	877.0	877.0	Nil	877.0	0.0
Arrowpoint Advisory fees*	Nil	Nil	100.0	100.0	Nil	100.0	0.0
Agents' fees and disbursements	6,605.0	143.0	6,748.0	166.0	6,605.0	143.0	23.0
Administrator disbursements	8.2	51.8	60.0	60.0	Nil	60.0	0.0
Administrators trading expenses	7.2	2.8	10.0	10.0	Nil	10.0	0.0
Storage costs	0.8	49.2	50.0	50.0		50.0	0.0
Total expenses	42,898.8	1,001.4	44,535.2	9,319.0	30,974.0	13,561.2	-4,242.2

Notes

- The variance in LAL employee costs relates in part due to the on costs of the HMRC Furlough scheme.
- COVID-19 created a level of uncertainty around the opening of stores for trading following the enforced government lockdown between March and June 2020 resulting in an increase in property costs not covered under the retail guarantee.
- Agents revenue share per retail agreement was not included in the initial estimate as this was performance based and therefore unknown. The recovery of funds under the retail agreement reflects a significantly better than expected outcome from trading for the benefit of creditors and the agents' commission reflects this.

Premier Home Logistics Limited

	Incurred in the period under review (£k)	Estimated future (£k)	Anticipated total (£k)	Initial estimate (£k)	Variance (£k)
Trading (covered by LAL) ¹					
Employees	1,903.0	20.0	1,923.0	682.0	-1,241.0
Duress payments	228.8	Nil	228.8	0.0	-228.8
Transport and logistics	781.5	Nil	781.5	0.0	-781.5
Non trading					
Pre-administration fees	Nil	Nil	25.0	25.0	0.0
Legal fees	5.1	3.9	9.0	9.0	Nil
Administrator disbursements	0.8	9.2	10.0	10.0	Nil
Storage costs	0.2	9.8	10.0	10.0	Nil
Total expenses	2,919.4	42.9	2,987.3	736.0	-2,251.3

Notes

1. All trading expenses incurred by PHL have been paid for by LAL and therefore will not fall as a net expense of the PHL administration.

Texplan Manufacturing Limited

	Incurred in the period under review (£k)	Estimated future (£k)	Anticipated total (£k)	Initial estimate (£k)	Variance (£k)
Employees ¹	586.4	20.0	428.1	487.0	-119.4
Property ²	Nil	Nil	Nil	150.0	150.0
Transport and logistics ²	Nil	Nil	Nil	150.0	150.0
Pre-administration fees	Nil	Nil	45.0	45.0	Nil
Legal fees	23.9	15.1	39.0	39.0	Nil
Administrator disbursements	0.9	9.1	10.0	10.0	Nil
Storage costs	0.1	9.9	10.0	10.0	Nil
Total expenses	433.1	54.1	532.1	891	180.6

Notes

1. The variance in TML employee costs relates in part due to the on costs of the HMRC Furlough scheme.
2. There were no property or transport and logistics costs incurred, nor anticipated future costs despite the initial estimate. This is due to TML not requiring transport or logistics services to continue trading and there being no property costs due to the property being owned by LAH.

Additional administrators

Legal costs incurred from 3 July 2020 to 22 September 2020 by the Additional Administrators are £57,695 plus VAT and relate to both LAL and TML

Appendix C: Remuneration update

Original administrators' fees

The fees of the Original Administrators were approved on a time costs basis by the general body of creditors. To date we have drawn fees of £3,463,945.00 on account of AL Realisations for the period from 23 March 2020 to 20 August 2020 and further £536,055.00 in relation to our pre appointment fees in line with the approval given, as shown on the enclosed receipts and payments accounts.

The time cost charges incurred by the Original Administrators in the period covered by this report are:

- LAH £501,206;
- LAI £177,482;
- LAL £7,468,478;
- PHL £408,523; and
- TML £735,504

This amount does not reflect how much we will eventually draw as fees for this period.

Summary of time costs on the case

LAH

	Total hours	Total time costs (£)	Average hourly rate (£)	Initial estimate (£)	Variance (£)
Assets	224.35	94.6	421.56	68.8	-25.8
Creditors	11.45	6.5	570.57	9.8	3.3
Employees and pensions	95.85	66.7	696.08	97.5	30.8
Trading	119.55	56.0	468.44	93.5	37.5
Investigations	119.50	51.5	430.63	54.1	2.6
Statutory and compliance	122.65	53.5	436.56	30.7	-22.8
Tax and VAT	42.40	31.1	733.98	45.2	14.1
Administration	101.60	37.5	369.22	21.7	-15.8
Sale of business	9.50	7.0	733.16	3.0	-4.0
Data Capture & Cyber Security	301.55	96.8	320.91	59.4	-37.4
Total hours and fees estimate	1,148.40	501.2	5,181.11	483.7	-17.5

LAI

	Total hours	Total time costs (£)	Average hourly rate (£)	Initial estimate (£)	Variance (£)
Assets	43.25	23.4	541.58	25.5	2.1
Creditors	9.20	3.7	396.79	4.7	1.0
Employees and pensions	7.00	5.1	733.07	5.1	0.0
Trading	48.05	16.5	344.28	30.5	14.0
Investigations	39.80	1725	430.99	18	0.8
Statutory and compliance	76.75	28.0	365.36	20.2	-7.8
Tax and VAT	40.55	27.6	681.6	37.4	9.8
Administration	56.80	20.0	351.51	12.1	-7.8
Sale of business	4.65	3.7	790.81	1.3	-2.4
Data Capture & Cyber Security	100.50	32.3	320.97	19.8	-12.5
Total hours and fees estimate	426.55	177.48	4,956.96	174.6	-2.9

LAL

	Total hours	Total time costs (£)	Average hourly rate (£)	Initial estimate (£)	Variance (£)
Assets	1,176.85	471.6	400.73	269.4	-202.2
Creditors	529.5	151.1	285.35	176.5	25.4
Employees and pensions	5,101.60	2142.1	419.89	1635.5	-506.6
Trading	4,739.35	2166.8	457.2	2149.3	-17.5
Investigations	477.9	205.8	430.72	216.3	10.5
Statutory and compliance	587.25	285.9	486.92	109.8	-176.1
Tax and VAT	220.9	193.8	877.13	241.8	48.0
Administration	2,375.45	691.9	291.26	300.6	-391.3
Sale of business	1,330.45	772.3	580.49	796.0	23.7
Data Capture & Cyber Security	1,206.15	387.1	320.93	237.6	-149.5
Total hours and fees estimate	17,745.40	7,468.5	4,550.62	6,132.8	-1,335.7

PHL

	Total hours	Total time costs (£)	Average hourly rate (£)	Initial estimate (£)	Variance (£)
Assets	25.85	10.5	407.75	13.8	3.3
Creditors	13.10	4.5	345.15	5.8	1.3
Employees and pensions	432.00	194.6	450.53	201.1	6.5
Trading	139.65	59.6	426.91	106.0	46.4
Investigations	39.80	17.2	430.99	18.0	0.8
Statutory and compliance	89.60	36.2	403.80	30.8	-5.4
Tax and VAT	34.60	22.4	647.45	35.0	12.6
Administration	60.80	21.4	351.58	11.6	-9.8
Sale of business	13.10	9.8	751.49	2.8	-7.0
Data Capture & Cyber Security	100.50	32.3	320.97	19.8	-12.5
Total hours and fees estimate	949.00	408.5	4536.62	444.7	36.2

TML

	Total hours	Total time costs (£)	Average hourly rate (£)	Initial estimate (£)	Variance (£)
Assets	133.30	31.2	233.84	10.5	-20.7
Creditors	13.00	5.9	450.54	25.8	19.9
Employees and pensions	466.15	229.1	491.51	199.6	-29.5
Trading	470.35	180.8	384.40	226.2	45.4
Investigations	119.50	51.5	430.63	54.1	2.6
Statutory and compliance	102.40	43.0	419.82	31.0	-12.0
Tax and VAT	40.15	26.1	650.17	34.4	8.3
Administration	66.85	22.7	339.21	14.0	-8.7
Sale of business	78.40	48.6	619.31	4.0	-44.6
Data Capture & Cyber Security	301.55	96.8	320.91	59.4	-37.4
Total hours and fees estimate	1791.65	735.5	4340.34	659.0	-76.5

Following the approval of the Proposals the fee caps in place for each of the Companies for the Original administrators' are shown below:

- LAH £483,700;
- LAI £174,600;
- LAL £5,050,000;
- PHL £444,700; and
- TML £543,000

In some cases our time costs have exceed the amount approved by the unsecured creditors as fee approving body due to a number of factors, not limited to:

- COVID-19 restrictions and complications brought on by this around trading, stock disposition and store closures;
- Dealing with Furlough applications and receipts;
- Creditor and customer correspondence as a result of lockdown restrictions and then through the trading period, c7.2k emails responded to during the period;
- Dealing with Data Subject Access Requests;
- Meetings and associated work as required with FRP as administrators;
- Correct management of funds, including large numbers of receipts and payments and correct management of these; and
- Investigations work to be undertaken and work with the joint administrators from FRP.

Whilst the Original Administrators have incurred additional costs due to factors listed above, as we have noted on page 5, we are anticipating a better return for creditors across the Group. This is as a result of the work undertaken during the 6 months from appointment. If appropriate, as a result of the better outcome for creditors, we may consider requesting further fee approval in due course from the unsecured creditors across the Group.

We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Our hours and average rates - Original administrators

Laura Ashley Holdings Plc (In Administration)

Analysis of timecosts for the period
From 23 March 2020 To 22 September 2020

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Assets	-	6.90	125.40	17.90	48.25	28.30	-	224.35	94,376.30	421.59
Ordinary Employees and pensions	-	9.50	45.95	-	7.35	4.40	-	11.45	6,333.00	570.57
Trading	45.00	3.00	2.00	2.00	65.50	2.05	-	95.85	66,719.25	698.08
Investigations	8.35	11.85	44.90	7.85	44.75	1.80	-	119.35	56,002.30	468.44
Secondary and compliance	8.50	8.25	18.30	22.90	54.35	10.35	-	119.30	51,490.68	430.63
Tax and VAT	2.70	5.00	4.65	1.80	20.15	8.60	1.50	122.65	53,543.50	438.59
Administration	-	4.40	10.90	8.70	82.95	14.65	-	121.60	31,120.75	255.92
Sale of business	-	9.25	0.25	-	-	-	-	9.50	37,513.25	393.72
Data Capture & Cyber Security	3.95	17.20	3.20	108.50	128.45	41.00	1.25	301.55	6,965.00	231.16
Total	68.50	75.35	253.55	167.25	457.65	111.35	2.75	1,148.40	501,205.50	436.44

**Laura Ashley Investments Ltd
(In Administration)**

Analysis of timecosts for the period From 23 March 2020 To 22 September 2020

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Accounts	20.50	-	0.75	20.00	1.90	0.10	-	43.25	23,423.25	541.53
Ordinals	-	-	0.80	-	8.00	0.60	-	9.20	3,830.50	398.79
Employees and pensions	-	4.50	1.90	-	0.20	-	-	7.00	5,131.50	733.07
Trading	-	1.50	3.50	-	41.00	2.05	-	48.05	16,542.50	344.28
Investigations	2.80	3.95	14.95	2.80	14.90	0.80	-	39.80	17,133.56	430.99
Security and compliance	-	2.75	11.60	14.70	37.15	10.55	-	76.75	28,041.50	368.39
Tax and VAT	1.50	3.00	4.15	1.80	24.50	4.10	1.50	40.55	27,538.75	681.80
Administration	-	2.00	5.55	9.50	22.80	17.45	-	58.80	49,985.75	351.51
Sale of business	-	4.50	0.15	-	-	-	-	4.65	3,577.25	780.81
Data Capture & Cyber Security	1.35	5.75	1.05	35.50	42.80	13.65	0.40	100.50	32,257.09	320.97
Total	26.15	28.35	44.20	84.10	193.05	48.80	1.90	426.55	177,481.65	416.09

Laura Ashley Ltd
(In Administration)

Analysis of time costs for the period

From 23 March 2020
To 22 September 2020

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Accounts	-	46.20	391.15	181.85	512.00	42.65	-	1,176.85	471,601.50	400.73
Creditors	-	19.15	12.80	19.35	222.10	238.10	-	529.50	151,083.75	285.35
Employees and pensions	8.15	359.30	1,192.25	893.15	1,303.85	1,372.00	2.90	5,101.60	2,142,123.52	419.89
Trading	134.50	496.55	741.05	1,401.25	1,544.85	408.40	44.75	4,739.35	2,166,848.75	457.20
Investigations	33.45	47.35	179.65	31.35	178.90	7.20	-	477.90	203,842.73	430.72
Statutory and compliance	28.50	44.60	74.10	285.65	130.20	24.20	-	587.25	283,945.05	483.92
Tax and VAT	14.90	13.60	47.85	91.75	36.30	12.50	1.00	229.90	193,758.25	877.13
Administration	19.20	20.90	138.65	183.85	1,523.35	490.30	1.20	2,375.45	691,867.65	291.28
Sale of business	316.00	114.10	299.85	159.30	401.75	39.45	-	1,330.45	772,311.00	580.49
Data Capture & Cyber Security	15.90	68.75	12.85	425.90	513.80	164.00	4.56	1,206.15	387,085.07	320.93
Total	570.60	1,200.50	3,088.20	3,649.40	6,367.10	2,814.80	54.80	17,745.40	7,468,478.28	420.87

Premier Home Logistics Limited
(In Administration)

Analysis of timecosts for the period

From
To

23 March 2020
22 September 2020

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Assets	-	1.10	0.10	22.50	1.20	0.95	-	25.85	10,540.25	407.75
Creditors	-	0.50	0.45	0.05	9.00	3.10	-	13.10	4,521.50	345.15
Employees and pensions	0.60	68.55	56.90	75.00	162.45	68.25	0.25	432.00	194,629.53	450.53
Trading	8.50	34.80	0.50	11.80	82.00	2.05	-	139.65	59,648.50	428.91
Investigations	2.80	3.95	14.35	2.60	14.30	0.60	-	39.80	17,153.58	430.99
Statutory and compliance	-	18.90	7.90	14.10	38.60	9.85	-	89.60	36,180.75	403.80
Tax and VAT	1.40	1.50	3.25	1.80	22.25	3.90	0.50	34.60	22,401.75	647.45
Administration	-	2.65	5.90	9.15	28.60	16.50	-	60.80	21,376.00	351.58
Sale of business	-	13.10	-	-	-	-	-	13.10	9,844.50	751.49
Data Capture & Cyber Security	1.35	5.75	1.05	35.50	42.80	13.65	0.40	100.50	32,257.08	320.97
Total	14.65	150.80	91.00	172.50	400.05	118.85	1.15	949.00	408,523.43	430.48

**Teoplan Manufacturing Limited
(In Administration)**

Analysis of time costs for the period
From 23 March 2020 To 22 September 2020

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Assets	-	0.80	12.90	0.50	90.90	28.20	-	133.30	31,170.95	233.84
Orders	-	2.50	0.60	-	8.70	1.20	-	13.00	5,837.00	450.54
Employees and pensions	0.90	80.80	71.80	74.80	189.80	47.70	0.35	456.45	229,115.35	491.51
Trading	11.00	30.10	1.60	40.10	379.50	2.05	-	470.35	180,804.25	384.40
Investigations	8.35	11.85	44.90	7.85	44.75	1.80	-	119.50	51,460.68	430.63
Statutory and compliance	-	21.30	12.00	10.45	42.00	10.85	-	102.40	42,983.75	419.82
Tax and VAT	1.00	0.50	3.25	8.95	21.35	4.10	1.00	40.45	26,104.50	650.17
Administration	-	3.15	6.05	11.10	21.85	24.70	-	66.85	22,676.50	339.21
Sale of business	-	44.35	0.55	1.00	32.50	-	-	78.40	48,534.00	619.31
Data Capture & Cyber Security	3.95	17.20	3.20	100.50	128.45	41.00	1.25	301.55	96,771.27	320.91
Total	25.20	212.55	156.85	273.25	959.80	161.40	2.60	1,791.65	733,901.25	410.52

Hours and average rates - Additional administrators

FRP

AL Realisations Limited (Formerly Laura Ashley Limited) (in Administration)
Time charged for the period 03 July 2020 to 22 September 2020

Appointment Team / Partner	Business / Project	Other Professional	Total Hours	Total Cost	Average Rate
Administration and Planning					
Admin & Planning	2.70	28.00	30.70	19,878.36	647.50
Cash Accounting		7.35	7.35	2,832.75	385.00
Cash Control and Review	1.70	0.30	2.00	372.00	310.00
General Administration		2.30	2.30	1,690.00	427.50
Strategy and Planning		7.75	7.75	3,186.25	325.79
Creations	1.00	10.45	11.45	5,793.25	375.29
Unsettled Creditors	0.35	2.00	2.35	758.76	328.88
Investigation	0.35	2.35	2.70	733.75	333.13
Investigatory Work	2.50	23.84	26.34	47,887.85	1,818.17
Forensic		6.71	6.71	10,751.95	388.02
Forensic - Relativity (Internal)		6.10	6.10	2,343.50	385.00
FTech - Project Management		17.30	17.30	11,610.50	335.50
Investigations - London Control		9.00	9.00	4,050.00	450.00
FTech - Data Capture	1.00	32.55	33.55	16,755.85	433.49
FTech - Forensic Data Analysis	0.25	3.70	3.95	1,573.25	398.29
Statutory Compliance	0.50	1.50	2.00	577.50	385.00
Statutory Compliance - General		13.40	13.40	6,388.00	326.88
Appointment Formales	0.50	1.50	2.00	769.50	385.43
Appointment Formales		11.80	11.80	4,493.50	319.82
Total Hours	7.20	118.90	126.10	67,645.85	383.77

Disbursements for the period
03 July 2020 to 22 September 2020

Category	Value
Advertising	77.98
Bonding	1,350.00
Consultancy	350.00
Grand Total	1,777.98

Mileage is charged at the HMRC rate
provided at the time the cost was incurred

FRP Charge out rates	Rate
Grade	311 May 2018
Appointed Administrator / Partner	495-495
Managers / Directors	335-485
Other Professional	275-340
Junior Professional & Support	150-195

FRP

Topplan Manufacturing Limited (in Administration)
 Transferred by Court Order 03 July 2020 to 22 September 2020

	Appointed Values / Person	Hours/Day/Week	Costs (personnel)	Person	Total Hours	Total Costs (including VAT)
Administration and Planning	4.00	8.20	14.18	27.58	10,121.35	388.88
Admin & Planning		1.25		1.25	481.25	325.00
Class Accounting		0.20	0.30	0.50	185.50	331.00
Class Control and Review	1.50		2.88	4.38	1,742.10	327.74
General Administration		0.25	7.00	7.25	2,177.50	302.34
Strategy and Planning	2.50	7.50	4.20	14.00	5,555.00	303.70
Asset Realisation	1.50			1.50	880.96	85.00
Asset Realisation	1.50			1.50	820.50	505.00
Creditors	1.75			1.75	1,041.25	505.00
Unsecured Creditors	0.75			0.75	448.25	505.00
Pension - Creditors	1.00			1.00	506.00	505.00
Investigation	1.75	77.08	30.53	108.33	41,448.16	319.12
Investigatory Work		5.00	13.73	18.73	5,073.35	316.03
Legal - Investigations	1.75		0.80	2.55	1,277.25	500.88
Forensic		3.00	7.00	10.00	3,078.50	282.25
Forensic - Relativity (Journal)		18.10	2.75	18.85	8,954.75	388.05
FTech - Project Management		18.10	1.50	17.60	7,206.00	400.43
Investigation - London Confidential Insecurity		23.85	0.75	24.40	10,880.75	445.24
FTech - Consulting		12.50		12.50	4,735.50	325.00
FTech - Forensic Data Analysis			4.00	4.00	1,390.00	340.00
Statutory Compliance	1.50	3.25	13.77	18.52	6,417.15	348.50
Statutory Compliance - Criminal	0.50		1.90	2.10	790.50	388.43
Appointment Forensic		3.25	11.75	15.00	4,026.75	328.59
Pension - Other	1.00		0.42	1.42	716.00	503.27
Total Hours	10.50	85.50	53.48	159.48	59,821.35	373.10

Debursements for the period
 03 July 2020 to 22 September 2020

Category	Value
Admin & Planning	11.96
Binding	1,560.00
Grand Total	1,571.96

Nil has been charged in the HMRC case
 pending at the time the case was posted

FRP Charge out rates	Rate
Grade	1st May 2020
Appointed Value / Partner	405-505
Managers / Directors	385-405
Other Professional	285-300
Junior Professional & Support	150-105

Our time charging policy and hourly rates

Original Administrators

We and our team charge our time for the work we need to do in the administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the administration.

Grade	Up to 30 June 2020 £	From 1 July 2020 £
Partner	910	955
Director	800	840
Senior Manager	605	665
Manager	525	575
Senior Associate	435	465
Associate	270	297
Support Staff	140	155
Offshore professionals	210	245

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	Up to 30 June 2020 £	From 1 July 2020 £	From 1 September 2020 £
Partner	1,520	1,520	1,600
Director	1,520	1,465	1,465
Senior Manager	1,290	1,290	1,355
Manager	775	775	815
Senior Associate/Consultant	575	575	605
Associate/Assistant Consultant	305	285	325
Support Staff	210	230	230
Offshore professionals			

Additional Administrators

Time costs are maintained on computerised records of all time spent on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frapadvisory.com/fees-guide.html>. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

Grade	£ per hour
Appointment taker/Partner	495-595
Managers/Directors	385-495
Other Professionals	225-340
Junior Professional/Support	150-195

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associates

We have paid £4,870.13 to PwC Malaysia in the period covered by this report. This payment was for language research exercise in the local market and was approved as an expense of administration.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Assets	See detail below	<ul style="list-style-type: none">• To ensure returns to the creditors are maximised.	<ul style="list-style-type: none">• Realise funds for the benefit of creditors
Assets - Sale of business	<ul style="list-style-type: none">• Preparing marketing documents including an information memorandum and other key pieces of analysis to populate the virtual data room to facilitate diligence• Identifying prospective buyers for the retail business and brand. The buyers list was refined as further information about the business was gathered and parties were made aware of the administration• Engaging with interested parties and issuing non disclosure agreements• Attending and supporting management presentations of the business and turnaround plans• Holding internal meetings to discuss/review offers received• Liaising with purchasers and solicitors• Finalising the asset sale agreement and supporting legal documentation to complete a sales transaction of the brand• Liaising with the brand purchaser and other interested parties to secure a buyer for the retail, manufacturing and logistics operations in the UK and Ireland as a going concern		

	<ul style="list-style-type: none"> • Preparing financial models to present a Newco structure • Responding to queries from interested parties and facilitating further management meetings for the retail, manufacturing and logistics operations • Negotiating offers in respect of the retail, manufacturing and logistics operations • Liaising with the Welsh Government and other public sector bodies to understand the level of support available
Assets - Property	<ul style="list-style-type: none"> • Carrying out title searches and securing relevant property records • Collating property information • Assessing property values and obtaining freehold valuations • Liaising with valuers, agents and landlords to progress our realisation strategy for property should a going concern sale not materialise • Liaising with legal advisers in relation to stores where leases are nearing expiry • Liaising with landlords and their managing agents to complete on the surrenders of all properties • Chasing up landlords who have not yet invoiced us for the periods of our occupation on agreed terms • Paying all outstanding rent, service charge and insurance on all properties, where applicable • Negotiating the waiver of rent due during the COVID-19 lockdown • Liaising with all outstanding utility providers to secure final invoices for the periods of our occupation on all properties if applicable, and making payments as appropriate • Liaising with the relevant rating authorities to make payments/get receipts for business rates for the period of our occupation
Assets - Debtors	<ul style="list-style-type: none"> • Reviewing and assessing debtors ledgers across the legal entities • Corresponding with Franchise, Licencing and Trade debtors • Following up on non-payment • Negotiating and agreement of revised repayment plans with Franchise debtors where the underlying debtor had agreed to over a long period of time • Working with Gordon Brothers to ensure Licence debtors are being collected and monies transferred across to the administration • Liaising with debt collectors and solicitors, where further action is needed • Writing off non-collectable debt
Assets - Stock	<ul style="list-style-type: none"> • Reviewing key strategic decisions for stock realisations (trade under the supervision of the Administrators or immediate shutdown and fire sale of the stock) • Negotiating a retail agency agreement with Gordon Brothers LLC to provide a net guarantee for stock sale proceeds (see "Trading" below) • Preparing stock reports and reviewing stock values • Liaising with franchise and hospitality partners for the provision of further stock
Assets - Other chattel assets	<ul style="list-style-type: none"> • Reviewing asset listings and securing assets • Obtaining up to date valuations for assets from third parties where relevant and cost effective to do so • Working with Gordon Brothers LLC to value and sell these assets to interested parties. Gordon Brothers will be entitled to retain a proportion of the amounts realised
Assets - Retention of title claims	<ul style="list-style-type: none"> • Maintain accurate record of stock held by the Companies • Corresponding with creditors claiming retention of title over goods supplied • Arranging for the completion of retention of title claim forms • Maintaining retention of title file • Liaising with company staff to review validity and adjudicate retention of title claims • Corresponding with claimants regarding outcome of adjudication • Arranging stock counts if required, once circumstances allow • Negotiating potential settlements and making payments to satisfy valid claims or arranging for collection of goods
Assets - Intangible assets	<ul style="list-style-type: none"> • Carrying out tasks associated with realising such assets
Assets - Insurance	<ul style="list-style-type: none"> • Identifying potential issues requiring attention of insurance specialists • Reviewing insurance policies • Corresponding with insurer regarding initial and ongoing insurance requirements • Realising any value within policies

Assets - Third party assets	<ul style="list-style-type: none"> • Reviewing leasing documents • Liaising with owners/lessors to return assets no longer required • Working with the relevant lessors to agree undertakings where there is a requirement to retain these assets 		
Creditors	See detail below	<ul style="list-style-type: none"> • To manage creditor enquiries. • To keep creditors informed on the progress of the case. 	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case.
Creditors - Creditor enquiries	<ul style="list-style-type: none"> • Setting up a dedicated website for delivery of initial and ongoing communications and reports • Securing ongoing support from key suppliers to work with the Administrators including the negotiation of any ransom payments • Setting up a dedicated helpline and query app to deal with stakeholder queries, and responding to a large volume of queries • Receiving and following up creditor enquiries via telephone, email and post • Reviewing and preparing correspondence to creditors and their representatives • Receipt and filing proofs of debt 		
Creditors - Secured creditors	<ul style="list-style-type: none"> • Notifying secured creditors of appointment • Preparing reports to secured creditor • Responding to secured creditor queries • Making distributions in accordance with security entitlements 		
Creditors - Preferential claims	<ul style="list-style-type: none"> • Corresponding with employees regarding dividend • Preparing, issuing and receiving employee preferential claim agreement forms • Corresponding with the Redundancy Payments Service regarding proof of debt • Calculating dividend rate and preparing dividend file • Calculating arrears of wages due and holiday pay and processing payments of these through the trading period • Ensuring PAYE/NIC is deducted and remitted to HMRC 		
Creditors - Unsecured claims	<ul style="list-style-type: none"> • Dealing with proofs of debt for dividend purposes • Preparing correspondence to potential creditors inviting lodgment of proof of debt via a portal or in writing • Receiving proofs of debt and maintaining register • Maintenance of contacts details • Queries and communications from creditors 		
Creditors - Shareholder enquiries	<ul style="list-style-type: none"> • Responding to any shareholder queries 		
Employees and pensions	See detail below	<ul style="list-style-type: none"> • To comply with our statutory obligations. 	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case
Employees and pensions - Communications with employees	<ul style="list-style-type: none"> • Hosting virtual meetings via Webex to brief employees on appointment and to provide critical updates • Drafting, issuing and delivering initial communications and announcements including the production of an internal release each month • Preparing letters to employees advising of their entitlements and options available • Appointing employee representatives and holding regular meetings in an attempt to consult • Receiving and following up employee enquiries via telephone, post and email 		
Employees and pensions - Payroll	<ul style="list-style-type: none"> • Reviewing employee files and company's books and records • Reviewing awards and payroll structure • Calculating and paying periodic payroll • Deducting and paying over PAYE/NIC to HMRC and other deductions to relevant agencies and third parties • Understanding Coronavirus Job Retention Scheme guidance in respect of pay to 		

ensure furlough pay is calculated and paid appropriately			
Employees and pensions - Coronavirus Job Retention Scheme (CJRS) calculation and claim	<ul style="list-style-type: none"> • Lobbying the UK Government to make use of the Coronavirus Job Retention Scheme in an insolvency scenario • Reviewing employee information and liaising with senior management to understand which employees were eligible for the scheme and which would not be retained, either as part of a going concern sale or stock liquidation • Communicating with nearly 2,000 employees to seek their agreement to be furloughed • Explaining the Coronavirus Job Retention Scheme to the employees and arranging for confirmatory letters to be sent to furloughed employees • Bringing employees back from furlough as there is a requirement to do so including giving employees the appropriate notice, as per the terms drafted and agreed with employees • Calculation of payments due to employees under the Coronavirus Job Retention Scheme for the lunar and monthly payrolls for various months • Compiling and submitting to HMRC the Coronavirus Job Retention Scheme claims including pension and National Insurance claims • Assistance with responding to employee queries in relation to their pay as a result of the CJRS and the amounts that they have received 		
Employees and pensions - Redundancy related work	<ul style="list-style-type: none"> • Reviewing employee information and liaising with senior management to understand which employee roles were not required for either a going concern or stock liquidation exercise • Appointing employee representatives and holding regular consultation meetings • Enacting the redundancies and communicating to employees via Webex • Liaising with the Redundancy Payments Service to enable the efficient payment of the statutory amounts available to employees • Liaising with external agencies such as Job Centre Plus, PACE and the Welsh Government to provide support to affected employees 		
Employees and pensions - Pensions	<ul style="list-style-type: none"> • Reviewing insurance policies • Issuing statutory notices • Dealing with general pension scheme issues and the Pension Protection Fund • Ensuring post appointment contributions continue to be paid to the various pension providers • Ensuring various employee benefit arrangements remain on risk and that post appointment premiums are paid • Deal with ad hoc pensions queries • Assist with the appointment and removal of trustees in relation to the DB scheme as a result of entering an assessment period with the Pension Protection Fund • Issuing further statutory notices in relation to occupational pension schemes • Adjudicate on defined benefit scheme's section 75 claim and any other pensions related claims • Review hard copy files collected by PwC Forensics in relation to TPR's moral hazard investigation • First level review of data (collected from emails and laptops of key personnel) uploaded to Relativity • Secondary review of Relativity data to assess whether documents are in scope and/or protected • Draft cover letter to TPR • Submission of letter and relevant documents to TPR in respect of the outstanding (December 2019) s.72 notices to LAH, LAL and TML 		
Trading	See detail below	<ul style="list-style-type: none"> • To ensure returns to the creditors are maximised 	<ul style="list-style-type: none"> • Realise funds for the benefit of creditors
Trading - Trading arrangements and management	<ul style="list-style-type: none"> • Negotiating key terms in stock disposition agreement with retail agents to include a minimum net realisation into the administration estate and fee structure to drive sales • Finalising stock disposition agreement with retail agents • Securing distribution centre, warehouses and website to support trading • Identifying areas of risk and consulting health and safety specialists. In particular, reviewing existing COVID-19 procedures • Liaising with suppliers, including critical systems and infrastructure suppliers • Liaising with freight forwarders 		

		<ul style="list-style-type: none"> • Negotiating and minimising any ransom amounts due • Liaising with management and staff • Limited attendance on site and arranging to uplift stock and cash from stores • Developing a payment process and authorised signatories within the administration team • Authorising purchase orders and other commitments • Maintaining purchase order registry • Preparing and authorising receipt and payment vouchers • Reviewing company's budgets and financial statements • Preparing budgets and financial reports • Holding meetings to discuss trading position • Dealing with large volume of customer correspondence, including regarding faulty products/non-deliveries/refunds • Agreeing/declining customer refunds and arranging payments
Trading - Merchant service providers		<ul style="list-style-type: none"> • Engaging with the multiple merchant services providers regarding the significant level of cash retentions, in order to release cash to the estate • Creating and automating reports for the merchant service providers to show their actual exposure • Negotiating with merchant service providers to reduce their cash retentions • Working with alternative providers should the existing merchant-service providers not agree to work with the Administrators through the trading period
Trading - Processing receipts and payments		<ul style="list-style-type: none"> • Preparing and authorising receipt and payment vouchers • Entering receipts and payments into accounting system
Financial modelling	See detail below	<ul style="list-style-type: none"> • To forecast returns to creditors under the various proposals received • Work is required to ensure the offers with the best overall return to creditors is accepted for the LA Brand, going concern sale and stock disposition
Financial modelling - Modelling		<ul style="list-style-type: none"> • Preparing and refining entity priority model • Reviewing entity priority model and seeking input from others • Adding wholesale debtor inputs and calculations • Adding calculation of opening creditors and an unwind profile • Changing the inventory calculations to update the treatment of opening stock • Review of the model changes • Meetings to walkthrough the new adjustments and outputs • Walkthrough of the Newco Model with agents • Assisting in answering questions on the model from agents
Investigations	See detail below	<ul style="list-style-type: none"> • To comply with our statutory obligations. • Work is required by statute and for the proper administration of the case.
Investigations - Conducting investigations		<ul style="list-style-type: none"> • Collecting and reviewing company books and records related to investigatory work • Reviewing specific transactions and liaising with directors regarding certain transactions • Preparing investigation file on directors' conduct in accordance with our duties under the Company Directors Disqualification Act 1986 and lodging findings with the Department for Business, Innovation and Skills • Liaising with the Department for Business, Innovation and Skills regarding any queries they have
Investigations - Forensic Analysis		<ul style="list-style-type: none"> • Bank statement analysis to identify notable payments, including high value payments, cheques and round sum payments • Review of general ledger and reconciliation between this and the bank account list provide by the Companies finance team • Liaising with key company staff and directors • Further analysis of financial information based on the outcomes of those discussions • Analysis of a sample of cheque payments • Outstanding analysis of the completeness of Laura Ashley bank accounts

Investigations - Data requirements	<ul style="list-style-type: none"> • Data requirements for third parties in response to regulatory requests for material and disclosure of data • Data capture of general ledger, chart of accounts, supplier master, AP ledger and AR ledger • Processing of remaining data and loading into Relativity • Creation of hardcopy document workflow • Searching and batching of relevant data • Electronic data review support • Preparation of Data Disclosure • Liaising with Laura Ashley IT to extract remaining data • Restoration of backup tapes and cataloguing contents • Forensic imaging of laptops 		
Investigations - Potential asset recoveries	<ul style="list-style-type: none"> • Identifying potential asset recoveries 		
Statutory and compliance	See detail below	• To comply with our statutory obligations	• Work is required by statute and for the proper administration of the case
Statutory and compliance - Initial letters and notifications	<ul style="list-style-type: none"> • Preparing and issuing all necessary initial letters and notices regarding the administration and our appointment 		
Statutory and compliance - Remuneration report	<ul style="list-style-type: none"> • Preparing and circulating to creditors a report giving details of the work we expect to carry out during the case, our fees estimate and the expenses that are likely to be incurred 		
Statutory and compliance - Case reviews	<ul style="list-style-type: none"> • Conducting case reviews after the first month, then every six months 		
Statutory and compliance - Proposals	<ul style="list-style-type: none"> • Drafting and reviewing a statement of proposals to creditors including preparing receipts and payments accounts and statutory information • Circulating notice of the proposals to creditors, members and the Registrar of Companies • Preparing decision notice and associated documentation • Preparing a record of the decision and issuing a report on the outcome to creditors 		
Statutory and compliance - Progress reports and extensions	<ul style="list-style-type: none"> • Preparing periodic progress report to creditors and the Registrar 		
Statutory and compliance - Other meetings / resolutions	<ul style="list-style-type: none"> • Preparing documents and information for the purpose of obtaining approval to fees, Category 2 disbursements and other matters in the administration • Issuing notices and associated documentation for seeking decisions of creditors 		
Statutory and compliance - Books and records	<ul style="list-style-type: none"> • Collecting company books and records where not related to investigatory work • Preservation of electronic records and reviewing company systems • Dealing with records in storage • Sending job files to storage 		
Statutory and compliance - Other statutory and compliance	<ul style="list-style-type: none"> • Filing of documents • Updating checklists and diary management system 		
Tax & VAT	See details below	• To comply with our statutory obligations.	• Required by statute/regulations.
Tax	<ul style="list-style-type: none"> • Gathering information for the initial tax review • Carrying out tax review and subsequent enquiries • Consideration of obligations under Senior Accounting Officer regime, including submission of 2020 notification and certificate • Consideration of requirement to review and publish online the 2020 group tax strategy • Consideration of requirements to prepare risk assessment and review of "reasonable prevention procedures" to comply with the tax evasion prevention 		

	<ul style="list-style-type: none"> regime Preparing 2019 tax computations and submission of tax return to HMRC Liaising with HMRC 	
VAT	<ul style="list-style-type: none"> Gathering information for the initial VAT review Carrying out VAT review and subsequent enquiries Assisting in the preparation of the VAT returns Reviewing VAT returns Preparing VAT return reconciliations and reconciling the VAT paid/received in the administration Liaising with HMRC in relation to VAT and customs duties affairs Review of sale documentation 	
Administration	See details below <ul style="list-style-type: none"> To ensure case progression and monitoring costs. Controls efficiencies, time costs and ensures continued case progression towards closure. 	
Administration - Strategy and planning	<ul style="list-style-type: none"> Completing tasks relating to job acceptance Preparing fee budgets & monitoring cost Holding team meetings and discussions regarding status of administration and ensuring the ongoing strategy is appropriate and being followed 	
Administration - Accounting and treasury	<ul style="list-style-type: none"> Opening and closing bank accounts and arranging facilities Dealing with receipts, payments and journals not relating to trading Carrying out bank reconciliations and managing investment of funds Corresponding with bank regarding specific transfers Dealing with foreign currency bank accounts 	
Data Capture & Cyber Security	See detail below <ul style="list-style-type: none"> To comply with our statutory obligations Work is required by statute and for the proper administration of the case. 	
Data Capture & Cyber Security	<ul style="list-style-type: none"> These areas of work are heavily linked to our other areas of work and is therefore mainly described within the sections above, with additional work more specific to this area being: Implement PwC Managed Cyber Defence to provide a security monitoring capability Control and monitor access controls and network monitoring Reduce risk around shared accounts Analysis of the Active Directory and Linux environment Configure and dispatch the network sensors 	

Our future work

We still need to do the following work to achieve the purpose of administration. Please note this work is common to all of the Companies.

Area of work	Work undertaken	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Assets	See detail below	<ul style="list-style-type: none"> Realise funds for the benefit of creditors
Assets - Property	<ul style="list-style-type: none"> Liaising with landlords and their managing agents to complete on the surrenders of all properties Liaising with valuers, agents and landlords to progress our realisation strategy for the freehold properties Chasing up landlords who have not yet invoiced us for the periods of our occupation on agreed terms Paying all outstanding rent, service charge and insurance on all properties, where applicable Liaising with all outstanding utility providers to secure final invoices for the periods 	

	<ul style="list-style-type: none"> of our occupation on all properties if applicable, and making payments as appropriate Liaising with the relevant rating authorities to make payments/get receipts for business rates for the period of our occupation
Assets - Debtors	<ul style="list-style-type: none"> Following up on non-payment Working with Gordon Brothers to ensure Licence debtors are being collected and monies transferred across to the administration Liaising with debt collectors and solicitors, where further action is needed
Assets - Other chattel assets	<ul style="list-style-type: none"> Obtaining up to date valuations for assets from third parties where relevant and cost effective to do so Working with Gordon Brothers LLC to value and sell these assets to interested parties. Gordon Brothers will be entitled to retain a proportion of the amounts realised
Assets - Retention of title claims	<ul style="list-style-type: none"> Corresponding with creditors claiming retention of title over goods supplied Arranging for the completion of retention of title claim forms Maintaining retention of title file Corresponding with claimants regarding outcome of adjudication Negotiating potential settlements and making payments to satisfy valid claims
Assets - Insurance	<ul style="list-style-type: none"> Corresponding with insurer regarding initial and ongoing insurance requirements Realising any value within policies
Assets - Third party assets	<ul style="list-style-type: none"> Reviewing leasing documents Liaising with owners/lessors to return assets no longer required Settling amounts due to lessors where undertakings were provided to retain use of the assets in the administration
Creditors	<p>See detail below</p> <ul style="list-style-type: none"> Work is required by statute and for the proper administration of the case.
Creditors - Creditor enquiries	<ul style="list-style-type: none"> Continuing with query app to deal with stakeholder queries, and responding to queries Receiving and following up creditor enquiries via telephone, email and post Receipting and filing proofs of debt
Creditors - Preferential claims	<ul style="list-style-type: none"> Corresponding with the Redundancy Payments Service regarding proof of debt
Creditors - Unsecured claims LAH, LAI and PHL	<ul style="list-style-type: none"> Dealing with proofs of debt for dividend purposes Preparing correspondence to potential creditors inviting lodgment of proof of debt via a portal or in writing Receiving proofs of debt and maintaining register Adjudicating claims, including requesting further information from claimants Cross check claims for appropriate entity claiming Deal with landlord claims estimates and negotiate mitigations as appropriate Preparing correspondence to claimant advising outcome of adjudication and advising of intention to declare dividend Advertising intention to declare dividend Calculating dividend rate and preparing dividend file Preparing correspondence to creditors announcing declaration of dividend Sanction check all payees Preparing and paying distribution Distribution to employees and associated RTI submissions Administration regarding cancellation of payments Maintenance of contacts details Reissue of payments Pay over unbanked dividend amounts to the Insolvency Service
Creditors - Unsecured claims LAL and TML	<ul style="list-style-type: none"> Confirming receipt of claims received and filing of claims received Prepare documents to be handed to FRP in line with move to liquidation Responding to creditor queries regarding claims
Creditors - Shareholder enquiries	<ul style="list-style-type: none"> Responding to any shareholder queries

Employees and pensions	See detail below	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case
Employees and pensions - Communications with employees	<ul style="list-style-type: none"> • Receiving and following up employee enquiries via telephone, post and email 	
Employees and pensions - Payroll	<ul style="list-style-type: none"> • Calculating and paying periodic payroll • Deducting and paying over PAYE/NIC to HMRC and other deductions to relevant agencies and third parties 	
Employees and pensions Redundancy related work	<ul style="list-style-type: none"> • Completing the redundancy programme for the remaining employees • Liaising with the Redundancy Payments Service to enable the efficient payment of the statutory amounts available to employees • Liaising with external agencies such as Job Centre Plus, PACE and the Welsh Government to provide support to affected employees 	
Employees and pensions Pensions	<ul style="list-style-type: none"> • Dealing with general pension scheme issues and the Pension Protection Fund • Ensuring post appointment contributions continue to be paid to the various pension providers • Ensuring various employee benefit arrangements remain on risk and that post appointment premiums are paid, and closing off the arrangements once the redundancy programme is complete • Deal with ad hoc pensions queries • Assist with the appointment and removal of trustees in relation to the DB scheme as a result of entering an assessment period with the Pension Protection Fund • Issuing further statutory notices in relation to occupational pension schemes • Adjudicate on defined benefit scheme's section 75 claim and any other pensions related claims 	
Trading	See detail below	<ul style="list-style-type: none"> • Realise funds for the benefit of creditors
Trading - Trading arrangements and management	<ul style="list-style-type: none"> • Authorising purchase orders and other commitments • Maintaining purchase order registry and chasing up missing supplier invoices • Reviewing company's budgets and financial statements • Preparing budgets and financial reports 	
Trading - Merchant service providers	<ul style="list-style-type: none"> • Engaging with the multiple merchant services providers regarding the significant level of cash retentions, in order to release cash to the estate • Negotiating with merchant service providers to reduce their cash retentions 	
Trading - Processing receipts and payments	<ul style="list-style-type: none"> • Preparing and authorising receipt and payment vouchers • Entering receipts and payments into accounting system 	
Investigations	See detail below	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case.
Investigations - Conducting investigations	<ul style="list-style-type: none"> • Provide further information to the Insolvency Service if/when this is requested • Continuing to investigate any potential claims and comply with requests where possible. 	
Statutory and compliance	See detail below	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case
Statutory and compliance - Case reviews	<ul style="list-style-type: none"> • Conducting case reviews every six months 	
Statutory and compliance - Progress reports and extensions	<ul style="list-style-type: none"> • Preparing and issuing periodic progress reports to creditors and the Registrar • Making applications to creditors or court for the extension of the administrations and filing relevant notices 	
Statutory and compliance - Other meetings / resolutions	<ul style="list-style-type: none"> • Issuing notices and associated documentation for seeking decisions of creditors 	

Statutory and compliance - Books and records	<ul style="list-style-type: none"> • Collecting company books and records where not related to investigatory work • Preservation of electronic records and reviewing company systems • Dealing with records in storage • Sending job files to storage
Statutory and compliance - Other statutory and compliance	<ul style="list-style-type: none"> • Filing of documents • Updating checklists and diary management system • Preparing and issuing final progress reports and registering notices to place the Companies into CVL
Tax & VAT	<p>See detail below • Required by statute/regulations.</p>
Tax	<ul style="list-style-type: none"> • Preparing tax computations and submission of tax returns to HMRC • Reviewing tax computations for the post-appointment periods as they fall due; making payments • Liaising with HMRC • Request for corporation tax clearance upon closure
VAT	<ul style="list-style-type: none"> • Preparation and review of the VAT returns • Preparing VAT return reconciliations and reconciling the VAT paid/received in the administration • Liaising with HMRC regarding recoveries of all import VAT paid and any other matters required • Review of sale documentation • Completing VAT deregistration upon closure
Administration	<p>See detail below • Controls efficiencies, time costs and ensures continued case progression towards closure.</p>
Administration - Strategy and planning	<ul style="list-style-type: none"> • Preparing fee budgets & monitoring cost • Holding team meetings and discussions regarding status of administration and ensuring the ongoing strategy is appropriate and being followed
Administration - Accounting and treasury	<ul style="list-style-type: none"> • Dealing with receipts, payments and journals not relating to trading • Carrying out bank reconciliations and managing investment of funds • Corresponding with bank regarding specific transfers • Dealing with foreign currency bank accounts

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Creditors have approved the payment of the following category 2 disbursements:

- **Photocopying** – At up to 12 pence per sheet copied, only charged for circulars to creditors and other bulk copying.
- **Mileage** – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)

Our expenses policy allows for all properly incurred expenses to be recharged to the administration and has been approved by the general body of creditors where required.

The following disbursements arose in the period of this report.

Original Administrators**Laura Ashley Holdings PLC Disbursements**

Category		Costs incurred £
2	Photocopying	Nil
2	Mileage	43.03
1	All other disbursements reimbursed at cost:	
	Travel, accommodation and sustenance	259.5
	Postage	3.17
	Bonding	300.00
	Storage	210.53
Total		816.23

Laura Ashley Limited Disbursements

Category		Costs incurred £
2	Photocopying	
2	Mileage	1,137.72
1	All other disbursements reimbursed at cost:	
	Travel, accommodation and sustenance	1,083.48
	Postage	4,647.34
	Bonding	300.00
	Storage	829.53
	Land Registry fee	21.00
	Systems fee	201.32
Total		8,220.39

Laura Ashley Investments Limited Disbursements

Category		Costs incurred £
2	Photocopying	
2	Mileage	
1	All other disbursements reimbursed at cost:	
	Bonding	300.00
Total		300.00

Premier Home Logistics Limited Disbursements

Category	Costs incurred £
2 Photocopying	
2 Mileage	189.97
1 All other disbursements reimbursed at cost:	
Travel, accommodation and sustenance	81.89
Bonding	300.00
Storage	219.25
Total	791.11

Texplan Manufacturing Limited Disbursements

Category	Costs incurred £
2 Photocopying	
2 Mileage	518.21
1 All other disbursements reimbursed at cost:	
Travel, accommodation and sustenance	33.33
Bonding	300.00
Storage	95.58
Total	947.12

Additional Administrators

Disbursement Policy

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

There are two types of disbursements; direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

Category 1 disbursements:

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance, licence fees.

Category 1 disbursements can be drawn without prior approval

Category 2 disbursements

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

Details of disbursements incurred by the Additional Administrators can be found on pages 39 and 40.

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Details of subcontracted work, legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services, including:			
Support regarding board meetings, pre-appointment creditor management, preparation of documents for the appointment; and advice relating to pensions, trading and Sale of Business	• Travers Smith LLP	• Industry knowledge and knowledge of the company	• Time costs and disbursements
Support and advice on transport and logistics arrangements	• Eversheds LLP	• Industry knowledge	• Time costs and disbursements
Matters in connection with the petition to place Laura Ashley Ireland Limited into an insolvency process to preserve value	• William Fry Solicitors	• Industry knowledge and ability to support petition by LAH to place LA Ireland into insolvency process	• Time costs and disbursements
Assistance with the sale of the intellectual property	• HGF Limited	• Historical knowledge or trademarks (incumbent intellectual property advisor)	• Time costs and disbursements
Legal work in relation to the trademarks within Laura Ashley Manufacturing B.V (Dutch subsidiary)	• Loyens & Loeff	• Industry knowledge and Dutch expertise	• Time cost basis
Assistance with ROT matters	• Osbourne Clarke LLP	• Industry knowledge and expertise	• Time costs and disbursements
Assistance with LA Asia Pte	• Rajah & Tann	• Singaporean insolvency expertise	• Time cost basis
Chattel agents and valuers			
Assistance with the retail agreements, including planning and preparation work	• Hilco Capital Ltd	• Industry knowledge and expertise	• Fixed fee
Property agents and others			
Property valuation of Newtown premises	• Stuart Hogg Property Consultants	• Industry knowledge and local proximity to the premises	• Fixed fee
Property support and negotiations	• Place Consulting Ltd	• Experience and understanding of leased property portfolio	• Daily rate

Assisting with Newtown property	<ul style="list-style-type: none"> • Mon. Advisory Services Ltd • PPR Consultants Ltd 	<ul style="list-style-type: none"> • e.g. industry knowledge • Prior engagement 	<ul style="list-style-type: none"> • Daily rate plus expenses • Daily rate plus expenses
Freehold property	<ul style="list-style-type: none"> • Avison Young (UK) Ltd 	<ul style="list-style-type: none"> • Selling agent 	<ul style="list-style-type: none"> • % of gross sale price
Subcontractors and others			
Assisting with preparation of a business trading model	<ul style="list-style-type: none"> • Tunney Consulting 	<ul style="list-style-type: none"> • Expertise and skill set 	<ul style="list-style-type: none"> • Time cost basis
Liquidity management support	<ul style="list-style-type: none"> • Emrak Ltd 	<ul style="list-style-type: none"> • Industry knowledge and expertise 	<ul style="list-style-type: none"> • Daily rate
Providing assistance with formal communications including internal and external	<ul style="list-style-type: none"> • Not a Duff Word 	<ul style="list-style-type: none"> • Incumbent communications advisor 	<ul style="list-style-type: none"> • Daily rate
Corporate finance advice and support in relation to the transaction relating to the sale of the assets	<ul style="list-style-type: none"> • Lexington Corporate Advisors Ltd 	<ul style="list-style-type: none"> • Industry knowledge and expertise 	<ul style="list-style-type: none"> • Fixed fee
Assistance with the Statement of Affairs	<ul style="list-style-type: none"> • RSM Restructuring Advisory LLP 	<ul style="list-style-type: none"> • Industry knowledge and expertise 	<ul style="list-style-type: none"> • Fixed fee
Supply chain and inventory consultancy	<ul style="list-style-type: none"> • J Blackwell 	<ul style="list-style-type: none"> • Industry knowledge and expertise 	<ul style="list-style-type: none"> • Daily fee basis
Retail consultancy including overseeing the running of the stores and website during the trading period	<ul style="list-style-type: none"> • Gordon Brothers LLC 	<ul style="list-style-type: none"> • Industry knowledge and expertise 	<ul style="list-style-type: none"> • Fixed fee in the event a minimum net realisation is achieved
Retail consultancy	<ul style="list-style-type: none"> • H Beebe 	<ul style="list-style-type: none"> • Industry knowledge and expertise 	<ul style="list-style-type: none"> • Daily fee basis
Assistance with Tax work across the Group companies	<ul style="list-style-type: none"> • Alvarez & Marsal LLP 	<ul style="list-style-type: none"> • Company knowledge and understanding of Tax affairs 	<ul style="list-style-type: none"> • Fixed fee

Appendix D: Pre-administration costs

Original Administrators

The following costs incurred before our appointment with a view to the Companies going into administration were approved for payment on 8 June 2020. Please refer to the proposals for further details on the work undertaken.

Nature of costs	Amount (£)
Our fees as Administrators-in-waiting	682,674
Administrators-in-waiting disbursements	1,659
Travers Smith LLP	58,474
Arrowpoint	100,000
Total	842,807

During the period covered by this report Travers Smith LLP and Arrowpoint have been paid in full and fees as Administrators in waiting in respect of LAL of £535,215 and pre appointment disbursements of £840 in respect of LAL have been paid.

The remaining fees of £147,459 and disbursements of £819 will be taken as funds become available in respective Companies.

Additional Administrators

FRP ADVISORY TRADING LIMITED – PRE-APPOINTMENT COSTS

AL REALISATIONS LIMITED (FORMERLY LAURA ASHLEY LIMITED) AND TEXPLAN MANUFACTURING LIMITED

Pre-appointment costs were incurred as regards liaising with the PPF and the Original Administrators in respect of potential pre-administration investigations and drafting a protocol that split the roles of such investigations between the Original Administrators and the Additional Administrators to minimise costs and any risk of duplication. Statutory and compliance work was also undertaken in respect of the actual appointments of the Additional Administrators on 3 July 2020.

Costs	Amount (£)
Joint Administrators' pre-appointment time costs (unpaid)	17,920
Jones Day pre-appointment legal fees (unpaid)	39,308
Jones Day pre-appointment legal disbursements (unpaid)	153
Total	57,381

Note: The above figures are exclusive of VAT. VAT is recoverable in this case.

Appendix E: Other information

Court details for the administration:	<p>AL Realisations Limited (formerly Laura Ashley Limited) In the High Court of Justice Business and Property Courts and of England and Wales Insolvency and Company List (ChD) Case 001886 of 2020</p> <p>Laura Ashley Holdings PLC - In the High Court of Justice Business and Property Courts and of England and Wales Insolvency and Company List (ChD) Case 001887 of 2020</p> <p>ALI Realisations Limited (formerly Laura Ashley Investments Limited) In the High Court of Justice Business and Property Courts and of England and Wales Insolvency and Company List (ChD) Case 001892 of 2020</p> <p>Texplan Manufacturing Limited - In the High Court of Justice Business and Property Courts and of England and Wales Insolvency and Company List (ChD) Case 001891 of 2020</p> <p>Premier Home Logistics Limited - In the High Court of Justice Business and Property Courts and of England and Wales Insolvency and Company List (ChD) Case 01890 of 2020</p>
Company's registered name:	<p>AL Realisations Limited (formerly Laura Ashley Limited)</p> <p>Laura Ashley Holdings PLC</p> <p>ALI Realisations Limited (formerly Laura Ashley Investments Limited)</p> <p>Texplan Manufacturing Limited</p> <p>Premier Home Logistics Limited</p>
Trading name:	Laura Ashley
Registered number:	<p>AL Realisations Limited (formerly Laura Ashley Limited) - 00531301</p> <p>Laura Ashley Holdings PLC - 01012631</p> <p>ALI Realisations Limited (formerly Laura Ashley Investments Limited) - 03357408</p> <p>Texplan Manufacturing Limited - 03111631</p> <p>Premier Home Logistics Limited - 04313286</p>
Registered address:	8th Floor Central Square, 29 Wellington Street, Leeds, West Yorkshire, LS1 4DL
Date of the joint administrators' appointment:	<p>Robert Nicholas Lewis and Zelf Hussain of PricewaterhouseCoopers LLP were appointed on 23 March 2020</p> <p>Rachael Maria Wilkinson of PricewaterhouseCoopers LLP was appointed on 17 April 2020.</p> <p>Anthony John Wright and Paul David Allen of FRP Advisory Trading Limited were appointed joint administrators of AL Realisations Limited (formerly Laura Ashley Limited) and Texplan Manufacturing Limited on 3 July 2020</p>
Joint administrators' names, addresses and contact details:	<p>Robert Nicholas Lewis, Zelf Hussain and Rachael Maria Wilkinson of PricewaterhouseCoopers LLP - 8th Floor Central Square, 29 Wellington Street, Leeds, West Yorkshire, LS1 4DL</p> <p>Anthony John Wright and Paul David Allen of FRP Advisory Trading Limited - 110 Cannon Street, London EC4N 6EU</p>
Extension(s) to the initial period of appointment:	Not applicable