

# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



\*A8CJWNOZ\*  
A25 24/08/2019 #39  
COMPANIES HOUSE

### 1 Company details

Company number 0 3 1 4 5 0 5 7

Company name in full EFB Retail Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Philip Francis

Surname Duffy

### 3 Administrator's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

### 4 Administrator's name ①

Full forename(s) Matthew

Surname Ingram

① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	3	d	0	m	0	m	1	y	2	y	0	y	1	y	9
To date	d	2	d	9	m	0	m	7	y	2	y	0	y	1	y	9

### 7 Progress report

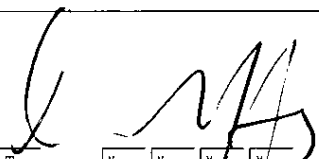
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

d	2	d	3	m	0	m	8	y	2	y	0	y	1	y	9
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# 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 **Matthew.Dunnill**

Company name **Duff & Phelps Ltd.**

Address  
**The Chancery**  
**58 Spring Gardens**

Post town **Manchester**

County/Region

Postcode **M 2 1 E W**

Country

DX

Telephone **+44 (0) 161 827 9000**



### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



### Important information

**All information on this form will appear on the public record.**



### Where to send

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

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

# Joint Administrators' Progress Report to Creditors

23 August 2019

**Wine Cellar Trading Limited;  
Whittalls Wines Merchants 1 Limited;  
Whittalls Wines Merchants 2 Limited;  
and EFB Retail Limited  
(All in Administration)  
(together “the Companies” or  
“the Group”)**

*Joint Administrators' Progress Report to Creditors  
For the period from 30 January 2019 to 29 July 2019*

## Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents and/or SIA	SIA Group UK Limited, independent agents who were instructed to value the business and assets of the Companies and to conduct a full review of the property portfolio to include an appraisal of the leases
Amex / American Express	American Express, provider of certain merchant service facilities to the Companies
the Appointment Date	30 January 2019, being the date of appointment of the Joint Administrators
the Banks	Santander UK plc and HSBC Bank plc, with whom the Companies banked and provided credit only facilities
Barclaycard	Barclaycard Payment Solutions, provider of certain merchant service facilities to the Companies
BLM	Business Lite Memo, a teaser document outlining the Companies business and assets for sale
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Companies / the Group	Wine Cellar Trading Limited (Company Number: 06981430); Whittalls Wines Merchants 1 Limited (Company Number: 07603355); Whittalls Wines Merchants 2 Limited (Company Number: 07603449); and EFB Retail Limited (Company Number: 03145057)
DBEIS	Department for Business, Energy & Industrial Strategy
the Directors	Ayodele Akintola and Balbir Singh Chatha, the Directors of the Companies
Duff & Phelps	Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW
EC Regulation	EC Regulation on Insolvency Proceedings 2000
EFB	EFB Retail Limited (In Administration) (Company Number: 03145057)
EFBL	European Food Brokers Limited (Company Number: 02596840), a connected company who supplies the majority of stock to the Companies, and holder of first ranking fixed and floating charges over the business and assets of WWM1 and WWM2
EHL	EFB Holdings Limited (Company Number: 03834285), the holder of a first ranking fixed and floating charge over WCTL
FTT	First Tier Tribunal

HMRC	HM Revenue and Customs
HSBC	HSBC Bank plc. with whom the Companies banked and provided credit only facilities
IOM	Isle of Man
the Joint Administrators	Philip Duffy and Matthew Ingram of Duff & Phelps
JS&S	John Stephenson & Sons (Nelson) Limited (Company Number: 07033281)
London Head Office	Earlsfield Business Centre, 9 Lydden Rd. Earlsfield, London SW18 4LT
NOI	Notice of Intention to appoint Administrators
NDA	Non-Disclosure Agreement
NISA	NISA Retail Limited, a major supplier of tobacco products to the Companies
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of a company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential creditors
the Properties	The portfolio of leasehold properties occupied by the Companies at the appointment date, as detailed at Appendix 10
the Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals, dated 26 March 2019
Rajinder Singh Chatha / Mr Chatha	Holder of second ranking fixed and floating charges over the business and assets of WWM1, WWM2 and WCTL
the Reporting Period	30 January 2019 to 29 July 2019
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
ROT	Retention of Title
Santander	Santander UK plc. with whom the Companies banked and provided credit only facilities
the Secured Creditors	EFB Holdings Limited, Rajinder Singh Chatha and EFBL, the holders of fixed and/or floating charges over the Companies' assets
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements

SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by connected parties
the Solicitors and/or Shoosmiths	Shoosmiths LLP, the solicitors acting on behalf of the Joint Administrators
SOA	Statement of Affairs, documentation to be supplied by the Directors outlining the Group's financial position as at the Appointment Date
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006
Walsall Head office	European House, Darlaston Road, Walsall, West Midlands, WS2 9SQ
WCTL	Wine Cellar Trading Limited (In Administration) (Company Number: 06981430)
WCT1	Wine Cellar Trading 1 Limited (Company Number: 06981434)
Worldpay	Worldpay (UK) Limited, a provider of merchant service facilities to the Companies
WWM1	Whittalls Wines Merchants 1 Limited (In Administration) (Company Number: 07603355)
WWM2	Whittalls Wines Merchants 2 Limited (In Administration) (Company Number: 07603449)

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## **1. Introduction**

- 1.1 The Joint Administrators were appointed on the Appointment Date by way of Court orders dated 30 January 2019.
- 1.2 The functions of the Joint Administrators may be exercised by either or both of the Joint Administrators in accordance with Paragraph 100 (2) of Schedule B1 to the Act.
- 1.3 The purpose of this report is to provide creditors with an update of the progress of the Administrations during the Reporting Period.
- 1.4 This report should be read in conjunction with the Proposals.
- 1.5 Statutory information on the Companies is provided at Appendix 1.

## **2. Joint Administrators Report to Creditors and Statement of Proposals**

- 2.1 In accordance with Paragraph 52(1) of Schedule B1 to the Act, creditors' meetings were not required to be held as it was anticipated that there will be insufficient realisations to enable distributions to be made to the non-preferential creditors of any of the Companies. No meetings were convened, and the Proposals were deemed to have been approved by the general body of creditors of each of the Companies on 12 April 2019.
- 2.2 As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of the following hierarchical objectives:
  - Rescuing the Companies as going concerns;
  - Achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration); or
  - Realising property to make a distribution to one or more of the secured or preferential creditors
- 2.3 In accordance with Paragraph 49(2) of Schedule B1 to the Act, the Joint Administrators believe that the first objective cannot be met given that the Companies' liabilities exceeded its assets, and *substantial working capital* would have been required to facilitate on-going trade to return the Companies to a position of solvency.
- 2.4 As detailed in the Proposals, the Joint Administrators focussed all their attention in realising the assets of the Companies for the benefit of the relevant estates that would then be distributed in accordance with the order of priorities set out in current insolvency legislation.
- 2.5 The strategy for the Administrations was to continue to trade the businesses whilst seeking a sale of the business and assets of the Companies as going concerns. This strategy has been continued during the Reporting Period and further details are provided in Section 3 of this report.
- 2.6 It was believed that a going concern sale of the individual stores would achieve substantially higher realisations than in a shutdown scenario.
- 2.7 A going concern sale of the stores in whole or in part would also achieve a transfer of the Companies' employees which would minimise any employee claims against the Companies resulting in a better return to creditors.

- 2.8 In any event, it was believed trading the business in the short to medium term would result in a significantly better result for secured, preferential and non-preferential creditors, where stores making positive contributions would remain open as goods are sold at significantly more than cost, making more than enough to cover the costs of the business and generate a return to creditors.
- 2.9 The Joint Administrators are continuing to pursue the second objective as it is likely that a better result for the Companies' creditors will be achieved than if the Companies were wound up without first being in Administration.
- 2.10 The Joint Administrators are also pursuing the third objective as it is anticipated that, through the trading of the Companies, a greater value for the Companies' assets will be realised for the benefit of creditors enabling distributions to be made to the Secured Creditors under the terms of their security.
- 2.11 The quantum of any such distributions is currently uncertain and will be dependent upon (1) the level of asset realisations, (2) the level of preferential creditor claims, (3) the level of non-preferential claims and (4) the costs of the Administrations.
- 2.12 The Joint Administrators' proposals for achieving the purpose of the Administrations are set out in the remainder of this report.

### **3. Progress of the Administrations**

- 3.1 The way the affairs and business of the Companies have been managed, since the Appointment Date, and will continue to be managed and financed, are set out below.

#### **Administration Trading Period**

- 3.2 As detailed in the Proposals, on appointment the Joint Administrators identified a strategy of continuing to trade the businesses while seeking a sale of the business and assets of the Companies as a going concern.
- 3.3 It was considered that should a sale as a going concern be achieved, asset realisations would be maximised, and creditor claims would be minimised.
- 3.4 Continuing to trade the Companies enables the Joint Administrators to maintain the value of the Companies' goodwill and maximise the realisation of stock given sales are being made at above cost value.
- 3.5 Following the Appointment Date, the Joint Administrators engaged the former directors by way of JS&S, a connected company, to assist the Joint Administrators in the day to day management of the Administration trading. This engagement was undertaken by way of a consultancy agreement, through which the Joint Administrators would supervise the trading whilst JS&S manage the day to day trading matters. Detailed information regarding the terms of this consultancy agreement and the Joint Administrators rationale for entering into the same was provided in the Proposals.
- 3.6 As previously detailed in the Proposals, the Joint Administrators conducted a detailed financial review of the Companies immediately upon their appointment. This review identified a number of cost-cutting measures and a total of 45 unprofitable stores for closure by way of an orderly wind down process. The wind down strategy is detailed further at paragraphs 3.32 to 3.39.

- 3.7 The Joint Administrators have liaised with the Companies' suppliers to agree trading credit terms, and where required, provided undertakings for the continuity of supply during the Administration trading period. It should be noted that the primary supplier of the Companies' stock is EFBL, a connected company that provides stock with a full and valid ROT clause.
- 3.8 The Joint Administrators continuing to use a discount strategy to drive footfall and sales, to maximise realisations in the time frame available to maximise the returns to the Group's creditors and preserve value in the business for any incoming purchaser.
- 3.9 Given the circumstances surrounding the appointment of the Joint Administrators and the fact that a number of suppliers held significant outstanding debts with the Companies as at the Appointment Date, several suppliers were unwilling to transact with the Joint Administrators under the Companies' previous terms. As such, negotiations of new trading terms were required that has resulted in significantly more time being incurred in respect of trading operations than was initially anticipated.
- 3.10 The Joint Administrators have also exchanged dialogue with both Paypoint and Camelot whose services are utilised across the WCTL estate to drive footfall. Agreements are in place with both of these parties to ensure that any monies due to them are accounted for on a timely basis.
- 3.11 *As detailed in the Proposals, the Joint Administrators were made aware that the Companies utilised the services of three merchant service card providers, being Barclaycard American Express and Worldpay. The Joint Administrators have contacted all of the aforementioned service providers with a view to obtaining access to all funds held in respect of sales that have been made by the Companies during the Administration trading period.*
- 3.12 Payments have been processed by all of the merchant service providers and the Joint Administrators continue to operate these facilities going forward.
- 3.13 Based on the current information provided in the Receipts and Payments accounts at Appendix 3 the Administration estates remain cash positive in terms of their trading. The Joint Administrators note however that this does not accurately represent the outstanding trading costs of the Administration trading periods which include but are not limited to, utilities, rents and rates.
- 3.14 Although the business was loss making as at the Appointment Date, on an accounting profit and loss basis, considering unencumbered stock, discounting strategy and cost reduction in the business a small trading surplus is still expected.
- 3.15 Continued trading will also provide short term security to the Companies' employees.
- 3.16 This will also ensure the maximisation of value from the stock via its sale in-situ at carefully discounted retail prices as opposed to its bulk sale ex-situ.
- 3.17 The Joint Administrators continue to trade all open stores while a sale of the business and assets of the Companies is sought, this is discussed in further detail below.
- 3.18 As at 29 July 2019, the Joint Administrators have achieved gross sales income across the Group of £11,437,073. These are split as follows:

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➤ WCT	£5,973,682
➤ WWM1	£4,647,357
➤ WWM2	£ 597,450
➤ EFB	£ 218,584
➤ <b>TOTAL</b>	<b>£11,437,073</b>

- 3.19 The above will include VAT that will need to be paid across to HMRC as well as the third-party monies that are collected in respect of the National Lottery i.e. Camelot and Pay Point etc.
- 3.20 Accrued and paid trading costs total £8,285,041 with the principal areas including wages and salaries, rents and supplier costs.
- 3.21 Creditors will note that provisions have been made by the Joint Administrators for accrued but unpaid liabilities.
- 3.22 A significant cash balance is being held by Barclaycard due to the fact that they have still yet to process the new bank mandates that needed to be put in place for the Administration trading period. As at the date of this report, they were still holding funds in excess of £750,000 for the Companies. It is expected that these funds will be paid across to us shortly.
- 3.23 A full reconciliation of the Companies' sales and trading expenditure for the administration trading period will be completed in due course but this will likely not be completed until the outcome of the sale process is known as there may be further store closures if the incoming purchaser is unable to agree terms going forward with the landlords.
- 3.24 Based upon current estimates, it is not expected that there will be any significant trading surplus generated in the Trading Period for any of the Companies.
- 3.25 Creditors should note here that Shoosmiths have confirmed that EFBL have a valid ROT claim over the stock supplied to the Companies.
- 3.26 Therefore, any trading surplus that is generated during the administration trading period across the Group will be made available to EFBL under their ROT clause.
- 3.27 The Joint Administrators' Receipts and Payments accounts are reflective of the sales income collected and costs paid to date.
- 3.28 Please note however some incurred costs will not be represented on the Receipts and Payments accounts due to invoices not having yet been received.
- 3.29 Further details on the outcome of the Trading Period will be provided in the next report to creditors.
- 3.30 It is not anticipated that the Joint Administrators will continue to trade the Companies beyond the end of the next reporting period. As such it is anticipated that the next progress report will provide a final summary of the Administration Trading Period.

#### **Cost Cutting Program**

- 3.31 As previously advised, the Joint Administrators identified a number of cost-cutting measures that could be actioned to increase the profitability of the Companies. This included a store closure program that involved the closure of those stores that were not generating any positive contribution to the Administration estate.

- 3.32 As a result of this review, a total of 45 stores were identified for closure.
- 3.33 An orderly wind-down of the effected stores was implemented with employees being given some advanced warning that their jobs may have been at risk prior to the actual closure of the store, and any redundancy being made from the date of store closure.
- 3.34 The final store closure in this first round of cost-cutting measures was completed on 19 March 2019.
- 3.35 Of the 103 stores detailed in the Proposals, 2 stores were closed prior to the Appointment Date. Therefore, following completion of the store closure programme, 56 stores remain open and are still being traded by the Joint Administrators.
- 3.36 *Following the completion of the store closure program, the Joint Administrators identified a number of roles at head office that effectively became redundant given the reduced number operating stores.*
- 3.37 Representatives of the Joint Administrators attended London Head Office on 9 April 2019 to hold a meeting regarding these redundancies with effected members of staff from Walsall Head Office dialling in, which placed the effected employees on notice of their pending redundancy.
- 3.38 The Joint Administrators have complied with their obligation and have submitted all relevant information to the RPS regarding the 193 employees who have been made redundant during the Administration trading period to enable them to process these claims and enable the former employees to claim for their entitlements.
- 3.39 The Joint Administrators are aware of a number of delays caused by the RPS misprocessing employee claims. These remain ongoing and the Joint Administrators continue to liaise with the RPS to resolve any outstanding claims advised to them by effected employees, on an individual case basis to ensure any delays in the payment of these claims by the RPS are kept to an absolute minimum.

#### **Sale of Business and Assets**

- 3.40 The Joint Administrators continue to seek a sale of the business and assets of the Companies as a going concern, as a whole or in part, in the first instance.
- 3.41 As detailed in the Proposals, the Joint Administrators were engaged on 14 December 2018 by the Directors of the Companies prior to their appointment as Administrators. The Joint Administrators worked closely with management to produce a BLM that provided interested parties with redacted information regarding the financial position and asset details of the Companies.
- 3.42 The BLM and NDA were circulated on 22 January 2019 to over 1,300 potential interested parties with a deadline of 28 January 2019 for interested parties to come forward.
- 3.43 A total of 77 expressions of interest were received and six formal offers were tabled in respect of either the whole or part of the business and assets of the Companies.
- 3.44 However, following continued discussions with these two offering parties and some limited due diligence completed by all parties, this was reduced to a total of two offers for all of the remaining stores.
- 3.45 The Joint Administrators completed a review of these two offers and having discussed with the Secured Creditors, have agreed to move forward with the preferred offer.
- 3.46 Shoosmiths were subsequently instructed to draft sale agreements to enable the Joint Administrators to proceed with the sale.

- 3.47 Unfortunately, there has been a further delay in this sale process though due to the fact that the proposed purchaser was still trying to resolve a couple of points that had arisen from their ongoing due diligence.
- 3.48 It is the Joint Administrators' understanding from recent dialogue that has taken place outside of the Reporting Period, that they are now in a position to move forwards and will be looking to do so in the next week or so.
- 3.49 The terms of the sale that has been agreed is that the proposed purchaser will be effectively taking an option to purchase each individual store as a going concern as individual sale transactions. Such options would be exercised upon them receiving the consent of the landlord with agreed terms going forwards in terms of their proposed occupation of the trading premises.
- 3.50 The Joint Administrators are hopeful that the proposed purchaser will be reaching out to all landlords of the remaining open stores to agree terms going forward shortly after the sale contracts / documentation have been signed.
- 3.51 Creditors should note that the significant delays referred to above that have prevented this sale taking place before now is due to an ongoing investigation by HMRC into a potential wage arrears claim against each of the Companies. This investigation has now been closed by HMRC and should therefore now enable the sale to proceed as planned.
- 3.52 It is anticipated that any sale would complete within the next reporting period. Further information is provided regarding the HMRC investigation below.
- 3.53 It is expected that the Joint Administrators will be required to continue trading the Companies to allow the business to transition to the potential purchaser; however, at this stage the timescale of any continued trading period and the date of completion is uncertain.
- 3.54 Numerous expressions of interest were received for both closed and open stores on an individual store basis.
- 3.55 Due to the likely completion of a sale of the remaining trading stores as a going concern, the Joint Administrators have only been able to progress offers for closed stores on a standalone basis.
- 3.56 In the instance where no interest has been received and the Agents have confirmed that there is no value in the lease, the Joint Administrators will continue to liaise with landlords in respect of lease surrenders (where applicable) and key returns.
- 3.57 As a result of the above, it is anticipated that new tenants for open stores will be secured as a result of the sale process.
- 3.58 The Joint Administrators are unable to disclose any further information at this stage so as not to prejudice the outcome of discussions with the prospective purchaser and/or the respective landlords.
- 3.59 A further update on the sale process will be provided in the next progress report.

#### **Leasehold Properties**

- 3.60 As advised earlier in this report, the Joint Administrators are aware that the initial information provided by the Companies regarding the total number of operating sites was overstated.

- 3.61 Of the 103 stores previously reported, two sites were closed prior to the Appointment Date. As such the Companies operated from a total of retail 101 sites across the UK as at the Appointment Date all of these sites being leasehold properties, in addition to the London Head Office and the Walsall Head Office.
- 3.62 The Joint Administrators instructed SIA to review the various leases in place with several third-party landlords to determine whether there is any value to be realised through reverse premiums.
- 3.63 SIA have confirmed that there is no intrinsic value in any of the leases in the name of the Companies that could be obtained for the value of the insolvent estates unless there was any reverse premium value to be secured from certain "premium" locations. To date, no such value has been realised.
- 3.64 Following the Appointment Date, it soon became evident that there were several aggrieved landlords largely because the December 2018 rent quarter had not been paid across the entire estate.
- 3.65 A number of these landlords had also sought to take enforcement action and were seeking legal action against the Companies in the period leading up to the Appointment Date.
- 3.66 During the period from which the court application was filed at Court in early January 2019, the Proposed Joint Administrators entered dialogue with many of these landlords regarding the proposed Administrations to preserve value and trading operations. This dialogue continued from the Appointment Date.
- 3.67 As advised in the Proposals, the Joint Administrators have attempted to contact all landlords with a view to arrange trading terms by offering undertakings for the continued provision of services.
- 3.68 Due to the financial problems encountered by the Companies detailed in the Proposals, no rent or rates had been paid since the beginning of December 2018 across the entire property portfolio. As such, significant correspondence was required by the Joint Administrators to minimise the level of disruption to trading operations with the landlords etc.
- 3.69 In terms of the landlords and the rating authorities, undertakings have been provided whereby rents and rates will be payable as an expense of the Administrations for the period of any beneficial occupation i.e. the Administration trading period.
- 3.70 Therefore, rents will accrue from the Appointment Date until either (1) the business associated with the leasehold property is sold or (2) the store was closed.
- 3.71 Given the above and the pending sale of the remaining open stores, the undertaking provided by the Joint Administrators to pay the passing rent monthly in arrears from the Appointment Date remains in place and therefore the landlord position is not being prejudiced in any way.
- 3.72 It has also come to our attention during the course of the Administration and from our extensive dealings with the landlords that a number of the leases have actually expired prior to the Appointment Date. If this is the case, then the undertakings referred to above are still being honoured given there has been a benefit of occupation of the trading premises where the stores are still open.
- 3.73 There are a number of leases that are in the name of a different legal entity such as WCT1. Given this company is not in Administration, then the Joint Administrators will be referring both landlords and the rating authorities to the directors of this company to deal with matters accordingly. However, given the Joint Administrators have been trading from these stores then they are offering to reimburse WCT1 for any such costs in the event the landlord is not willing to accept rent payments from the Joint Administrators.



- 3.74 The Joint Administrators have not adopted any of the leases or any covenants or obligations regarding the leases at any time, and act always as agents of the Companies without personal liability.
- 3.75 The Joint Administrators' continued to liaise with landlords following the Appointment Date in order to keep them apprised of the various developments pertaining to the Administration strategy.
- 3.76 Rents will not be payable as an expense of the Administrations for any period where there is no benefit of occupation being derived to the relevant Administration estate.
- 3.77 The Joint Administrators have received a number of expressions of interest in both closed and open stores on an individual basis
- 3.78 Due to the likely completion of a sale of the remaining open stores as a going concern, the Joint Administrators have been unable to progress offers for open stores.
- 3.79 Following engagement with these interested parties it was identified that no value remained in the leases and as such no premium could be received in respect of any lease assignments. As such, all landlords have now been approached with a view to surrender or returning vacant possession (where applicable) and keys have been returned accordingly
- 3.80 Where the store has been closed and handed back to the landlord and an expression of interest has been received, the Joint Administrators have referred the matter to the landlord to take any such interest further at their discretion.

#### **Rates Refunds**

- 3.81 As detailed in the Proposals, the Joint Administrators have engaged a third-party specialist to investigate the potential of any rates rebates that are due to the Companies.
- 3.82 To date, no realisations have been made from this source.
- 3.83 According to the agents who have been engaged, it is likely that any rebates identified will be simply set off against pre-appointment arrears so it is unlikely that any material funds will be realised from this source.
- 3.84 A further update will be provided to creditors in the next progress report

#### **Stock**

- 3.85 As advised in the Proposals and earlier in this report, EFBL provides the majority of the beer, wine and spirit stock to the Companies.
- 3.86 Shoosmiths have confirmed that EFBL hold a valid ROT claim over all of the stock they supply to the Companies. Please note that EFBL have agreed credit terms with the Joint Administrators.
- 3.87 Please note that several payments on account have been made recently to EFBL for the following:
- Stock supplied under a valid ROT clause
  - Monies paid to Pay Point on behalf of WCTL
  - Re-imburement of salary costs incurred for temporary staff
- 3.88 Creditors will also note significant payments being made to NISA in respect of WCTL. This relates to the supply of tobacco products into various stores. Payments have been made to NISA on a weekly pro-forma basis and as such there is no risk of ROT.

- 3.89 The Joint Administrators are also dealing with any other ROT claims as and when they arise.
- 3.90 As detailed in the Proposals, EFBL entered into an arrangement with PayPoint for the continued use of its terminals in WCTL stores. As such payments by the Joint Administrators to EFBL also relate to PayPoint monies.
- 3.91 Major stock payments are detailed below:

	EFBL	Nisa Retail Limited
	£	£
WWM1	1,599,649	0
WCTL	801,209	1,610,834
WWM2	60,397	0
EFB	40,000	0

- 3.92 As noted in the Proposals, the Joint Administrators have completed a reconciliation of monies debited by PayPoint from the Companies' accounts without the consent of the Joint Administrators. These monies have been offset against the sums owing to EFBL and PayPoint.
- 3.93 A final update on the trading stock position will be provided by the Joint Administrators in the next progress report.

#### Book Debts

- 3.94 As detailed in the Proposals, according to the Companies' books and records, the outstanding debts due to the Companies as at the Appointment Date were as follows:

Company	Total (£)
WWM1	67,000
WWM2	31,000
WCTL	430,000
EFB	23,000
<b>Total</b>	<b>551,000</b>

3.95 While the Companies continue to trade the existing management team continues to collect these balances.

3.96 The total collections by management are detailed below:

Company	Total (£)
WWM1 as at 24 July 2019	33,033
WWM2 as at 26 July 2019	9,738
WCTL as at 21 July 2019	14,033
EFB	0
<b>Total</b>	<b>56,804</b>

3.97 The Companies' pre-appointment bank accounts remain open to accept any incoming receipts, as such a large number of debtors continue to pay into these accounts.

3.98 Given the above, the sums reflected do not reflect the sums shown in the Receipts and Payment Accounts at Appendix 3.

3.99 A full reconciliation of debtor monies received once all funds have been transferred from the pre-appointment bank accounts and the accounts have been closed will be completed once the trading exercise has been completed.

3.100 A further update will be provided in the next progress report.

#### **Motor Vehicles**

3.101 As detailed in the Proposals, the Joint Administrators are aware of four motor vehicles owned by the Companies.

3.102 It is anticipated these vehicles will be included in any potential sale of the business and assets of the Companies.

3.103 If not, then these vehicles will be sold on a piecemeal basis by the Agents.

3.104 A further update on any realisations of these assets will be provided in the next progress report.

#### **Cash at Bank**

3.105 As detailed in the Proposals, the Joint Administrators contacted the Banks on the Appointment Date to advise that the Companies had entered into Administration.

- 3.106 It was requested that all credit balances be transferred into the Administration estate bank accounts and that and requested that payments from the accounts be frozen immediately whilst continuing to accept credits
- 3.107 The Joint Administrators encountered difficulty in gaining access to the Companies' accounts in the IOM and were advised by HSBC that they needed to apply to the IOM Court to sanction the release of the funds held in any IOM accounts that were operated by HSBC.
- 3.108 A Court application was submitted by the Joint Administrators and was heard on 30 April 2019. This was subsequently provided to HSBC to enable payments to be facilitated.
- 3.109 Payment has now been received of all credit balances held as at the Appointment Date and are detailed as follows:

Company	HSBC	Santander
	£	£
WCTL	422,671	178,630
WWM1	164,394	137,593
WWM2	22,871	31,260
EFB	57,262	3,165

#### Other Assets

- 3.110 There are no other known assets of the Companies to be realised for the benefit of the estates, however, should any new information arise the Joint Administrators will investigate accordingly.

#### Employees / Pensions

- 3.111 At the Appointment date, the Companies' employees had significant salary arrears. To maintain goodwill with the staff and assist with the ongoing trading of the Companies, the Joint Administrators paid these arrears of wages in respect of all staff as an expense of the Administrations.
- 3.112 A large proportion of these claims would have ranked as a preferential claim and would therefore have been payable in full before any distribution to the Secured Creditors.
- 3.113 As detailed earlier in this report and in the Proposals, a total of 45 stores have been closed by the Joint Administrators in the Reporting Period.
- 3.114 All employees from these locations were advised of the fact that their roles were at risk prior to the store in which they worked being closed down and were subsequently made redundant upon the closure of the store. Further redundancies were made at the London Head Office given the lower staffing level required as a result of the widespread downsizing in the workforce.
- 3.115 All employees effected by redundancy have been provided with information to assist them in submitting their claims with the RPS.

- 3.116 The Joint Administrators issued all affected employees with a redundancy letter and provided them with an RPS Factsheet and a Q&A sheet to assist them in submitting their claims to the RPS in respect of:
- ❖ Accrued unpaid holiday pay;
  - ❖ Redundancy pay; and
  - ❖ Payment in lieu of notice.
- 3.117 All wages and salaries have been paid by the Joint Administrators for the Administration Trading Period up to the dates of redundancy, as such there are no claims for wage arrears to be made by any employees that have been made redundant.
- 3.118 As detailed in the Proposals, the Joint Administrators contacted the RPS once they were aware of the likelihood of redundancies being made, as is their statutory duty.
- 3.119 On 20 February 2019, the Joint Administrators were contacted by the RPS with a request to complete an audit of the Companies' information to be utilised to adjudicate upon former employee claims.
- 3.120 The Joint Administrators complied with this request and, together with the Companies' HR department, provided the information required by the RPS.
- 3.121 The RPS subsequently provided the Joint Administrators with permission to upload the relevant information to their system.
- 3.122 The Joint Administrators are now aware of widespread delays and errors in the payment of claimants' redundancy entitlements. Where the Joint Administrators are aware of any errors in claimants' redundancy payments, they are liaising directly with the RPS to bring these claims up to date in a timely manner.
- 3.123 As detailed earlier in this report, the Joint Administrators continue to trade the Companies in Administration.
- 3.124 Where staff vacancies have occurred, the Joint Administrators have consented for the proposed purchaser to hire and re-charge employee wages to the respective Administration estate. As such, creditors will note that there has been no significant reduction in salary costs.
- 3.125 It is anticipated that any employee currently employed by the Companies at the date of completion of the prospective sale will transfer via TUPE.
- 3.126 A further update will be provided in the next progress report.

#### **HMRC Investigation**

- 3.127 As detailed earlier in this report, the Joint Administrators were contacted by HMRC following their appointment in respect of a potential wage arrears claim against the Companies pertaining to an ongoing investigation that was commenced by HMRC in August 2017 regarding national minimum wage.
- 3.128 The Joint Administrators have had to deal with this ongoing investigation and have assisted HMRC by providing various information to them given the fact that HMRC were trying to attach what effectively was a pre-appointment liability to the incoming purchaser as a TUPE liability.
- 3.129 Having discussed the matter in hand with Shoosmiths, this was refuted by the Joint Administrators on the basis that it was our opinion that such liability (once proven) would be a non-preferential claim against the insolvent estates.

3.130 On 19 June 2019, HMRC reviewed their position and confirmed in writing to the Joint Administrators that given a lack of information and, the insolvent state of the Companies, the investigation was being closed.

3.131 The Joint Administrators note however, that while this investigation has been closed, HMRC reserves the right to revisit the matter in due course.

#### **Statement of Affairs**

3.132 As detailed in the Proposals the Joint Administrators have requested the Directors complete the Statements of Affairs. To date these have not been received. On receipt they will be filed at Companies House.

#### **4. Investigations**

4.1 The Joint Administrators have complied with their statutory obligations to file reports with DBEIS regarding the conduct of all directors that served in the three years prior to the Joint Administrators' appointment. The content of these reports is confidential.

4.2 There are no outstanding lines of enquiry.

4.3 If any creditor has any information concerning the Companies' affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them. Such information should be put in writing to [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com) or Duff and Phelps, The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

#### **5. Dividend Prospects / Prescribed Part**

##### **Secured Creditors**

##### **EFBL**

5.1 In consideration for monies advanced to the Companies, WWM1 and WWM2 have each granted debentures to EFBL which confer first ranking fixed and floating charges.

5.2 The debentures were created on 25 April 2011.

5.3 At the Appointment Date, EFBL was owed £4.6 million and £747,496 by WWM1 and WWM2 respectively.

5.4 Based upon current estimates, it is currently uncertain whether EFBL will recover its indebtedness in full.

5.5 This will be dependent upon amongst other things (1) the outcome of the sale process, (2) the level of future asset realisations, (3) the level of preferential creditor claims and (4) the costs of the Administrations.

5.6 A further update will be provided in the next progress report.

## **EHL**

- 5.7 In consideration for monies advanced to WCTL, WCTL granted a debenture to EHL which confers first ranking fixed and floating charges over WCTL's business and assets.
- 5.8 The debenture was created on 30 September 2009.
- 5.9 It was confirmed in the Reporting Period that no sum was outstanding to EHL as at the Appointment Date.

## **Rajinder Singh Chatha**

- 5.10 In consideration for monies advanced, WWM1, WWM2 and WCTL have each granted debentures to Mr Chatha.
- 5.11 As there were no monies outstanding to EHL at the Appointment Date, the debenture granted to Mr Chatha by WCTL is now first ranking and confers fixed and floating charges.
- 5.12 *Charges in respect of WWM1 and WWM2 also confer fixed and floating charges and remain second ranking.*
- 5.13 The debentures were created on 21 March 2018.
- 5.14 At the Appointment Date, Mr Chatha was owed £3.1 million, £812,545 and £1.7 million by WWM1, WWM2 and WCTL respectively.
- 5.15 Based upon current estimates, it is currently uncertain whether Mr Chatha will recover his indebtedness in full.
- 5.16 This will be dependent upon amongst other things (1) the outcome of the sale process, (2) the level of future asset realisations, (3) the level of preferential creditor claims and (4) the costs of the Administrations.
- 5.17 A further update will be provided in the next progress report.

## **Preferential Creditors**

- 5.18 Although the Joint Administrators are yet to receive notification of all the preferential creditors' claims, at this stage, it is anticipated that there will be insufficient funds available to enable a distribution to preferential creditors.
- 5.19 It is likely that a significant element of the preferential claim will be employees' claims which are mostly subrogated to the Secretary of State, following payment by the RPS.
- 5.20 The only known preferential creditors of the Companies are the former employees who have been made redundant by the Joint Administrators.
- 5.21 Preferential claims are subject to a maximum limit set by the insolvency legislation.
- 5.22 A total number of 193 employees have been made redundant to date following the implementation of the store closure program.
- 5.23 Creditors will note that this figure is slightly lower than the figure provided in the Proposals, but this is due to the fact that the HR department have subsequently provided us with updated information regarding the actual number of redundancies made.

- 5.24 Details of the redundancies made by company are provided overleaf:

WWM1	39 employees
WWM2	6 employees
WCTL	146 employees
EFB	2 employees
<b>Total</b>	<b>193 employees</b>

- 5.25 All former employees will have claims for accrued holiday pay that will rank as preferential against the insolvent estates. Given all wages and salary arrears were paid at the outset by the Joint Administrators, then there will be no preferential creditor claims arising in respect of unpaid wages.

- 5.26 The estimated preferential claims are summarised:

WWM1	£150,000
WWM2	£10,000
WCTL	£150,000
EFB	£2,000
<b>Total</b>	<b>£312,000</b>

Note: Estimates are based on estimated figures following the store closure program

- 5.27 Based on current information, it is anticipated that there will be insufficient realisations to enable a dividend to the preferential creditors of the Companies.
- 5.28 However, as detailed above, the asset realisation process is still ongoing, and the Joint Administrators are therefore unable to confirm at this stage either the quantum and/or timing of any potential distribution until this process is complete.
- 5.29 This will be dependent upon amongst other things (1) the outcome of the sale process, (2) the level of future asset realisations, (3) the level of preferential creditor claims and (4) the costs of the Administrations.
- 5.30 An update will be provided in the Joint Administrators' next progress report.

#### **Prescribed Part**

- 5.31 The Prescribed Part is calculated as a percentage of net property, as detailed below:

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential creditors would be disproportionate to the benefits
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

- 5.32 As detailed earlier in this report, valid fixed and floating charges exist in respect of WWM1, WWM2 and WCTL.



- 5.33 Based upon current estimates, it is expected that there will be a Prescribed Part set aside in WWM1, WWM2 and WCTL, to enable distributions to non-preferential creditors as the net property for each of the above will be more than £10,000.
- 5.34 However, as detailed above, the asset realisation process is still ongoing, and the Joint Administrators are therefore unable to confirm at this stage either the quantum and/or timing of any potential distribution until this process is complete.
- 5.35 The value of funds will be dependent upon amongst other things (1) the outcome of the sale process, (2) the level of future asset realisations, (3) the level of preferential creditor claims, (4) the level of non-preferential creditor claims, and (5) the costs of the Administrations.
- 5.36 As there is no valid floating charge in respect of EFB, no Prescribed Part will be set aside in this instance.

#### Non-Preferential Creditors

- 5.37 According to the Companies' books and records as at the Appointment Date, non-preferential creditors total the amounts shown below. Claims received in the Administrations are also detailed below:

Creditor	WWM1 (£)	WWM2 (£)	WCTL (£)	EFB (£)
Trade & Expense Creditors	186,843	22,942	539,957	63,202
HM Revenue & Customs – VAT	Nil	Nil	Nil	Nil
HM Revenue & Customs – PAYE/NIC	Nil	Nil	Nil	Nil
<b>Total</b>	<b>186,843</b>	<b>22,942</b>	<b>539,957</b>	<b>63,202</b>

#### Claims Received

- 5.38 Please note that the above estimates do not affect creditors' rights to submit a claim.
- 5.39 As detailed in the Proposals, HMRC have a claim in respect of the group VAT liability of £465,683 which is not reflected in the Companies' books and records. Note this is lodged against each company as a joint and several liability.
- 5.40 Based on current information available to the Joint Administrators, it is anticipated there will be insufficient funds to enable a dividend to non-preferential creditors in respect of any of the Companies other than by way of the Prescribed Part (if any) due to the likely shortfall facing the Secured Creditors.
- 5.41 If not already done so, creditors of the Companies should complete the appropriate proof of debt form at Appendix 9 and return this to the Joint Administrators at [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com) or Duff & Phelps, The Chancery, 58 Spring Gardens, Manchester, M2 1EW.
- 5.42 Based on current information available to the Joint Administrators, it is not anticipated there will be sufficient funds to enable a dividend to non-preferential creditors in respect of any of the Companies other than from the Prescribed Part due to the likely shortfall facing the Secured Creditors.

5.43 This will be dependent upon amongst other things (1) the outcome of the sale process, (2) the level of future asset realisations, (3) the indebtedness of the Secured Creditors (4) the level of preferential creditor claims and (5) the costs of the Administrations.

5.44 An update will be provided in the Joint Administrators' next progress report.

## 6. Receipts and Payments Accounts

6.1 Receipts and Payments accounts for each of the Companies are provided at Appendix 3 and are self-explanatory.

6.2 As at 29 July 2019, the Companies held the following cash balances:

Company	Total (£)
WCTL	900,858
WWM1	1,744,194
WWM2	230,336
EFB	95,640
<b>Total</b>	<b>2,971,028</b>

## 7. Statement of Pre-Administration Costs

7.1 Pre-Administration costs are fees charged and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Companies entered into Administration but with a view to them doing so.

7.2 Duff & Phelps were engaged by the Companies on 14 December 2018 to assist in reviewing the financial position of the Companies.

7.3 The pre-administration time costs incurred by the Joint Administrators are detailed below.

Company	Time Costs (£)	Hours	Average Charge out Rate (£)
WCTL	16,945	54	314
WWM1	14,792	49	300
WWM2	10,980	38	286
EFB	15,732	54	293

- 7.4 The majority of this time was incurred under the heading Strategy Planning and Control and relates to time spent in formulating a strategy for the Administrations to ensure that one or more of the statutory objectives could be achieved, and to ensure that Administration was the most beneficial route available to creditors.
- 7.5 Further time has also been incurred under the headings Freehold and Leasehold Property and Sale of Business. Time incurred under these headings has related to time spent liaising with landlords regarding the upcoming appointment of the Joint Administrators, marketing the business and assets of the Companies for sale, including corresponding with the Directors, Agents and interested parties.
- 7.6 The Joint Administrators have also incurred pre-appointment expenses of £112,174. A breakdown of these costs per company is provided below:

Firm	Brief Description of Services Provided	EFB	WCTL	WWM1	WWM2	Total
Duff and Phelps	Pre-Appointment Time Costs	£15,732	£16,945	£14,792	£10,980	£58,449
SIA	Desktop Valuations	£241	£5,041	£241	£241	£5,764
Spreckleys	Provided the Joint Administrators with pre-appointment PR services and handled all press queries running up to appointment.	£1,794	£1,794	£1,794	£1,794	£7,176
Shoosmiths	Assisted with the application to court	£7,750	£7,750	£7,750	£7,750	£31,000
<b>Total</b>		<b>£25,517</b>	<b>£31,530</b>	<b>£24,577</b>	<b>£20,765</b>	<b>£102,389</b>

Note: The above costs are exclusive of VAT

- 7.7 To date, no approval for pre-appointment costs has been received

## 8. Costs and Expenses

### Estimated Fees and Expenses

- 8.1 It was proposed in the Proposals that the Joint Administrators' fees be based on time costs for each of the Companies.
- 8.2 The time costs already charged since the Appointment Date are analysed at Appendix 4. Time is charged in six-minute units.
- 8.3 Given the information detailed earlier in this report, the Joint Administrators have now exceeded their initial fee estimates. As such, the Joint Administrators now propose revised fee estimates as detailed later in this report.

- 8.4 The amounts proposed to be drawn in fees over the life of each case by the Joint Administrators are shown in Appendix 5 - Fee Estimates. Creditors should note that while these estimates have increased the Joint Administrators are not proposing to draw their fees to this level.
- 8.5 The total time costs incurred by the Joint Administrators from the Appointment Date to date in respect of EFB total £95,792 representing 359 hours at an average charge out rate of £267 per hour.
- 8.6 In accordance with SIP 9, the Joint Administrators have provided creditors with additional information regarding major areas of time recorded in respect of EFB:
- ❖ The sum of £40,795 has been incurred in respect of Trading. This includes but is not limited to, time spent managing trading matters, liaising with management regarding day to day trading matters, corresponding with suppliers to arrange continued supply, placing orders with suppliers and corresponding with employees in trading stores.
  - ❖ The sum of £20,662 has been incurred under the heading Cashiering and Accounting. This includes managing all receipts and payments for the estate accounts, processing and authorising trading expenses, completing tax matters and preparing bank reconciliations.
  - ❖ The sum of £8,798 has been incurred under the heading Statutory Matters (Meetings & Reports & Notices). This includes preparing and delivering the notice of appointment and preparing the Proposals.
- 8.7 The total time costs incurred by the Joint Administrators from the Appointment Date to date in respect of WCTL total £292,500 representing 1,164 hours at an average charge out rate of £251 per hour
- 8.8 In accordance with SIP 9, the Joint Administrators have provided creditors with additional information regarding major areas of time recorded in respect of WCTL:
- ❖ The sum of £107,501 has been incurred in respect of Trading. This includes but is not limited to, time spent managing trading matters, liaising with management regarding day to day trading matters, corresponding with suppliers to arrange continued supply, placing orders with suppliers and corresponding with employees in trading stores.
  - ❖ The sum of £49,277 has been incurred under the heading Freehold and Leasehold Property. This includes corresponding with Landlords regarding store closures, advising Landlords of the Administration strategy and arranging payment of accrued rent since appointment.
  - ❖ The sum of £46,043 has been incurred under the heading Creditors. This includes sub headings including communications with creditors/employees, non-pref creditor/employee claim handling, pref claims adjudication and handling and secured creditors. This has involved engaging in correspondence with the general body of creditors and maintain a dedicated inbox set up to manage correspondence with creditors including a significant number of customers enquiring about missed deliveries and returns. Furthermore, significant time has been spent dealing with employee claims following the fact that the entire workforce was made redundant by the Joint Administrators including liaising with the RPS and the Company's payroll provider to ensure claims were processed correctly and in a timely manner. This also includes time spent liaising with the Company's pension provider and reviewing Company pension and payroll records.
  - ❖ The sum of £41,840 has been incurred in respect of Cashiering and Accounting. This

includes managing all receipts and payments for the estate accounts, processing and authorising trading expenses, completing tax matters and preparing bank reconciliations.

- ❖ The remaining time costs have been incurred in further Administration and Planning matters including Dealings with Directors and Management to obtain information required and discussing the SOA, Statutory Matters including filing relevant documents at Companies House and circulating to creditors and in dealing with the hired vehicles and other assets.

8.9 The total time costs incurred by the Joint Administrators from the Appointment Date to date in respect of WWM1 total £215,410 representing 769 hours at an average charge out rate of £297 per hour

8.10 In accordance with SIP 9, the Joint Administrators have provided creditors with additional information regarding major areas of time recorded in respect of WWM1:

- ❖ The sum of £77,319 has been incurred in respect of Trading. This includes but is not limited to, time spent managing trading matters, liaising with management regarding day to day trading matters, corresponding with suppliers to arrange continued supply, placing orders with suppliers and corresponding with employees in trading stores.
- ❖ The sum of £50,498 has been incurred under the heading Freehold and Leasehold Property. This includes corresponding with Landlords regarding store closures, advising Landlords of the Administration strategy and arranging payment of accrued rent since appointment.
- ❖ The sum of £25,470 has been incurred under the heading Creditors. This includes sub headings including communications with creditors/employees, non-pref creditor/employee claim handling, pref claims adjudication and handling and secured creditors. This has involved engaging in correspondence with the general body of creditors and maintain a dedicated inbox set up to manage correspondence with creditors including a significant number of customers enquiring about missed deliveries and returns. Furthermore, significant time has been spent dealing with employee claims following the fact that the entire workforce was made redundant by the Joint Administrators including liaising with the RPS and the Company's payroll provider to ensure claims were processed correctly and in a timely manner. This also includes time spent liaising with the Company's pension provider and reviewing Company pension and payroll records.
- ❖ The remaining time costs have been incurred in further Administration and Planning matters including Dealings with Directors and Management to obtain information required and discussing the SOA, Statutory Matters including filing relevant documents at Companies House and circulating to creditors and in dealing with the hired vehicles and other assets.

8.11 The total time costs incurred by the Joint Administrators from the Appointment Date to date in respect of WWM2 total £106,694 representing 400 hours at an average charge out rate of £267 per hour.

8.12 In accordance with SIP 9, the Joint Administrators have provided creditors with additional information regarding major areas of time recorded in respect of WWM2:

- ❖ The sum of £16,401 has been incurred under the heading Freehold and Leasehold Property. This includes corresponding with Landlords regarding store closures, advising Landlords of the Administration strategy and arranging payment of accrued rent since appointment.
- ❖ The sum of £40,573 has been incurred in respect of Trading. This includes but is not limited to, time spent managing trading matters, liaising with management regarding day to day trading matters, corresponding with suppliers to arrange continued supply, placing orders with suppliers and corresponding with employees in trading stores.
- ❖ The sum of £12,397 has been incurred in respect of Cashiering and Accounting. This includes managing all receipts and payments for the estate accounts, processing and authorising trading expenses, completing tax matters and preparing bank reconciliations.
- ❖ The sum of £9,920 has been incurred in respect of Statutory Matters (Meetings & Reports & Notices). This includes preparing and delivering the notice of appointment and preparing the Proposals.
- ❖ *The remaining time costs have been incurred in further Administration and Planning matters including Dealings with Directors and Management to obtain information required and discussing the SOA. Statutory Matters including filing relevant documents at Companies House and circulating to creditors and in dealing with the hired vehicles and other assets.*

8.13 Also attached at Appendix 6 is the Fee Narrative, which is a summary of key issues to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report.

8.14 The Joint Administrators now estimate the expenses of the Administrations to total approximately £20,394 for WCTL and WWM1, £12,394 for WWM2 and £6,394 for EFB (as shown in Appendix 7 - Estimated Expense Schedules). These schedules illustrate the estimated expenses for the whole of the Administrations and are for information purposes only. No approval is required by creditors. These estimates may change over the course of the four Administration cases, but creditors will be informed of any variations with associated reasons in the future progress reports.

8.15 Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is attached at Appendix 8.

8.16 Further analysis of the time incurred to date is detailed at Appendix 6 in the Fee Narrative.

## **9. Extension of the Administrations and Next Report**

9.1 An Administration automatically comes to end after one year unless an extension is granted by the Court or with creditors approval.

9.2 Based upon current information, the Joint Administrators are uncertain if an extension will be required and this will be addressed in the next reporting period. This will depend upon whether all matters pertaining to the Administrations can be dealt with in time before the automatic end date.

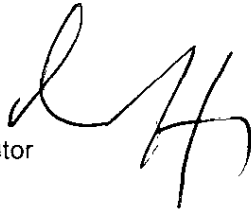
9.3 As detailed in the Proposals, the Joint Administrators recommend that at the appropriate time, the Companies should be dissolved, for the reasons set out below.

9.4 The Joint Administrators have formed the view that once all the outstanding Administration matters have been finalised, and all liabilities incurred during the Administrations have been discharged.

there will be insufficient funds available to allow distributions to non-preferential creditors, other than from the Prescribed Parts, (in so far as is applicable).

- 9.5 Once all outstanding matters have been satisfactorily completed by the Joint Administrators, then *in accordance with Paragraph 84 of Schedule B1 to the Act, the Joint Administrators will give notice to the Registrar of Companies to the effect that the Companies have no remaining property, at which stage the Administrations will cease.*
- 9.6 The Companies will each be dissolved three months following the registration of these notices at the Registrar of Companies.
- 9.7 The Joint Administrators are required to provide a Progress Report within one month of every six months. The next report will be issued no later than 29 February 2020.
- 9.8 In the meantime, if you require further information or assistance, please do not hesitate to contact this office on 0161 827 9000 or email [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com).

**Philip Duffy**  
Joint Administrator



Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Philip Duffy and Matthew Ingram, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association and are bound by the Insolvency Code of Ethics.

## **Appendix 1**

### **Statutory Information**



## **Wine Cellar Trading Limited**

<b>Date of Incorporation</b>	5 August 2009
<b>Registered Number</b>	06981430
<b>Company Directors</b>	Ayodele Akintola Balbir Chatha
<b>Shareholders</b>	EFB Retail Limited
<b>Trading Address</b>	European House Darlaston Road Walsall West Midlands WS2 9SQ
<b>Registered Office</b>	<b>Current:</b> Duff & Phelps Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW  <b>Former:</b> European House Darlaston Road Walsall West Midlands WS2 9SQ

## **Whittalls Wines Merchants 1 Limited**

<b>Date of Incorporation</b>	13 April 2011
<b>Registered Number</b>	07603355
<b>Company Directors</b>	Ayodele Akintola Balbir Chatha
<b>Shareholders</b>	EFB Retail Limited
<b>Trading Address</b>	European House Darlaston Road Walsall West Midlands WS2 9SQ
<b>Registered Office</b>	<b>Current:</b> Duff & Phelps Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW  <b>Former:</b> European House Darlaston Road Walsall West Midlands WS2 9SQ

**Whittalls Wines Merchants 2 Limited**

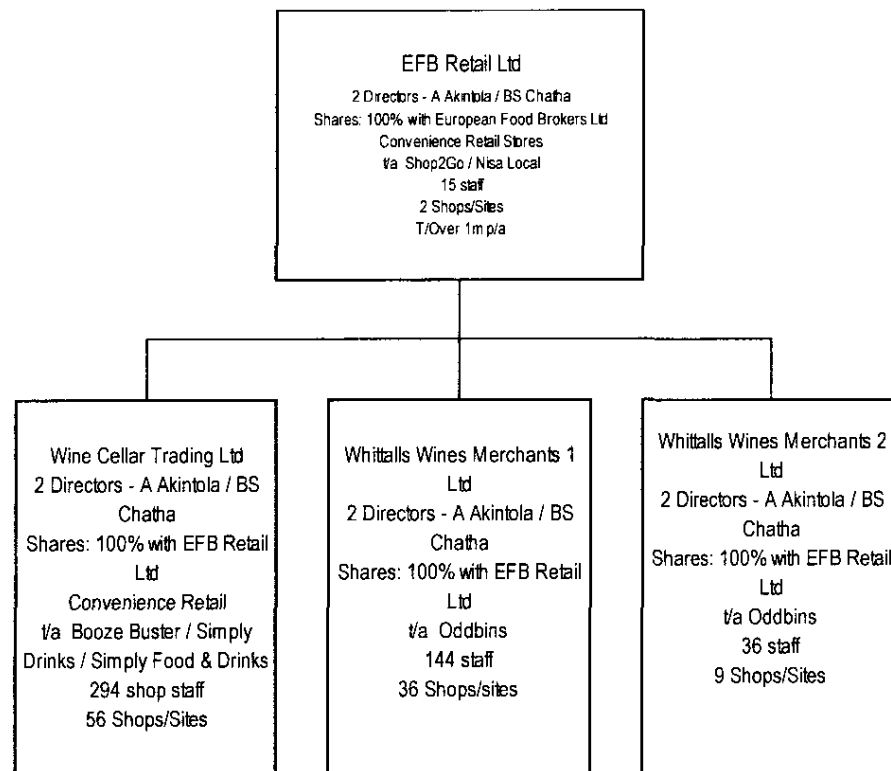
<b>Date of Incorporation</b>	13 April 2011
<b>Registered Number</b>	07603449
<b>Company Directors</b>	Ayodele Akintola Balbir Chatha
<b>Shareholders</b>	EFB Retail Limited
<b>Trading Address</b>	European House Darlaston Road Walsall West Midlands WS2 9SQ
<b>Registered Office</b>	<b>Current:</b> Duff & Phelps Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW  <b>Former:</b> European House Darlaston Road Walsall West Midlands WS2 9SQ

**EFB Retail Limited**

<b>Date of Incorporation</b>	11 January 1996
<b>Registered Number</b>	03145057
<b>Company Directors</b>	Ayodele Akintola Balbir Chatha
<b>Shareholders</b>	European Food Brokers Limited
<b>Trading Address</b>	European House Darlaston Road Walsall West Midlands WS2 9SQ
<b>Registered Office</b>	<b>Current:</b> Duff & Phelps Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW  <b>Former:</b> European House Darlaston Road Walsall West Midlands WS2 9SQ

## Appendix 2

### Group Structure



## **Appendix 3**

### **Receipts and Payments Accounts**

**Whittalls Wines Merchants 1 Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**  
**To 29/07/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
<b>POST APPOINTMENT SALES</b>		
Sales	4,647,357.23	4,647,357.23
<b>TRADING EXPENDITURE</b>		
Rents	362,720.52	
Payment on account to EFBL	1,599,649.00	
Telephone	6,731.80	
Insurance	70.00	
Bank charges - trading account	7,415.04	
Staff Expenses	3,031.98	
Hire of Equipment	190.47	
Repairs & Maintenance	13,386.92	
Waste Services	1,893.73	
Perishable Goods	1,410.50	
Ambius	6,006.00	
Printing & Postage	143.15	
Payroll	793,726.90	
Smiths News	3,193.47	
Secure Trading	90.60	
IT Services	3,531.28	
Rates	37,838.47	
Parking Space Rent	1,200.00	
Utilities	58,520.92	
Vehicle Tax	286.00	
		(2,901,036.75)
<b>TRADING SURPLUS/(DEFICIT)</b>		<b>1,746,320.48</b>

**Whittalls Wines Merchants 1 Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 29/07/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
<b>ASSET REALISATIONS</b>		
Debtors	758.08	
Cash at Bank	301,986.73	
Bank Interest Gross	2,642.94	
Trading Surplus/(Deficit)	1,746,320.48	
		2,051,708.23
<b>COST OF REALISATIONS</b>		
Statutory Advertising	262.44	
Bank Charges	544.19	
		(806.63)
<b>FLOATING CHARGE CREDITORS</b>		
Distributd to EFBL	275,000.00	
		(275,000.00)
		<b>1,775,901.60</b>
<b>REPRESENTED BY</b>		
VAT Receivable		31,707.65
Floating/main current account		1,744,193.95
		<b>1,775,901.60</b>



**Whittalls Wines Merchants 2 Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**  
**To 29/07/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
<b>POST APPOINTMENT SALES</b>		
Sales	597,450.12	
Sundry Refunds	141.30	
		597,591.42
<b>TRADING EXPENDITURE</b>		
Utilities	27,891.85	
Rents	108,330.67	
Payment on account to EFBL	60,397.00	
Telephone	1,437.55	
Overdraft Interest	79.80	
Repairs & Maintenance	2,596.00	
Waste Services	2,555.06	
Payroll	181,847.38	
Smiths News	2,227.42	
Rates	15,457.20	
Ambius	1,601.60	
Vehicle Tax	143.00	
		(404,564.53)
<b>TRADING SURPLUS/(DEFICIT)</b>		<b>193,026.89</b>

**Whittalls Wines Merchants 2 Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 29/07/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
<b>ASSET REALISATIONS</b>		
Cash at Bank	54,131.00	
Bank Interest Gross	399.24	
Trading Surplus/(Deficit)	193,026.89	
		247,557.13
<b>COST OF REALISATIONS</b>		
Statutory Advertising	52.48	
Bank Charges	98.80	
		(151.28)
		<b>247,405.85</b>
<b>REPRESENTED BY</b>		
VAT Receivable		17,069.60
Floating/main current account		230,336.25
		<b>247,405.85</b>

**Wine Cellar Trading Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**  
**To 29/07/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
<b>POST APPOINTMENT SALES</b>		
Sales	5,973,682.47	
Contribution to Costs - European Food	10.50	
		5,973,692.97
<b>TRADING EXPENDITURE</b>		
Utilities	91,927.22	
Rents	92,161.50	
Rates	15,201.87	
Premises Licence Fees	320.00	
Payment on Account to EFBL	801,209.00	
Telephone	4,741.81	
Customer Reimbursement	50.00	
Staff Expenses	1,771.41	
Hire of Equipment	4,900.00	
Repairs & Maintenance	27,195.32	
Waste Services	3,928.79	
Menzies Distribution	41,789.12	
Attachments of Earnings	3,703.49	
Camelot Group - National Lotteries	541,297.89	
Contribution to Costs - EFB Retail	101,908.04	
Payroll	838,812.97	
Paypoint	333,385.80	
Payzone	4,648.31	
NISA Retail Limited	1,610,833.92	
Smiths News	97,033.49	
Perishable Goods	186,682.27	
BarronMcCann Limited	1,700.68	
		(4,805,202.90)
<b>TRADING SURPLUS/(DEFICIT)</b>		<b>1,168,490.07</b>

**Wine Cellar Trading Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 29/07/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
<b>COSTS OF REALISATION</b>		
Fixed bank charges	1.00	(1.00)
<b>ASSET REALISATIONS</b>		
Debtors	743.47	
Cash at Bank	601,301.04	
Sundry Refund	125.00	
Bank Interest Gross	1,813.56	
Trading Surplus/(Deficit)	1,168,490.07	1,772,473.14
<b>COST OF REALISATIONS</b>		
Statutory Advertising	139.96	
Bank Charges	1,040.05	(1,180.01)
<b>FLOATING CHARGE CREDITORS</b>		
Distributed to EFBL	514,533.86	(514,533.86)
		<b>1,256,758.27</b>
<b>REPRESENTED BY</b>		
VAT Receivable		355,904.07
Fixed bank account		9.50
Floating/main current account		900,848.82
VAT payable		(4.12)
		<b>1,256,758.27</b>

**EFB Retail Limited  
(In Administration)  
Joint Administrators' Trading Account  
To 29/07/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
<b>POST APPOINTMENT SALES</b>		
Sales	218,583.70	
Contribution to Costs - Wine Cellar	1,908.04	
		220,491.74
<b>TRADING EXPENDITURE</b>		
Utilities	4,660.84	
Rents	8,000.00	
Rates	1,584.59	
Telephone	298.23	
Staff Expenses	86.55	
Repairs & Maintenance	895.60	
Sundry Expenses	83.40	
Waste Services	757.54	
Attachments of Earnings	1,277.06	
Payroll	69,203.97	
Camelot Group	26,957.68	
Perishable Goods	15,445.80	
Marketing Costs	30.00	
Payment on Account to EFBL	40,000.00	
IT Services	125.00	
Menzies Distribution	4,830.89	
		(174,237.15)
<b>TRADING SURPLUS/(DEFICIT)</b>		<b>46,254.59</b>

**EFB Retail Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 29/07/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
<b>ASSET REALISATIONS</b>		
Cash at Bank	60,426.29	
Bank Interest Gross	140.98	
Trading Surplus/(Deficit)	46,254.59	
		106,821.86
<b>COST OF REALISATIONS</b>		
Statutory Advertising	157.46	
Bank Charges	366.99	
		(524.45)
<b>FLOATING CHARGE CREDITORS</b>		
Less Advances for wages	7,551.85	
		(7,551.85)
		<b>98,745.56</b>
<b>REPRESENTED BY</b>		
VAT Receivable		3,105.44
Floating/main current account		95,640.12
		<b>98,745.56</b>

## **Appendix 4**

### **Analyses of Time Charged and Expenses Incurred**

90886 EFB RETAIL LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 30/01/2019 to 29/07/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	0.00	1.50	4.40	0.00	5.90	994.00	168.47
Cashiering & accounting	0.00	30.40	8.90	22.35	0.00	61.65	20,662.00	335.15
Dealings with Directors and Management	0.00	0.10	0.50	0.25	0.00	0.85	234.50	275.88
IPS set up & maintenance	0.00	0.00	1.10	1.30	0.00	2.40	496.75	206.98
Insurance	0.00	0.00	0.00	3.20	0.00	3.20	504.50	157.66
Statement of affairs	0.00	0.20	0.10	0.00	0.00	0.30	113.50	378.33
Statutory matters (Meetings & Reports & Notices)	0.00	3.60	7.55	33.65	0.00	44.80	8,797.75	196.38
Strategy planning & control	0.00	3.40	4.10	8.15	0.00	15.65	4,007.00	256.04
Tax Compliance / Planning	0.00	0.00	0.00	3.60	0.00	3.60	648.00	180.00
<b>Creditors</b>								
Communications with Creditors / Employees	0.00	8.20	0.90	18.55	0.00	27.65	6,342.50	229.39
Non Pref Creditors / Employee claims handling	0.00	0.00	0.40	0.60	0.00	1.00	187.00	187.00
Pref claims adjudication & distribution	0.00	0.00	1.50	0.00	0.00	1.50	442.50	295.00
Secured Creditors	0.00	0.30	0.00	0.00	0.00	0.30	126.00	420.00
<b>Investigations</b>								
CDDA & reports & Communication	0.50	0.60	1.10	7.65	0.00	9.85	1,887.00	191.57
Financial review and investigations (S238/239 etc)	0.00	0.00	0.10	1.20	0.00	1.30	167.50	128.85
<b>Realisation of Assets</b>								
Freehold and Leasehold Property	0.00	0.60	1.90	4.65	0.00	7.15	1,360.25	190.24
Other Tangible Assets	0.00	4.40	0.20	0.00	0.00	4.60	1,907.00	414.57
Sale of business	0.00	9.40	2.90	10.45	0.00	22.75	6,076.75	267.11
Stock & Work In Progress	0.00	0.10	0.00	0.00	0.00	0.10	42.00	420.00
<b>Trading</b>								
Trading - Accounting	0.00	1.20	0.00	12.55	0.00	13.75	2,649.25	192.67
Trading - Employees	0.00	0.30	11.10	5.95	0.00	17.35	4,471.50	257.72
Trading - Operations	0.00	52.40	25.00	36.30	0.00	113.70	33,674.50	296.17
<b>Total Hours:</b>	<b>0.50</b>	<b>115.20</b>	<b>68.85</b>	<b>174.80</b>	<b>0.00</b>	<b>359.35</b>		<b>266.57</b>
<b>Total Fees Claimed: £</b>	<b>265.00</b>	<b>48,688.00</b>	<b>20,690.25</b>	<b>26,148.50</b>	<b>0.00</b>		<b>95,791.75</b>	

Category 2 Disbursements:



97511 WINE CELLAR TRADING LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 30/01/2019 to 29/07/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	0.00	1.90	7.05	0.00	8.95	1,433.00	160.11
Cashiering & accounting	0.00	67.20	17.30	37.05	0.00	121.55	41,840.00	344.22
Dealings with Directors and Management	0.00	0.10	0.30	4.15	0.00	4.55	877.50	192.86
IPS set up & maintenance	0.00	0.00	1.10	1.55	0.00	2.65	502.75	189.72
Insurance	0.00	0.00	0.00	7.80	0.00	7.80	1,332.50	170.83
Statement of affairs	0.00	0.20	0.10	0.00	0.00	0.30	113.50	378.33
Statutory matters (Meetings & Reports & Notices)	0.00	6.55	10.25	37.50	0.00	54.30	11,459.50	211.04
Strategy planning & control	0.00	7.60	5.10	12.65	0.00	25.35	6,843.50	269.96
Tax Compliance / Planning	0.00	0.00	0.10	2.80	0.00	2.90	533.50	183.97
<b>Creditors</b>								
Communications with Creditors / Employees	0.00	27.50	2.30	189.20	0.00	219.00	43,213.25	197.32
Non Pref Creditors / Employee claims handling	0.00	0.20	2.40	1.45	0.00	4.05	975.00	240.74
Pref claims adjudication & distribution	0.00	0.00	3.60	0.90	0.00	4.50	1,165.50	259.00
Secured Creditors	0.00	1.50	0.20	0.00	0.00	1.70	689.00	405.29
<b>Investigations</b>								
CDDA & reports & Communication	0.50	0.70	1.10	15.85	0.00	18.15	2,755.00	151.79
Financial review and investigations (S238/239 etc)	0.00	0.00	0.10	8.00	0.00	8.10	1,391.50	171.79
<b>Realisation of Assets</b>								
Book debts	0.00	0.10	0.00	0.00	0.00	0.10	42.00	420.00
Freehold and Leasehold Property	0.00	40.90	89.00	38.75	0.00	168.65	49,277.00	292.18
Other Tangible Assets	0.00	6.10	0.60	0.00	0.00	6.70	2,739.00	408.81
Sale of business	0.00	28.80	12.80	10.55	0.00	52.15	17,732.00	340.02
Stock & Work In Progress	0.00	0.20	0.00	0.00	0.00	0.20	84.00	420.00
<b>Trading</b>								
Trading - Accounting	0.00	2.20	0.10	26.55	0.00	28.85	5,635.00	195.32
Trading - Employees	0.00	0.40	15.40	16.65	0.00	32.45	7,708.00	237.53
Trading - Hire Purchase Matters	0.00	0.20	0.00	0.00	0.00	0.20	84.00	420.00
Trading - Operations	0.00	114.60	58.50	217.55	0.00	390.65	94,073.75	240.81
<b>Total Hours:</b>	<b>0.50</b>	<b>305.05</b>	<b>222.25</b>	<b>636.00</b>	<b>0.00</b>	<b>1,163.80</b>		<b>251.33</b>
<b>Total Fees Claimed: £</b>	<b>265.00</b>	<b>128,763.75</b>	<b>66,321.25</b>	<b>97,149.75</b>	<b>0.00</b>		<b>292,499.75</b>	

Category 2 Disbursements:

97512 WHITTALLS WINES MERCHANTS 1 LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 30/01/2019 to 29/07/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	0.00	1.80	4.60	0.00	6.40	1,190.00	185.94
Cashiering & accounting	0.00	29.60	12.20	18.00	0.00	59.80	20,285.50	339.22
Dealings with Directors and Management	0.00	0.10	0.30	1.65	0.00	2.05	427.50	208.54
IPS set up & maintenance	0.00	0.00	1.10	2.65	0.00	3.75	629.25	167.80
Insurance	0.00	0.00	0.00	2.90	0.00	2.90	450.50	155.34
Statement of affairs	0.00	0.20	0.10	0.00	0.00	0.30	113.50	378.33
Statutory matters (Meetings & Reports & Notices)	0.00	5.90	10.45	35.25	0.00	51.60	11,004.75	213.27
Strategy planning & control	0.00	7.90	5.10	9.45	0.00	22.45	6,393.50	284.79
Tax Compliance / Planning	0.00	0.00	0.10	1.90	0.00	2.00	371.50	185.75
<b>Creditors</b>								
Communications with Creditors / Employees	0.00	28.70	2.40	68.10	0.00	99.20	22,945.75	231.31
Non Pref Creditors / Employee claims handling	0.00	0.20	2.40	0.60	0.00	3.20	861.00	269.06
Pref claims adjudication & distribution	0.00	0.00	3.30	0.00	0.00	3.30	973.50	295.00
Secured Creditors	0.00	1.50	0.20	0.00	0.00	1.70	689.00	405.29
<b>Investigations</b>								
CDDA & reports & Communication	0.50	0.60	1.10	3.15	0.00	5.35	1,236.25	231.07
Financial review and investigations (S238/239 etc)	0.00	0.00	0.10	4.20	0.00	4.30	512.50	119.19
<b>Realisation of Assets</b>								
Book debts	0.00	0.20	0.00	0.90	0.00	1.10	246.00	223.64
Freehold and Leasehold Property	0.00	65.10	71.00	17.05	0.00	153.15	50,498.00	329.73
Other Tangible Assets	0.00	6.00	0.70	0.00	0.00	6.70	2,726.50	406.94
Sale of business	0.00	30.60	11.60	1.10	0.00	43.30	16,452.50	379.97
Stock & Work In Progress	0.00	0.20	0.00	0.00	0.00	0.20	84.00	420.00
<b>Trading</b>								
Trading - Accounting	0.00	2.50	0.10	15.40	0.00	18.00	3,786.50	210.36
Trading - Employees	0.00	0.00	10.20	6.75	0.00	16.95	4,224.00	249.20
Trading - Hire Purchase Matters	0.00	0.20	0.00	0.00	0.00	0.20	84.00	420.00
Trading - Insurance	0.00	0.00	0.50	0.00	0.00	0.50	147.50	295.00
Trading - Operations	0.00	93.50	52.90	115.10	0.00	261.50	69,077.25	264.16
<b>Total Hours:</b>	<b>0.50</b>	<b>273.00</b>	<b>187.65</b>	<b>308.75</b>	<b>0.00</b>	<b>769.90</b>		<b>279.79</b>
<b>Total Fees Claimed: £</b>	<b>265.00</b>	<b>114,951.00</b>	<b>55,884.75</b>	<b>44,309.50</b>	<b>0.00</b>		<b>215,410.25</b>	

Category 2 Disbursements:

97501 WHITTALLS WINES MERCHANTS 2 LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 30/01/2019 to 29/07/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	0.00	1.70	3.40	0.00	5.10	957.50	187.75
Cashiering & accounting	0.00	14.00	5.70	22.30	0.00	42.00	12,396.50	295.15
Dealings with Directors and Management	0.00	0.10	0.30	1.80	0.00	2.20	454.50	206.59
IPS set up & maintenance	0.00	0.00	1.10	0.95	0.00	2.05	433.75	211.59
Insurance	0.00	0.00	0.00	1.10	0.00	1.10	126.50	115.00
Statement of affairs	0.00	0.20	0.10	0.00	0.00	0.30	113.50	378.33
Statutory matters (Meetings & Reports & Notices)	0.00	4.10	9.55	35.60	0.00	49.25	9,919.50	201.41
Strategy planning & control	0.00	4.30	4.70	5.45	0.00	14.45	4,076.00	282.08
Tax Compliance / Planning	0.00	0.00	0.00	0.30	0.00	0.30	54.00	180.00
<b>Creditors</b>								
Communications with Creditors / Employees	0.00	7.90	1.30	30.00	0.00	39.20	8,376.75	213.69
Non Pref Creditors / Employee claims handling	0.00	0.00	1.10	0.60	0.00	1.70	393.50	231.47
Pref claims adjudication & distribution	0.00	0.00	3.40	0.00	0.00	3.40	1,003.00	295.00
Secured Creditors	0.00	0.20	0.00	0.00	0.00	0.20	84.00	420.00
<b>Investigations</b>								
CDDA & reports & Communication	0.50	0.60	1.10	2.00	0.00	4.20	1,169.00	278.33
Financial review and investigations (S238/239 etc)	0.00	0.00	0.10	3.70	0.00	3.80	455.00	119.74
<b>Realisation of Assets</b>								
Book debts	0.00	0.10	0.00	0.00	0.00	0.10	42.00	420.00
Freehold and Leasehold Property	0.00	18.30	24.40	10.65	0.00	53.35	16,401.25	307.43
Other Tangible Assets	0.00	3.80	0.50	0.00	0.00	4.30	1,743.50	405.47
Sale of business	0.00	9.70	12.50	0.65	0.00	22.85	7,878.50	344.79
Stock & Work In Progress	0.00	0.10	0.00	0.00	0.00	0.10	42.00	420.00
<b>Trading</b>								
Trading - Accounting	0.00	0.30	0.10	11.15	0.00	11.55	2,065.00	178.79
Trading - Employees	0.00	0.00	7.80	2.45	0.00	10.25	2,742.00	267.51
Trading - Operations	0.00	46.40	36.60	44.80	0.00	127.80	35,622.25	278.73
Trading - Retention of Title & Claims handling	0.00	0.00	0.00	0.80	0.00	0.80	144.00	180.00
<b>Total Hours:</b>	<b>0.50</b>	<b>110.10</b>	<b>112.05</b>	<b>177.70</b>	<b>0.00</b>	<b>400.35</b>		<b>266.50</b>
<b>Total Fees Claimed: £</b>	<b>265.00</b>	<b>46,382.00</b>	<b>33,285.75</b>	<b>26,760.75</b>	<b>0.00</b>		<b>106,693.50</b>	

Category 2 Disbursements:

## **Appendix 5**

### **Fee Estimates**

**Project: (90886) EFB Retail Limited (In Administration)**

**Fee Estimate**

**From 30 January 2019 for the life of the Administration**

Administration - Post Appointment (New)										
Classification of Work Function	Partner				Hours			Total Hours	Time Cost	Avg. Hourly
	Partner	Manager	Senior	Assistant	Support					
Admin & Planning										
Case review and Case Diary management	0.00	0.00	3.00	8.00	0.00			11.00	2,375.00	215.91
Cashiering & accounting	7.00	35.00	11.00	30.00	0.00			83.00	29,835.00	359.46
Dealings with Directors and Management	0.00	0.10	0.50	0.25	0.00			0.85	238.00	280.00
IPS set up & maintenance	0.00	0.00	1.10	1.30	0.00			2.40	560.50	233.54
Insurance	0.00	0.00	0.00	3.20	0.00			3.20	608.00	190.00
Statement of affairs	0.00	0.20	0.00	0.00	0.00			0.20	96.00	480.00
Statutory matters (Meetings, Reports and Notices)	0.00	5.00	9.00	35.00	0.00			49.00	11,615.00	237.04
Strategy planning & control	5.00	4.00	5.00	9.00	0.00			23.00	8,055.00	350.22
Tax Compliance/Planning	0.00	0.00	0.00	3.60	0.00			3.60	684.00	190.00
Creditors										
Communications with Creditors/Employees	0.00	9.00	2.00	20.00	0.00			31.00	8,690.00	280.32
Non Pref Creditors/Employee claims handling	0.00	0.00	0.40	0.60	0.00			1.00	228.00	228.00
Pref Claims Adjudication & Distribution	0.00	0.00	1.50	0.00	0.00			1.50	427.50	285.00
Secured Creditors	0.00	0.30	0.00	0.00	0.00			0.30	144.00	480.00
Investigations										
CDDA, reports & Communication	1.00	0.60	1.10	7.65	0.00			10.35	2,655.00	256.52
Financial review and Investigations (\$238/239 etc)	0.00	0.00	0.10	1.20	0.00			1.30	256.50	197.31
Realisation of assets										
Freehold and Leasehold Property	0.00	1.00	3.00	6.00	0.00			10.00	2,475.00	247.50
Other Tangible Assets	0.00	4.40	0.20	0.00	0.00			4.60	2,169.00	471.52
Sale of Business	0.00	11.00	4.00	13.00	0.00			28.00	8,890.00	317.50
Stock & Work in Progress	0.00	0.10	0.00	0.00	0.00			0.10	48.00	480.00
Trading										
Trading - Accounting	0.00	2.00	0.00	15.00	0.00			17.00	3,810.00	224.12
Trading - Employees	0.00	1.00	13.00	7.00	0.00			21.00	5,515.00	262.62
Trading - Operations	0.00	60.00	30.00	40.00	0.00			130.00	44,950.00	345.77
Total Hours	13.00	133.70	84.90	200.80	0.00			432.40		
Total Estimated Fees	7,800.00	64,176.00	24,196.50	38,152.00	0.00				134,324.50	

**Project: (97511) Wine Cellar Trading Limited (In Administration)**

**Fee Estimate**

**From 30 January 2019 for the life of the Administration**

Administration - Post Appointment (New)									
Classification of Work Function	Hours					Total Hours	Time Cost	Avg. Hourly Rate	
	Partner	Manager	Senior	Assistant	Support				
<b>Admin &amp; Planning</b>									
Case review and Case Diary management	0.00	0.00	1.90	7.05	0.00	8.95	1,881.00	210.17	
Cashiering & accounting	10.00	80.00	20.00	40.00	0.00	150.00	57,700.00	384.67	
Dealings with Directors and Management	0.00	0.10	0.30	4.15	0.00	4.55	922.00	202.64	
IPS set up & maintenance	0.00	0.00	1.10	1.55	0.00	2.65	608.00	229.43	
Insurance	0.00	0.00	0.00	7.80	0.00	7.80	1,482.00	190.00	
Statement of affairs	0.00	0.20	0.10	0.00	0.00	0.30	124.50	415.00	
Statutory matters (Meetings, Reports and Notices)	1.00	9.00	15.00	40.00	0.00	65.00	16,795.00	258.38	
Strategy planning & control	6.00	8.00	6.00	14.00	0.00	34.00	11,810.00	347.35	
Tax Compliance/Planning	0.00	0.00	0.10	2.80	0.00	2.90	560.50	193.28	
<b>Creditors</b>									
Communications with Creditors/Employees	0.00	30.00	3.00	200.00	0.00	233.00	53,255.00	228.56	
Non Pref Creditors/Employee claims handling	0.00	0.20	3.00	2.00	0.00	5.20	1,331.00	255.96	
Prof claims adjudication and distribution	0.00	0.00	3.60	0.90	0.00	4.50	1,197.00	266.00	
Secured Creditors	0.00	1.50	0.20	0.00	0.00	1.70	777.00	457.06	
<b>Investigations</b>									
CODA, reports & Communication	1.00	0.70	1.10	15.85	0.00	18.65	4,261.00	228.47	
Financial review and investigations (S238/239 etc)	0.00	0.00	0.10	8.00	0.00	8.10	1,548.50	191.17	
<b>Realisation of assets</b>									
Book debts	0.00	1.00	1.00	2.00	0.00	4.00	1,145.00	286.25	
Freehold and Leasehold Property	0.00	50.00	100.00	42.00	0.00	192.00	60,480.00	315.00	
Other Tangible Assets	0.00	6.10	0.60	0.00	0.00	6.70	3,099.00	462.54	
Sale of Business	0.00	30.00	15.00	12.00	0.00	57.00	20,955.00	367.63	
Stock & Work In Progress	0.00	0.20	0.00	0.00	0.00	0.20	96.00	480.00	
<b>Trading</b>									
Trading - Accounting	0.00	3.00	0.10	30.00	0.00	33.10	7,168.50	216.57	
Trading - Employees	0.00	0.40	18.00	20.00	0.00	38.40	9,122.00	237.55	
Trading - Hire Purchase Matters	0.00	0.20	0.00	0.00	0.00	0.20	96.00	480.00	
Trading - Operations	0.00	130.00	75.00	250.00	0.00	455.00	131,275.00	288.52	
<b>Total Hours</b>	<b>18.00</b>	<b>350.60</b>	<b>265.20</b>	<b>700.10</b>	<b>0.00</b>	<b>1,333.90</b>			
<b>Total Estimated Fees</b>	<b>10,800.00</b>	<b>168,288.00</b>	<b>75,582.00</b>	<b>133,019.00</b>	<b>0.00</b>		<b>387,689.00</b>		

**Project: (97512) Whittalls Wines Merchants 1 Limited (In Administration)**

**Fee Estimate**

**From 30 January 2019 for the life of the Administration**

Administration - Post Appointment (New)		Hours					Avg. Hourly Rate	
Classification of Work Function	Partner	Manager	Senior	Assistant	Support	Total Hours	Time Cost	
<b>Admin &amp; Planning</b>								
Case review and Case Diary management	0.00	0.00	1.80	4.60	0.00	6.40	1,387.00	216.72
Cashiering & accounting	5.00	40.00	25.00	25.00	0.00	95.00	34,075.00	358.68
Dealings with Directors and Management	0.00	0.10	0.30	1.65	0.00	2.05	447.00	218.05
IPS set up & maintenance	0.00	0.00	1.10	2.65	0.00	3.75	817.00	217.87
Insurance	0.00	0.00	0.00	2.90	0.00	2.90	551.00	190.00
Statement of affairs	0.00	0.20	0.10	0.00	0.00	0.30	124.50	415.00
Statutory matters (Meetings, Reports and Notices)	1.00	10.00	15.00	40.00	0.00	66.00	17,275.00	261.74
Strategy planning & control	6.00	9.00	6.50	12.00	0.00	33.50	12,052.50	359.78
Tax Compliance/Planning	0.00	0.00	0.10	1.90	0.00	2.00	389.50	194.75
<b>Creditors</b>								
Communications with Creditors/Employees	0.00	30.00	3.00	75.00	0.00	108.00	29,505.00	273.19
Non Pref Creditors/Employee claims handling	0.00	0.20	2.40	0.60	0.00	3.20	894.00	279.38
Pref claims adjudication and distribution	0.00	0.00	3.30	0.00	0.00	3.30	940.50	285.00
Secured Creditors	0.00	1.50	0.20	0.00	0.00	1.70	777.00	457.06
<b>Investigations</b>								
CDDA, reports & Communication	1.00	0.60	1.10	3.15	0.00	5.85	1,800.00	307.69
Financial review and investigations (5238/239 etc)	0.00	0.00	0.10	4.20	0.00	4.30	826.50	192.21
<b>Realisation of assets</b>								
Book debts	0.00	1.00	1.00	2.00	0.00	4.00	1,145.00	286.25
Freehold and Leasehold Property	0.00	75.00	85.00	20.00	0.00	180.00	64,025.00	355.69
Other Tangible Assets	0.00	6.00	0.70	0.00	0.00	6.70	3,079.50	459.63
Sale of Business	0.00	35.00	16.00	3.00	0.00	54.00	21,930.00	406.11
Stock & Work In Progress	0.00	0.20	0.00	0.00	0.00	0.20	96.00	480.00
<b>Trading</b>								
Trading - Accounting	0.00	4.00	0.10	17.00	0.00	21.10	5,178.50	245.43
Trading - Employees	0.00	0.00	12.00	8.00	0.00	20.00	4,940.00	247.00
Trading - Hire Purchase Matters	0.00	0.20	0.00	0.00	0.00	0.20	96.00	480.00
Trading - Insurance	0.00	0.00	0.50	0.00	0.00	0.50	142.50	285.00
Trading - Operations	0.00	105.00	60.00	130.00	0.00	295.00	92,200.00	312.54
<b>Total Hours</b>	<b>13.00</b>	<b>318.00</b>	<b>235.30</b>	<b>353.65</b>	<b>0.00</b>	<b>919.95</b>	<b>294,694.00</b>	
<b>Total Estimated Fees</b>	<b>7,800.00</b>	<b>152,640.00</b>	<b>67,060.50</b>	<b>67,193.50</b>	<b>0.00</b>			

**Project: (97501) Whittalls Wines Merchants 2 Limited (In Administration)**

**Fee Estimate**

**From 30 January 2019 for the life of the Administration**

Administration - Post Appointment (New)		Hours					Total	Time Cost	Avg.
Classification of Work Function	Partner	Manager	Senior	Assistant	Support		Hours		Hourly
<b>Admin &amp; Planning</b>									
Case review and Case Diary management	0.00	0.00	2.00	4.50	0.00		6.50	1,425.00	219.23
Cashiering & accounting	3.00	20.00	8.00	30.00	0.00		61.00	19,380.00	317.70
Dealings with Directors and Management	0.00	0.10	0.30	1.80	0.00		2.20	475.50	216.14
IPS set up & maintenance	0.00	0.00	1.10	0.95	0.00		2.05	494.00	240.98
Insurance	0.00	0.00	0.00	1.10	0.00		1.10	126.50	115.00
Statement of affairs	0.00	0.20	0.10	0.00	0.00		0.30	124.50	415.00
Statutory matters (Meetings, Reports and Notices)	0.00	6.00	13.00	40.00	0.00		59.00	14,185.00	240.42
Strategy planning & control	6.00	6.00	6.00	8.00	0.00		26.00	9,710.00	373.46
Tax Compliance/Planning	0.00	0.00	0.00	0.30	0.00		0.30	57.00	190.00
<b>Creditors</b>									
Communications with Creditors/Employees	0.00	10.00	2.00	35.00	0.00		47.00	12,020.00	255.74
Non Pref Creditors/Employee claims handling	0.00	0.00	1.10	0.60	0.00		1.70	427.50	251.47
Pref claims adjudication and distribution	0.00	0.00	3.40	0.00	0.00		3.40	969.00	285.00
Secured Creditors	1.00	0.20	0.00	0.00	0.00		1.20	696.00	580.00
<b>Investigations</b>									
CDDA, reports & Communication	1.00	0.60	1.10	2.00	0.00		4.70	1,581.50	336.49
Financial review and investigations (S238/239 etc)	0.00	0.00	0.00	3.70	0.00		3.70	703.00	190.00
<b>Realisation of assets</b>									
Book debts	0.00	1.00	1.00	2.00	0.00		4.00	1,145.00	286.25
Freehold and Leasehold Property	0.00	20.00	30.00	12.50	0.00		62.50	20,525.00	328.40
Other Tangible Assets	0.00	4.00	0.50	0.00	0.00		4.50	2,062.50	458.33
Sale of Business	0.00	12.00	14.00	2.00	0.00		28.00	10,130.00	361.79
Stock & Work in Progress	0.00	0.10	0.00	0.00	0.00		0.10	48.00	480.00
<b>Trading</b>									
Trading - Accounting	0.00	1.00	0.10	13.00	0.00		14.10	2,978.50	211.24
Trading - Employees	0.00	0.00	9.00	4.00	0.00		13.00	3,325.00	255.77
Trading - Operations	0.00	50.00	40.00	50.00	0.00		140.00	44,900.00	320.71
Trading - Retention of Title & Claims handling	0.00	0.00	0.00	0.80	0.00		0.80	152.00	190.00
<b>Total Hours</b>	<b>11.00</b>	<b>131.20</b>	<b>132.70</b>	<b>212.25</b>	<b>0.00</b>		<b>487.15</b>		
<b>Total Estimated Fees</b>	<b>6,600.00</b>	<b>62,976.00</b>	<b>37,819.50</b>	<b>40,327.50</b>	<b>0.00</b>			<b>147,640.50</b>	



## **Appendix 6**

### **Fees Narratives**

**Wine Cellar Trading Limited, Whittalls Wines Merchants 1 Limited, Whittalls Wines Merchants 2 Limited and EFB Retail Limited (Together "the Companies") (All In Administration)**  
**Fee Estimates for the whole period of the Administrations**

Philip Duffy and Matthew Ingram were appointed as Joint Administrators to the Companies on 30 January 2019.

**Introduction**

The following information is provided to creditors to enable them to consider and approve the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Proposals Report and the Joint Administrators Progress Report to Creditors which provides further details of the assets, liabilities and estimated return to creditors, if any. Particular reference is made to the Appendices entitled 'Analysis of Time Charged and Expenses Incurred', 'Fee Estimate' and 'Estimated Expenses of the Administrations'.

Please note that time has been incurred proportionally to the scale of work that has been completed by the Joint Administrators in respect of each of the Companies. As such time costs will fluctuate between the Companies whilst some areas may not be applicable to all of the Companies.

**Estimated Fees and Expenses**

The Joint Administrators propose that their fees will be based on time costs.

The amounts expected to be incurred in time costs over the life of the Administrations are shown in Appendix 5 - Fee Estimates.

The Joint Administrators estimate the expenses of the Administrations to total £20,394 for WCTL, £20,394 for WWM1, £12,394 for WWM2 and £6,394 for EFB (as shown in Appendix 7 - Estimated Expenses of the Administrations). This Appendix illustrates the estimated expenses of the Administrations and is for information purposes (not for approval by any class of creditor). These estimates may change over the course of the Administrations, but creditors will be informed of any variations with associated reasons in subsequent reports to creditors.

As detailed in the Proposals, the Secured Creditors and preferential creditors are asked to approve the fee basis (time costs) and the Fee Estimates in respect of WWM1, WWM2 and WCTL. A decision is requested from the general body of creditors in respect of EFB for the reasons outlined in section 15 of the Proposals.

**Estimated Return to Creditors**

At this stage in the Administrations of the Companies, it is anticipated that distributions will be made to one or more of the Secured Creditors; however, based upon current information available to the Joint Administrators, it is anticipated that they will be facing a shortfall against their total debts.

Based on current information there will be sufficient funds to enable a dividend to preferential creditors of WCTL, WWM1 and WWM2. The Joint Administrators note that there are no preferential creditors in EFB. As such, any surplus funds would be made available to non-preferential creditors, however, based on current information the Joint Administrators anticipate that asset realisations will be insufficient in this regard.

## **Strategy**

### **Book Debts**

The Companies' book debts are currently being and will continue to be collected by the management with input from the Joint Administrators where required of the Companies as a part of their obligations under the consultancy agreement.

To date total time incurred by the Joint Administrators in respect of the Companies' book debts is detailed below. Total incurred to date is £48 for WCTL, £246 for WWM1 and £42 for WWM2. This includes dealing with the following:

- Corresponding with Management regarding collections
- Managing the Companies' pre-appointment Bank Accounts
- Reconciling book debt payments against sales

Total time, including future costs, are anticipated to be £1,145, £1,145, £1,145 for WCTL, WWM1 and WWM2 respectively.

### **Realisation of Assets**

The fundamental duty of an Administrator is that of the recovery and realisation of the Companies' assets, the Joint Administrators' powers are designed to ensure the effective execution of this duty. The Joint Administrators must recover the assets of the Companies for the benefit of the creditors and ultimately the members and must realise the same to affect the best possible distributions.

The Joint Administrators' actions and ongoing strategy in respect of the Companies' assets is detailed below. Total time incurred to date is £69,874 for WCTL, £70,007 for WWM1, £19,016 for WWM2 and £9,386 for EFB. This includes dealing with the following:

- Marketing the business and assets;
- Corresponding with interested parties;
- Corresponding with landlords in respect of closed stores and continued trading operations;
- Liaising with lawyers in relation to prospective sales; and
- Liaising with Agents in respect of valuations.

Total time, including future costs, are anticipated to be £84,678, £90,276, £33,911, £13,582 for WCTL, WWM1, WWM2 and EFB respectively, which may include but is not limited to the following:

- Realising closed stores on an individual basis;
- Corresponding with interested parties; and
- Completing a sale of the business and assets of the Companies.

### **Investigations**

It is a statutory requirement that the Joint Administrators provide reports to the Secretary of State on the conduct of the Directors in their management of the Companies to determine their unfitness to act in such roles. These will entail a broad level of investigation to ensure that best practice standards are met, and the Fee Estimates reflect this standard. If the Secretary of State then instigates Directors' Disqualification proceedings, further time may be expended in providing supporting documents, witness statements etc. Such investigations may or may not lead to further asset recoveries, so creditors should not assume that this activity will provide monetary benefit to the Administration estates.

The Fee Estimates assume a diligent but basic investigation into the Companies' affairs, financial accounts and reasons for failure. Should circumstances prove more difficult it is likely that the Fee Estimates may need to increase, and solicitors instructed, and creditors will be consulted as appropriate. Initial fact

gathering will be undertaken by lower level staff but the nature of the investigations require more experienced (and hence high cost) staff to review the information.

Total time incurred to date is £4,147 for WCTL, £1,749 for WWM1, £1,624 for WWM2 and £2,055 for EFB. This includes dealing with the following:

- Reviewing historic bank statements;
- Reviewing the questionnaires received from Directors;
- Investigation of any potential claims in respect of antecedent transactions;
- Land Registry and Company House searches;
- Logging and reviewing creditor complaints and concerns regarding Directors' conduct; and
- Statutory investigations and reporting requirements to the Secretary of State in respect of directors' conduct and any resulting correspondence with the DBEIS.

As detailed in paragraph 4.1 of the Joint Administrators Progress Report, the Joint Administrators have now filed their report and as such do not anticipate any further time being incurred in respect of this heading.

## **Creditors**

The Joint Administrators will incur time costs in dealing with creditor correspondence.

Work undertaken to date has included explaining the background to the Joint Administrators' appointment and the Companies financial difficulties, dealing with potential retention of title claims, assisting with creditors gaining access to sites, handling claims and corresponding with employees regarding redundancy. This work also includes reporting requirements to the Secured Creditors.

This work is necessary as the creditors are stakeholders in the Administrations and such work will help creditors to minimise their losses and maximise their dividend prospects.

Total time incurred to date is £46,043 for WCTL, £25,469 for WWM1, £9,857 for WWM2 and £7,098 for EFB.

Creditors will note from the above that a significant amount of time has been incurred in relation to Creditors to date. A significant portion of this time has been incurred in respect of dealing with employee redundancies, communicating with employees and assisting in the submission of their claims to the RPS.

Total time, including future costs, are anticipated to be £56,560, £32,117, £14,113 and £9,490 for WCTL, WWM1, WWM2 and EFB respectively, which includes but is not limited to the following:

- Creditor correspondence, emails and telephone conversations regarding claims in the Administrations;
- Writing to employees of the Companies at key intervals;
- Dealing with and concluding any claims brought in respect of retention of title;
- Maintaining up to date creditor information and claims status on the case management system;
- Maintaining the creditors' website;
- Making the relevant arrangements with the Companies' pension scheme provider and submitting the relevant forms;
- Liaising with the Redundancy Payments Service, where appropriate in respect of redundancy claims; and
- Corresponding with creditors subject to hire purchase and/or lease agreements.

Please note that the Joint Administrators Proposals' detail potential Prescribed Part dividends to creditors of WWM1, WWM2 and WCTL. However, this time has not been represented in the above fee narrative or in the Fee Estimates as costs will be drawn from the Prescribed Part funds upon distribution.

## **Statutory Compliance, Planning, Formal Reporting and Case Administration**

An Administrator is highly regulated, being required to conform to insolvency legislation, industry Best Practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors. Such matters will include, but are not restricted to: Anti Money Laundering, Bribery Act and Ethical considerations and checks, statutory advertising, regular reporting to creditors including fee agreement procedures, obtaining and securing company books and records, pension review and liaison with the Pension Protection Fund, Companies House filing, completion and release of insolvency bond and various Treasury functions.

Total time incurred to date is £64,936 for WCTL, £40,866 for WWM1, £28,532 for WWM2 and £36,458 for EFB. Total time, including future costs, are anticipated to be £91,883, £67,119, £45,978 and £54,067 for WCTL, WWM1, WWM2 and EFB respectively, which includes but is not limited to the following:

- Complying with anti-money laundering checks, bribery act and ethical checks;
- Advertising the Administration appointments and notifying all relevant stakeholders;
- Setting up the Administrations on internal systems and on the creditors' portal website;
- Companies House and Court filings;
- Calculating and obtaining the Insolvency Practitioners Bond;
- Undertaking treasury functions in respect of receipts and payments related to asset realisations;
- Internal strategic discussions and meetings;
- Liaising with the Secured Creditors in relation to the Administrations;
- General case oversight by senior team members over key issues, and statutory matters;
- Preparing the Proposals and ancillary documentation;
- Performing periodic and strategic case reviews;
- Handling the statutory approval process following despatch of the Proposals;
- Filing notices with Companies House at relevant intervals;
- Dealing with tax compliance and returns;
- Preparing progress reports to all creditors of the Companies every six months;
- Preparing a final progress report to all creditors of the Companies on completion of the Administrations; and
- Corresponding with the Companies' pre-appointment accountants in respect of tax compliance, plus tax matters themselves.

## **Trading**

The Joint Administrators decided to trade the Companies in Administration to preserve the value of the Companies, reduce preferential claims against the Companies and allow the Joint Administrators time to market the business and assets for sale; therefore, increasing possible realisations and thus improving the result for creditors.

Time incurred to date totals £107,501 for WCTL, £77,319 for WWM1, £40,613 for WWM2 and £40,795 for EFB. This included dealing with the following:

- Updating accounts, to ensure efficient trading of the business in Administration;
- Journaling receipts and payments to clearly ascertain the Companies' position;
- Making payments to suppliers in order to maintain trading operations;
- Arranging liability and asset insurance where applicable;
- Payment of wages to employees on a weekly and monthly basis, as required;
- Making redundancies as part of the managed wind down process; and
- Overseeing day to day business operations, including discussions with suppliers, correspondence with management and general supervision of trading.

Total time, including future costs, are anticipated to be £147,662, £102,557, £51,356 and £54,275 for WCTL, WWM1, WWM2 and EFB respectively, which includes but is not limited to the following:

- *Organising the collection of remaining stock for suppliers with a valid retention of title claim;*
- *Overseeing the continued trading of the Companies;*
- *Updating accounts and journaling receipts and payments, to ensure that the Companies' position is up to date; and*
- *Managing the transitional trading period as the business is transferred to a purchaser (subject to a sale being complete).*

## **Appendix 7**

### **Estimated Expenses of the Administrations**

**EFB Retail Limited (In Administration)**

**Joint Administrators' estimated expenses for the period of Administration**

<b>Company</b>	<b>Activity</b>	<b>Fee Basis</b>	<b>Anticipated Total Cost</b>
<b>Professional Advisors</b>			<b>£</b>
SIA Group UK Limited	Valuing Agents	Time Costs	1,000.00
Shoosmiths LLP	Legal Advisors	Time Costs	5,000.00
Total professional advisor costs			<b>6,000.00</b>
<b>Disbursements</b>			
<b>Category 1</b>			
Statutory advertising			169.20
Bond premium			225.00
Insurance			TBC
<i>Total Category 1 disbursements</i>			<b>394.20</b>
<b>Category 2</b>			
Mileage			0.00
Total Category 2 disbursements			-
<b>Total Estimated Expenses</b>			<b><u>£6,394.20</u></b>



**Whittalls Wines Merchants 1 Limited (In Administration)**  
**Joint Administrators' estimated expenses for the period of Administration**

<b>Company</b>	<b>Activity</b>	<b>Fee Basis</b>	<b>Anticipated Total Cost</b>
<b>Professional Advisors</b>			<b>£</b>
SIA Group UK Limited	Valuing Agents	Time Costs	5,000.00
Shoosmiths LLP	Legal Advisors	Time Costs	15,000.00
Total professional advisor costs			<b>20,000.00</b>
<b>Disbursements</b>			
<b>Category 1</b>			
Statutory advertising			169.20
Bond premium			225.00
Insurance			TBC
Total Category 1 disbursements			<b>394.20</b>
<b>Category 2</b>			
Mileage			0.00
Total Category 2 disbursements			-
<b>Total Estimated Expenses</b>			<b><u>£20,394.20</u></b>

**Whittalls Wines Merchants 2 Limited (In Administration)**  
**Joint Administrators' estimated expenses for the period of Administration**

<b>Company</b>	<b>Activity</b>	<b>Fee Basis</b>	<b>Anticipated Total Cost</b>
<b>Professional Advisors</b>			<b>£</b>
SIA Group UK Limited	Valuing Agents	Time Costs	2,000.00
Shoosmiths LLP	Legal Advisors	Time Costs	10,000.00
Total professional advisor costs			<b>12,000.00</b>
<b>Disbursements</b>			
<b>Category 1</b>			
Statutory advertising			169.20
Bond premium			225.00
Insurance			TBC
Total Category 1 disbursements			<b>394.20</b>
<b>Category 2</b>			
Mileage			0.00
Total Category 2 disbursements			-
<b>Total Estimated Expenses</b>			<b><u>£12,394.20</u></b>

**Wine Cellar Trading Limited (In Administration)**  
**Joint Administrators' estimated expenses for the period of Administration**

<b>Company</b>	<b>Activity</b>	<b>Fee Basis</b>	<b>Anticipated Total Cost</b>
<b>Professional Advisors</b>			<b>£</b>
SIA Group UK Limited	Valuing Agents	Time Costs	5,000.00
Shoosmiths LLP	Legal Advisors	Time Costs	15,000.00
Total professional advisor costs			<u>20,000.00</u>
<b>Disbursements</b>			
<b>Category 1</b>			
Statutory advertising			169.20
Bond premium			225.00
Insurance			TBC
<i>Total Category 1 disbursements</i>			<u>394.20</u>
<b>Category 2</b>			
Mileage			0.00
Total Category 2 disbursements			<u>-</u>
<b>Total Estimated Expenses</b>			<u><u>£20,394.20</u></u>

## **Appendix 8**

### **Statement of Creditors' Rights**

## **STATEMENT OF CREDITORS' RIGHTS**

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*

*Section numbers refer to Insolvency Act 1986*

*'Office-holder' is the current Administrator or Liquidator as applicable*

### **Information for creditors on remuneration and disbursements of Administrators**

Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>

(click on the document 'Administration (appointment from 1 October 2015)'. Should you require a copy, please contact this office.

### **Creditors have the right to request information from the office-holder under rule 18.9**

A secured creditor, a non-preferential creditor with the concurrence of at least 5% in value of the non-preferential creditors (including the creditor in question) or any non-preferential creditor with the permission of the Court may make a written request to the office-holder for further information concerning remuneration or expenses. Such a request must be made within 21 days of receipt of this report and a response will be provided within 14 days of receipt of the request.

Creditors have recourse to Court, application to be made within 21 days of the office-holder giving reasons for not providing all the information requested or the expiry of the 14 days within which an office-holder must respond to a request.

### **Creditors have the right to challenge the office-holder's remuneration and expenses under rule 18.34**

A secured creditor, a non-preferential creditor with the concurrence of at least 10% in value of the non-preferential creditors (including that creditor) or any non-preferential creditor with the permission of the Court, may make an application to Court on the grounds that the remuneration charged or expenses incurred are excessive and/or that the basis fixed for the office-holder's remuneration is inappropriate. The application to Court must be made no later than eight weeks after receipt of the Progress Report where the charging of the remuneration or the incurring of expenses in question occurs.

## **Appendix 9**

### **Proof of Debt Forms**

**PROOF OF DEBT - GENERAL FORM**

Wine Cellar Trading Limited - in Administration Company No. 06981430		
Date of Administration: 30 January 2019		
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)	
2.	Address of Creditor for correspondence	REF
	Contact telephone number of creditor	
	Email address of creditor	
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	
4.	Details of any documents by reference to which the debt can be substantiated (please attach)	
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES / NO
	Position with or in relation to creditor	
	Address of person signing (if different from 2 above)	
Admitted to vote for £		Admitted for dividend for £
Date		Date
Administrator		Administrator

# PROOF OF DEBT - GENERAL FORM

Whittalls Wines Merchants 2 Limited - in Administration Company No. 07603449	
Date of Administration: 30 January 2019	
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)
2.	Address of Creditor for correspondence
	Contact telephone number of creditor
	Email address of creditor
	REF
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25
4.	Details of any documents by reference to which the debt can be substantiated (please attach)
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7.	Particulars of any security held, the value of the security, and the date it was given
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates
9.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	DATE
	Are you the sole member of the creditor?
	YES / NO
	Position with or in relation to creditor
	Address of person signing (if different from 2 above)
	Admitted to vote for £
	Admitted for dividend for £
	Date
	Date
	Administrator
	Administrator



**PROOF OF DEBT - GENERAL FORM**

<b>Whittalls Wines Merchants 1 Limited - in Administration</b> <b>Company No. 07603355</b>	
Date of Administration: 30 January 2019	
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)
2.	Address of Creditor for correspondence
	Contact telephone number of creditor
	Email address of creditor
	REF
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25
4.	Details of any documents by reference to which the debt can be substantiated (please attach)
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7.	Particulars of any security held, the value of the security, and the date it was given
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates
9.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	DATE
	Are you the sole member of the creditor?
	YES / NO
	Position with or in relation to creditor
	Address of person signing (if different from 2 above)
	Admitted to vote for £
	Admitted for dividend for £
	Date
	Date
	Administrator
	Administrator

**PROOF OF DEBT - GENERAL FORM**

<b>EFB Retail Limited - in Administration Company No. 03145057</b>	
Date of Administration: 30 January 2019	
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)
2.	Address of Creditor for correspondence
	Contact telephone number of creditor
	Email address of creditor
	REF
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25
4.	Details of any documents by reference to which the debt can be substantiated (please attach)
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount £
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7.	Particulars of any security held, the value of the security, and the date it was given
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates
9.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	DATE
	Are you the sole member of the creditor?
	YES / NO
	Position with or in relation to creditor
	Address of person signing (if different from 2 above)
Admitted to vote for £	
Admitted for dividend for £	
Date	
Date	
Administrator	
Administrator	

## **Appendix 10**

### **Property Listing**

Store Name	Current Tenant		Closed
Woodend Ave	WCTL	5 & 7 Woodend Avenue, Hunts Cross, Liverpool	Yes
Wolviston Road	WCTL	86 Wolviston Road, Billingham, Cleveland	Yes
Wimbledon Village	WWM1	Ground floor shop and rear storage area, 14 The Ridgeway, Wimbledon Village, London, SW19	Yes
Welland Vale	WCTL	113 Welland Vale Road, Corby, NN17 2AW	Yes
Upsall Grove	WCTL	15 Upsall Grove Stockton on Tees TS19 7BN	Yes
Tunbridge Wells	WWM1	31 Mount Pleasant Road, Tunbridge Wells, Kent, TN1 1PN,	Yes
St Helens	WCTL	Unit 3, Fingerpost Shopping Centre, 84 Higher Parr Street, St Helens, WA9 1AF	Yes
Sowerby Bridge	WCTL	38 Wharf Street, Sowerby Bridge, HX6 2AE	Yes
South Road	WCTL	100-102 South Road, Bare, Morecambe, Lancashire LA4 6JS,	Yes
South Kensington	WWM1	Ground and basement floors, 74 Old Brompton Road, London, SW7 3LQ	Yes
Shute Road	WCTL	30 Shute Road, Catterick Garrison, DL9 4AF	Yes
Ruabon	WCTL	1b New High Street, Ruabon, Wrexham, LL14 6BL,	Yes
Richmond	WWM1	Ground floor premises and rear store and basement, 56 Friars Stile Road, Richmond, Surrey	Yes
Poole	WWM1	Ground floor shop, 317 and 319 Sandbanks Road, Lilliput Square, Parkstone, Poole	Yes
Oxton	WCTL	27A Rosemount, Oxton, Birkenhead, CH43 5SQ,	Yes
Northcote Road	WWM1	Ground floor and basement shop, 28 Northcote Road, London, SW11 1NZ	Yes
North Road	WCTL	99 North Road, Wallsend, Tyne and Wear, NE28 8RJ	Yes
Newcastle Road	WCTL	138 Newcastle Road, Sunderland, SR5 1NA	Yes
Nabbs Lane	WCTL	55 Nabbs Lane, Hucknall, Nottinghamshire, NG15 6NT,	Yes
Morpeth	WCTL	Unit 14, Abbey Meadows, Kirkhill Shopping Centre, Morpeth, NE61 2BD	Yes
Meols	WCTL	9 Station Approach, Meols, Wirral, CH47 8XA,	Yes
Maryport	WCTL	Ground Floor Shop, 57 Senhouse Street, Maryport, CA15 6BT and 77 Crosby Street, Maryport	Yes
Knottingley	WCTL	20 Pinewood Place, Knottingley, WF11 0QH	Yes
Kentish Town	WWM1	Ground and basement premises, 240 Kentish Town Road, London, NW5	Yes
Kennington	WWM1	Ground and basement floors, 296, 298 & 300 Kennington Road, London, SE11	Yes
Horwich	WCTL	244 Chorley New Road, Horwich, BL6 5NP	Yes
Horsforth	WCTL	Sunnybank Avenue, Horsforth, LS18 4LZ	Yes
High Newham	WCTL	2 High Newham Road, Stockton-on-Tees	Yes
Geneva Road	WCTL	371 Geneva Road, Darlington, DL1 4HH	Yes
Garstang Road	WCTL	64 Garstang Road South, Wesham, PR4 3BL	Yes
Egremont	WCTL	25 Market Street, Egremont, Cumbria, CA22 2DF	Yes
Dorking	WCTL	150 - 154 High St, Dorking RH4 1BG	Yes
Crouch End (Broadway)	WWM1	31 The Broadway, Crouch End, London, N8	Yes
Crosby	WCTL	Ground Floor Lock-Up Shop at 161 College Road, Crosby, Merseyside, L23 3AT	Yes
Corby	WCTL	183 Farmstead Road, Corby, NN18 0LL	Yes
Consett	WCTL	10 Front Street, Consett, County Durham, DH8 5AQ	Yes

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<b>Cockermouth</b>	WCTL	Ground floor 64 Main Street, Cockermouth, CA13 9LU	Yes
<b>Castle Bromwich</b>	WCTL	327 Chester Road, Castle Bromwich, Birmingham. B36 0JG	Yes
<b>Castle Broughton</b>	WCTL	Ground Floor, 53 Chester Road, Northwich, CW8 1HG.	Yes
<b>Botcherby</b>	WCTL	21 Broughton Hall Road, Broughton, Clwyd CH4 0QR	Yes
<b>Blackwell Road</b>	WCTL	38 Victoria Road, Botcherby, Carlisle	Yes
<b>Bayswater</b>	WCTL	183 Blackwell Road, Carlisle, CA2 4DS	Yes
<b>Balham</b>	WWM1	24a Notting Hill Gate, London, W11 3JE	Yes
<b>(S) Mitchell Street</b>	WWM1	Ground floor & basement, 161 High Road, Balham, London, SW12	Yes
	WWM2	93 Mitchell Street, Glasgow, Title No GLA8959	Yes

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## **Appendix 11**

### **Wine Cellar Trading Limited Decision Forms**

The forms enclosed at Appendix 11 are detailed below:

Notice of Decision Procedure and Vote by Correspondence

## NOTICE OF DECISION PROCEDURE

**Company Name:** Wine Cellar Trading Limited (In Administration) ("the Company")

**Company Number:** 06981430

**In the High Court of Justice, Business and Property Courts of Birmingham, CR-2019-BHM-000036**

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Philip Duffy and Matthew Ingram, of Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW (telephone number 0161 827 9000), who were appointed by the Directors of the Company.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. *The timing of the Joint Administrators' discharge from liability.*
2. *The basis of the Joint Administrators' fees.*
3. *The approval of the Joint Administrators' fee estimate in the sum of £387,689.*
4. *The approval of the Joint Administrators' Category 2 disbursements.*
5. *The approval of the pre-Administration costs in the sum of £31,530.*

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrators by one of the methods set out below:

**By post to:** Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

**By fax to:** 0161 827 9001

**By email to:** [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

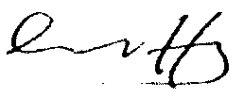
**All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, 11 September 2019.**

If the Joint Administrators has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:      10% in value of the creditors  
   10% in number of the creditors  
   10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed:       Dated: 23/08/2017  
Philip Duffy – Joint Administrator



**VOTE BY CORRESPONDENCE**  
**Wine Cellar Trading Limited (in Administration)**

**Name of Creditor:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Decisions:**

1	That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.	*For / Against
2	That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.	*For / Against
3	That the Joint Administrators' Fee Estimate in the total sum of £387,689 be approved.	*For / Against
4	That the Joint Administrators be authorised to draw internal costs and expenses in dealing with the Administration ("Category 2 Disbursements").	*For / Against
5	That the unpaid Pre-Administration costs totalling £31,530 (plus VAT) as detailed in the Joint Administrators' Statement of Pre-Administration costs is approved for payment as an expense of the Administrations.	*For / Against

\* Please delete as applicable to indicate your voting instructions

**Signed:** \_\_\_\_\_ **Dated:** \_\_\_\_\_

**Name in capitals:** \_\_\_\_\_

**Position with, or relationship to, creditor or other authority for signature:** \_\_\_\_\_

**Are you the sole member/shareholder of the creditor (where it is a company)?** Yes / No

**NOTE: Once a vote has been cast, it cannot be changed.**

**Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 11 September 2019.**

**Post: Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW**

**Fax: 0161 827 9001**

**Email: [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)**

## **Appendix 12**

### **Whittalls Wines Merchants 1 Limited Decision Forms**

The forms enclosed at Appendix 12 are detailed below:

Notice of Decision Procedure and Vote by Correspondence

## NOTICE OF DECISION PROCEDURE

**Company Name:** Whittalls Wines Merchants 1 Limited (In Administration) ("the Company")

**Company Number:** 07603355

**In the High Court of Justice, Business and Property Courts of Birmingham, CR-2019-BHM-000037**

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Philip Duffy and Matthew Ingram, of Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW (telephone number 0161 827 9000), who were appointed by the Directors of the Company.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. The timing of the Joint Administrators' discharge from liability.
2. The basis of the Joint Administrators' fees.
3. The approval of the Joint Administrators' fee estimate in the sum of £294,694.
4. The approval of the Joint Administrators' Category 2 disbursements.
5. The approval of the pre-Administration costs in the sum of £24,577.

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be *completed and returned to the Joint Administrators by one of the methods set out below:*

By post to: Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

By fax to: 0161 827 9001

By email to: [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

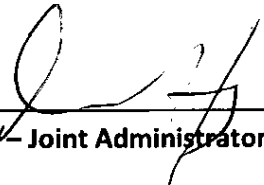
**All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, 11 September 2019.**

If the Joint Administrators has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices *may nevertheless vote if the creditor also provides a proof by the time specified above.*

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:      10% in value of the creditors  
   10% in number of the creditors  
   10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed:  Dated: 23/08/2019  
Philip Duffy – Joint Administrator

## VOTE BY CORRESPONDENCE

Whittalls Wines Merchants 1 Limited (in Administration)

Name of Creditor: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

### Decisions:

1	That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.	*For / Against
2	That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.	*For / Against
3	That the Joint Administrators' Fee Estimate in the total sum of £294,694 be approved.	*For / Against
4	That the Joint Administrators be authorised to draw internal costs and expenses in dealing with the Administration ("Category 2 Disbursements").	*For / Against
5	That the unpaid Pre-Administration costs totalling £24,577 (plus VAT) as detailed in the Joint Administrators' Statement of Pre-Administration costs is approved for payment as an expense of the Administrations.	*For / Against

\* Please delete as applicable to indicate your voting instructions

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

Name in capitals: \_\_\_\_\_

Position with, or relationship to, creditor or other authority for signature: \_\_\_\_\_

Are you the sole member/shareholder of the creditor (where it is a company)? ☐ Yes / ☐ No

### **NOTE: Once a vote has been cast, it cannot be changed.**

Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 11 September 2019.

Post: Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

Fax: 0161 827 9001

Email: [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)

## **Appendix 13**

### **Whittalls Wines Merchants 2 Limited Decision Forms**

The forms enclosed at Appendix 13 are detailed below:

Notice of Decision Procedure and Vote by Correspondence

## NOTICE OF DECISION PROCEDURE

**Company Name:** Whittalls Wines Merchants 2 Limited (In Administration) ("the Company")

**Company Number:** 07603449

**In the High Court of Justice, Business and Property Courts of Birmingham, CR-2019-BHM-000038**

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Philip Duffy and Matthew Ingram, of Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW (telephone number 0161 827 9000), who were appointed by the Directors of the Company.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. The timing of the Joint Administrators' discharge from liability.
2. The basis of the Joint Administrators' fees.
3. The approval of the Joint Administrators' fee estimate in the sum of £147,641.
4. The approval of the Joint Administrators' Category 2 disbursements.
5. The approval of the pre-Administration costs in the sum of £20,765.

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrators by one of the methods set out below:

By post to: Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

By fax to: 0161 827 9001

By email to: [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

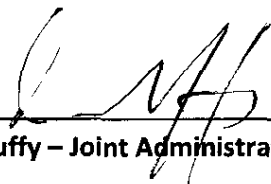
**All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, 11 September 2019.**

If the Joint Administrators has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:      10% in value of the creditors  
   10% in number of the creditors  
   10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed:  \_\_\_\_\_ Dated: 23/08/2019  
Philip Duffy – Joint Administrator



## VOTE BY CORRESPONDENCE

### Whittalls Wines Merchants 2 Limited (in Administration)

Name of Creditor: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

#### Decisions:

1	That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.	*For / Against
2	That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.	*For / Against
3	That the Joint Administrators' Fee Estimate in the total sum of £147,641 be approved.	*For / Against
4	That the Joint Administrators be authorised to draw internal costs and expenses in dealing with the Administration ("Category 2 Disbursements").	*For / Against
5	That the unpaid Pre-Administration costs totalling £20,765 (plus VAT) as detailed in the Joint Administrators' Statement of Pre-Administration costs is approved for payment as an expense of the Administrations.	*For / Against

\* Please delete as applicable to indicate your voting instructions

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

Name in capitals: \_\_\_\_\_

Position with, or relationship to, creditor or other authority for signature: \_\_\_\_\_

Are you the sole member/shareholder of the creditor (where it is a company)?

☐ Yes / ☐ No

#### **NOTE: Once a vote has been cast, it cannot be changed.**

Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 11 September 2019.

Post: Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

Fax: 0161 827 9001

Email: [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)

## **Appendix 14**

### **EFB Retail Limited Decision Form**

The forms enclosed at Appendix 14 are detailed below:

Notice of Decision Procedure and Vote by Correspondence

Notice of Invitation to Form a Creditors' Committees and Nomination Form

## NOTICE OF DECISION PROCEDURE

**Company Name:** EFB Retail Limited (In Administration) ("the Company")

**Company Number:** 03145057

**In the High Court of Justice, Business and Property Courts of Birmingham**

**CR-2019-BHM-000027**

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Philip Duffy and Matthew Ingram, of Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW (telephone number 0161 827 9000), who were appointed by the Directors of the Company.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. The establishing of a Creditors' Committee, if sufficient nominations are received by 11 September 2019 and those nominated are willing to be members of a Committee.<sup>1</sup>
2. The timing of the Joint Administrators' discharge from liability.
3. The basis of the Joint Administrators' fees.
4. The approval of the Joint Administrators' fee estimate in the sum of £134,325.
5. The approval of the Joint Administrators' Category 2 disbursements.
6. The approval of the pre-Administration costs in the sum of £25,517.

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrators by one of the methods set out below:

By post to: Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

By fax to: 0161 827 9001

By email to: [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

**All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, 11 September 2019.**

If the Joint Administrators has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

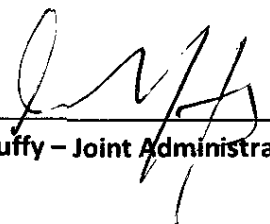
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<sup>1</sup> Please see the Notice Inviting Creditors to Form a Committee for further instructions.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:      10% in value of the creditors  
   10% in number of the creditors  
   10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed:  \_\_\_\_\_ Dated: 23/08/2019 \_\_\_\_\_  
Philip Duffy – Joint Administrator

**VOTE BY CORRESPONDENCE**  
**EFB Retail Limited (in Administration)**

**Name of Creditor:** \_\_\_\_\_

**Address:** \_\_\_\_\_  
\_\_\_\_\_

**Decisions:**

1	That a Creditors' Committee be established if sufficient nominations are received by 11 September 2019 and those nominated are willing to be members of a Committee. <sup>2</sup>	*For / Against
2	That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.	*For / Against
3	That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.	*For / Against
4	That the Joint Administrators' Fee Estimate in the total sum of £134,325 be approved.	*For / Against
5	That the Joint Administrators be authorised to draw internal costs and expenses in dealing with the Administration ("Category 2 Disbursements").	*For / Against
6	That the unpaid Pre-Administration costs totalling £25,157 (plus VAT) as detailed in the Joint Administrators' Statement of Pre-Administration costs is approved for payment as an expense of the Administration.	*For / Against

\* Please delete as applicable to indicate your voting instructions

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

Name in capitals: \_\_\_\_\_

Position with, or relationship to, creditor or other authority for signature: \_\_\_\_\_

Are you the sole member/shareholder of the creditor (where it is a company)? Yes / No

**NOTE: Once a vote has been cast, it cannot be changed.**

**Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 11 September 2019.**

**Post: Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW**

**Fax: 0161 827 9001**

**Email: [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)**

<sup>2</sup> Please see the Notice Inviting Creditors to Form a Committee for further instructions. Please note that, in the event that a Creditors' Committee is formed, authority to approve decisions 3, 4, 5 and 6 proposed above may be exercised by the Committee.

# NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

**Company Name: EFB Retail Limited (In Administration) ("the Company")**

**Company Number: 03325255**

**In the High Court of Justice Business and Property Courts in Birmingham**

**CR-2019-BHM-000027**

This Notice is given under Rule 3.39 of the Insolvency (England & Wales) Rules 2016 ("the It is delivered by the Joint Administrators of the Company, Philip Duffy and Matthew Ingram, of Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW (telephone number 0161 827 9000) who were appointed by the directors of the Company.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to the Joint Administrators by one of the following methods:

By post to: Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

By fax to: 0161 827 9001

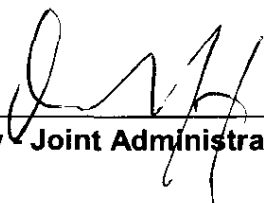
By email to: [EFB@duffandphelps.com](mailto:EFB@duffandphelps.com)

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

**All nominations must be delivered by: 23:59 on 11 September 2019.**

Nominations can only be accepted if the Joint Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Creditors' Committees, go to: <https://www.r3.org.uk/liquidation-creditors-committees-and-commissioners-a-guide-for-creditors>

Signed:  Dated: 23/08/2019  
**Philip Duffy Joint Administrator**

# **NOMINATIONS FOR MEMBERS OF A CREDITORS' COMMITTEE**

## **EFB Retail Limited (In Administration)**

On behalf of (name of Creditor): \_\_\_\_\_

at (address of Creditor): \_\_\_\_\_ ,

I nominate the following creditor(s) to be member(s) of a Creditors' Committee (provide name(s) and address(es)):

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

Name in capitals: \_\_\_\_\_

Position with, or relationship to, Creditor or other authority for signature:

\_\_\_\_\_

Are you the sole member/shareholder of the Creditor (where it is a company)?

☐ Yes / ☐ No