



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

1 Company details

Company number 03788194

Company name in full JD Classics Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Mark Granville

Surname Firmin

3 Administrator's address

Building name/number Suite 3 Regency House

Street 91 Western Road

Post town Brighton

County/Region

Postcode BN1 2NW

Country

4 Administrator's name ①

Full forename(s) Richard Dixon

Surname Fleming

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Suite 3 Regency House

Street 91 Western Road

Post town Brighton

County/Region

Postcode BN1 2NW

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

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date

^d
0

^d
8

^m
0

^m
4

^y
2

^y
0

^y
2

^y
1

**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 **Alex Godfrey**

Company name **Alvarez & Marsal Europe LLP**

Address **Suite 3 Regency House
91 Western Road**

Post town **Brighton**

County/Region

Postcode **B N 1 2 N W**

Country

DX

Telephone **+44 (0) 20 7715 5200**

**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**

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This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Continuation page

Name and address of insolvency practitioner

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

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

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

1 Appointment type

Tick to show the nature of the appointment:

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

❶ You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Richard James

Surname

Beard

3 Insolvency practitioner's address

Building name/number

Suite 3 Regency House

Street

91 Western Road

Post town

Brighton

County/Region

Postcode

B N 1 2 N W

Country

JD CLASSICS LIMITED (IN ADMINISTRATION)

Joint Administrators' fifth progress report

For the period from 10 September 2020 to 9 March 2021

9 April 2021

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1 Executive summary

- This progress report covers the period from 10 September 2020 to 9 March 2021 for JD Classics Limited (in administration) ("the Company").
- The only realisation during the period of this report was in relation to the settlement of a legal dispute between the Company and a third party in the sum of £900,000.
- We continue to be involved in a number of complex claims against various third parties which are at different stages in the legal process. These claims have the potential to generate significant recoveries for the estate (refer to section 2 – Progress to date).
- We have declared and paid interim distributions of £2.01 million to Lloyds Bank plc, as agent for the Secured Lenders, during the administration to date. Estimated net realisations from the Company's assets are unlikely to be sufficient to enable the Secured Lenders to be repaid in full (refer to section 3 – Dividend prospects).
- Preferential creditors have been repaid in full (refer to section 3 – Dividend prospects).
- Based on current estimates, it is highly unlikely that unsecured creditors will receive a distribution other than in respect of the Prescribed Part (refer to section 3 – Dividend prospects).
- Please note that you should read this progress report in conjunction with our previous progress reports and proposals which were issued to the Company's creditors and are available on the Portal or from the Companies House website.
- Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Richard Beard
Joint Administrator

2 Strategy and progress of the administration to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our previous progress reports.

2.1 Strategy and progress to date

2.1.1 Strategy

The administration strategy during the period of this report has been to continue to pursue recoveries from legal claims against third parties, whilst also complying with our statutory duties.

As explained in our previous report, there are two remaining motorbikes which are undergoing restoration with a third party in order to maximise their realisable value. This process has been delayed due to Coronavirus restrictions, but once completed, we will market these for sale.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

A summary of the most significant realisation during the period of this report is provided below.

Recoveries from legal disputes/claims against third parties

As part of our administration strategy, we have continued to pursue a number of complex claims against third parties. We have concluded some of these matters and realised value in the form of settlement payments made to the Company by third parties or the sale of previously disputed inventory. The ongoing claims are at varying stages in the legal process.

During the period of this report, we received an amount totalling £900,000 in relation to the settlement of a legal dispute with a third party.

We are continuing to work with our litigation counsel, Quinn Emanuel Urquhart & Sullivan LLP ("QE") to pursue a number of ongoing legal claims. Given the commercially sensitive nature of these matters, it is not appropriate to provide further information at this time.

These legal claims are complex and are likely to continue for a significant period of time.

2.3 Expenses

A new Statement of Insolvency Practice 9 (Payments to office holders and their associates from an estate) ("SIP9") came into effect on 1 April 2021. This new SIP redefines expenses and sets out when approvals are required before certain expenses can be paid from the estate.

For the avoidance of doubt, expenses are any payments from the estate which are neither the Joint Administrators' remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Disbursements are payments which are first met by Alvarez & Marsal Europe LLP ("A&M"), and then reimbursed to A&M from the estate.

Expenses are defined in the new SIP 9 as:

- Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval; and
- Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, Category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

Please note that where we previously referred to category 2 disbursements, these will now be referred to as disbursements falling within category 2 expenses. For further information in relation to disbursements please refer to our updated charging policy (Appendix 4).

Payments made in the period of this report are set out in the attached receipts and payments account (Appendix 2).

2.3.1 Payments made to date

Summaries of the most significant payments made during the period of this report are provided below.

Legal fees

Legal fees totalling £1,434,207 were paid during the period of this report which largely relate to:

- QE fees (totalling £1,413,621 in the period of this report) – QE have been engaged throughout the administration to advise us on various legal claims against third parties.
- Pinsent Masons LLP ("Pinsents") fees (totalling £20,585 in the period of this report) – Pinsents have been engaged by us throughout the administration to assist with general insolvency law queries.

Rent paid

The Company has paid rent of £15,157 to the landlord of the Galliford Road premises during the period of this report. Woodham Mortimer Ltd ("WML") occupied the site under a licence to occupy and so reimburse these payments. Of the rent paid, £6,610 has been reimbursed by WML with the balance being offset against payments due to them. The Company vacated the premises on 31 October 2020, so no further rental payments will be made.

2.4 Schedule of expenses

We have detailed the costs incurred during the period of this report, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

Summaries of the most significant expenses which have been incurred in the period of this report but have not yet been paid are provided below.

- Our time costs of £408,934 (see section 4.1 for further details in relation to our remuneration); and
- Legal fees incurred by QE totalling £796,407 in relation to advice provided on litigation matters and general insolvency matters respectively.

- Fixed professional fees and storage charges of £10,682 are due to WML, who were engaged because they remained in the property that vehicles were stored in and were familiar with the Company's inventory. As explained above, these expenses are being partially offset against the rent owed to the Company.

3 Dividend prospects and dividends paid

3.1 Secured creditors

The Secured Lenders have submitted a claim in the administration for £76.2 million in respect of their secured indebtedness. As mentioned in our proposals, a security review was carried out on 12 September 2018 which confirmed the security and priority arrangements in the Company.

No further funds have been distributed to the Secured Lenders during the period of this report.

The Secured Lenders have received interim distributions totalling £2.01 million during the administration.

Net realisations from the Company's assets are unlikely to be sufficient to enable the Secured Lenders to be repaid in full.

3.2 Preferential creditors

The preferential creditors have been repaid in full.

3.3 Unsecured creditors

Based on current estimates, we anticipate that the unsecured creditors will receive a distribution from the Prescribed Part only. It is highly unlikely there will be a distribution in excess of the Prescribed Part, as it is likely there will be a shortfall with respect to the secured debt.

4 Joint Administrators' remuneration and category 2 expenses

4.1 Joint Administrators' remuneration and category 2 expenses

During the administration, the secured and preferential creditors have provided approval that:

- Our remuneration will be drawn on the basis of the time properly given by us and the various grades of our staff in accordance with the revised fees estimate and charge-out rates provided in our second progress report; and
- Category 2 expenses (as defined in SIP9 and disclosed to creditors) will be paid as an expense of the estate, including disbursements paid directly by A&M and charged in accordance with our charging policy set out in Appendix 4.

4.1.1 Time costs

During the period of this report we have incurred time costs of £408,934. These represent 958 hours at an average rate of £427 per hour.

4.1.2 Remuneration

During the period of this report, we have drawn floating charge remuneration of £354,675.

4.1.3 Additional information

Fees estimate

As stated in our previous progress report, it was anticipated that during the administration we would exceed our fees estimate of £6.5 million because of the additional time anticipated to be incurred in relation to dealing with complex legal disputes and actions commenced against third parties in order to recover value for creditors of the Company. Since our last progress report we have sought approval from the Secured Lenders and preferential creditors. We have received approval from the preferential creditors and are currently awaiting consent from the Secured Lenders.

Furthermore, we will incur additional time costs in fulfilling our statutory duties, as the administration was extended by a further 12 months, and it is likely that a further extension beyond this may be required to conclude certain aspects of litigation. This additional expense may result in a financial benefit for the creditors, however the quantum of this benefit is unknown at this stage. We could not reasonably have estimated the additional costs for these matters at the time of our previous revised fees estimate was distributed.

Expenses estimate

It is anticipated that the expenses to be incurred during the administration will exceed our previous expense estimate of £13,427,312. This is due to additional forecasted legal costs associated with complex litigious matters.

Time spent and charging policy

We have attached at Appendix 4 an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by A&M for the period of this report, together with a summary of the cumulative time costs to 9 March 2021. We have also attached our charging policy.

5 Future strategy

5.1 Future conduct of the administration

We will continue to manage the affairs and property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- Continuing to restore, market and sell the Company's remaining motorbikes;
- Pursuing actions against third parties with a view to recovering value for the estate;
- Continuing to defend legal actions where it is appropriate to do so;
- Dealing with the Company's corporation tax and VAT matters;
- Distributing funds in the estate to the Secured Lenders;
- Agreeing unsecured claims and distributing the Prescribed Part to unsecured creditors; and
- Undertaking procedures to exit the administration.

5.2 Future reporting

Providing an extension to the period of the administration is granted, we will provide a further progress report within one month of 9 September 2021 or earlier if the administration has been completed prior to that time.

If an extension is not granted we will provide our final progress report by 9 September 2021.

Appendix 1 – Statutory information

Company information	
Company name	JD Classics Limited
Date of incorporation	11 June 1999
Company registration number	03788194
Present registered office	Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW
Administration information	
Administration appointment	The administration appointment granted in the High Court of Justice, case number CR-2018-007197
Appointor	The directors of JD Classics Limited
Date of appointment	10 September 2018
Joint Administrators	Richard Fleming, Mark Firmin and Richard Beard
Joint Administrators' contact details	Address: Alvarez & Marsal Europe LLP, Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW Telephone: +44 20 7715 5200 Email: INS_JDCL@alvarezandmarsal.com
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	9 September 2021

Appendix 2 – Receipts and payments account

Statement of Affairs £		From 10/09/2020 To 09/03/2021 £	From 10/09/2018 To 09/03/2021 £
	FIXED CHARGE ASSETS		
	Bank Interest	NIL	8.83
231,000.00	Plant & Machinery	NIL	40,030.00
		NIL	40,038.83
	FIXED CHARGE COSTS		
	Administrators' Fees	NIL	40,038.83
		NIL	(40,038.83)
	FIXED CHARGE CREDITORS		
(76,237,375.00)	Chargeholder	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Automobilia	NIL	57,655.00
3,487,713.12	Book Debts - pre appt	NIL	3,224,246.22
73,706.00	Cash at Bank	NIL	71,590.84
936,320.00	Corporation Tax Refund	NIL	8,125,966.98
	Fleet Motor Vehicles	NIL	223,088.34
902,164.00	Parts	NIL	527,930.00
489,067.00	Registration Numbers	NIL	283,203.33
	Rent & Property Expenses Received	NIL	1,062,721.90
	Secured Lender Loan	NIL	700,000.00
22,638,000.00	Stock	NIL	22,467,245.23
494,928.00	VAT Refund	NIL	327,302.08
	Work in Progress	NIL	140,710.00
		NIL	37,211,659.92
	OTHER REALISATIONS		
	Bank Interest Gross	452.06	37,989.17
	Cost Order Recoveries	NIL	150,000.00
	Credit Card Refund	NIL	12,231.82
	Other Realisations	NIL	831.83
	Processing Fee Received	NIL	10,000.00
	Litigation/Settlement Recoveries	900,000.00	4,912,906.17
	Storage Receipts	NIL	3,197.10
	Sundry Refunds	NIL	20,815.64
	Third Party Funds Received	NIL	1,221,684.00
	Trading Surplus/(Deficit)	NIL	(19,228.16)
		900,452.06	6,350,427.57
	COST OF REALISATIONS		
	Administrators' Expenses	3,649.26	51,063.10
	Administrators' Fees	354,675.00	4,432,556.57
	Agents/Valuers Fees	NIL	51,857.24
	Bank Charges	36.82	1,252.28
	Cost Orders Payable	NIL	48,464.83

	Customer Refunds	NIL	20,000.00
	ERA Solutions	NIL	200.00
	Insurance of Assets	2,800.00	103,495.82
	Interest paid re Secured Lender Loan	NIL	2,222.39
	Irrecoverable VAT	NIL	27,478.14
	Legal Fees	1,434,206.66	6,735,715.58
	Margin Scheme VAT	NIL	102,973.17
	Other Property Expenses	NIL	5,414.50
	Professional Fees	NIL	58,239.67
	Ransom Payments	NIL	10,000.00
	Rates	NIL	16,737.33
	Re-Direction of Mail	NIL	980.00
	Registration Costs	40.00	1,859.36
	Rent & Property Expenses Paid	15,157.47	1,069,844.69
	Repairs & Maintenance	8,333.33	1,314,143.84
	Repayment of Secured Lender Loan	NIL	700,000.00
	Repayment of Third Party Funds	NIL	556,194.56
	Sales Commission	NIL	2,048,396.46
	Security	NIL	167,352.23
	Settlement Payments	1,800.00	3,131,534.19
	Specific Bond	NIL	200.01
	Stationary & Postage	NIL	5,861.00
	Statutory Costs	NIL	71.15
	Storage Costs	111.63	222,450.15
	Third Party Funds Paid	NIL	653,629.61
	Transportation Costs	NIL	169,536.19
	Utilities	NIL	1,681.99
		(1,820,810.17)	(21,711,406.05)
	PREFERENTIAL CREDITORS		
	Subrogated EP(C)A Claim	NIL	5,001.37
		NIL	(5,001.37)
	FLOATING CHARGE CREDITORS		
(76,006,375.00)	Floating Charge Creditor	NIL	2,010,000.00
		NIL	(2,010,000.00)
	UNSECURED CREDITORS		
(84,795,000.00)	Connected Companies	NIL	NIL
(5,372,026.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
(213,157,877.88)		(920,358.11)	19,835,680.07
	REPRESENTED BY		
	Bank Current – Floating		18,246,620.86
	Fixed Ch VAT Receivable		8,007.77
	Fixed VAT Control Account		(8,007.77)
	Floating VAT Control Account		(2,451,524.01)
	Funds held in lawyer account		450,000.00
	Security Account		914,986.12
	VAT Payable		(463,933.93)
	VAT Receivable		3,139,531.03
			19,835,680.07

Note: all of the funds held in the administration accounts were held in interest-bearing accounts during the period

Appendix 3 – Schedule of expenses

A3.1 Schedule of expenses

A summary of expenses during the period of this report is set out below:

Schedule of Expenses				
Expense	Incurred and unpaid brought forward (£)	Incurred in the period (£)	Paid in the period (£)	Incurred and unpaid to carry forward (£)
Bank Charges	-	37	37	-
Insurance of Assets	-	2,800	2,800	-
Legal Fees	207,503	2,026,171	1,434,207	799,467
Professional Fees	-	7,826	-	7,826
Rents & Property Expenses payable	8,490	6,667	15,157	-
Registration costs	-	40	40	-
Repairs & Maintenance	-	8,333	8,333	-
Settlement payments	-	1,800	1,800	-
Storage	-	2,652	112	2,540
Transportation costs	-	80	-	80
Stationery & Postage	-	31	-	31
Joint Administrator's Fees	1,512,187	408,934	354,675	1,566,446
Joint Administrator's Expenses	3,649	17,762	3,649	17,762
Total	1,731,829	2,483,133	1,820,810	2,394,152

Please note that there is a difference between the payments made during the period of £1,820,810 (per the receipts and payments account) and the expenses incurred in the period of this report of £2,483,133 (per the schedule of expenses). This is due to the fact that some of the payments made in the period of this report relate to expenses incurred in a prior period and not all expenses have been paid up to date.

A3.2 Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Maria French at JD Classics Limited (in administration), Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW.

Appendix 4 – Charging policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT and investigations by A&M in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "Administration: A Guide for Creditors on Insolvency Practitioner Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available via the Portal.

If you are unable to access this guide and would like a copy, please contact INS_JDCL@alvarezandmarsal.com or write to us at JD Classics Limited (in administration), Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration, using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Charge-out rates (£/hour) for:	
Restructuring	
Grade	From 10 September 2018
Managing Director	675
Senior Director	635
Director	595
Associate Director	535
Senior Associate	455
Associate	335
Analyst	225
Support	165

Policy for the recovery of disbursements

Where funds permit the office holders will seek to recover disbursements falling into both category 1 and category 2 expenses from the estate. For the avoidance of doubt, such disbursements are defined within SIP 9 as payments which are first met by the office holder, and then reimbursed to the office holder from the estate. These are divided in SIP 9 as follows:

- *Disbursements within category 1 expenses:* These are payments which do not have any element of shared costs and are made to persons who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.
- *Disbursements within category 2 expenses:* These are payments to associates or which have an element of shared costs. These may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Disbursements within category 2 expenses charged by A&M include mileage at a rate of 45p per mile. When carrying an A&M passenger, no additional cost per passenger will be charged.

Disbursements falling within category 1 expenses:

Nature of disbursement	Amounts incurred in the period (£)	Amounts paid in the period (£)
Postage	3.24	-
eDiscovery software user fee	17,318.65	-
Books and records storage	440.53	-
Total	17,762.42	-

Please note that the expenses paid of £3,649 in this period of the report relate to expenses incurred in the prior period.

Disbursements falling within category 2 expenses:

No disbursements falling within category 2 expenses have been incurred or paid during the period of this report.

We have the authority to pay disbursements falling within category 1 expenses without the need for any prior approval from the creditors of the Company.

Disbursements falling within category 2 expenses are to be approved in the same manner as our remuneration.

Our time cost summary in accordance with SIP 9

Please refer to the table below for a detailed breakdown of our time costs summary in accordance with SIP 9.

JD Classics Limited (in administration) Time costs for the period 10 September 2020 to 9 March 2021			
Classification of work function	Total hours	Total time cost (£)	Average hourly rate (£)
Engagement Control	78.1	30,713	393
Appointment and risk	5.0	2,297	459
Reports, Decision Making and Remuneration	105.4	37,031	351
Correspondence and Statutory Filing	101.0	53,679	531
Investigations and Litigation	531.9	224,456	422
Asset Realisations	27.6	12,946	469
Costs of Realisation	19.3	9,085	471
Tax	45.81	20,413	446
Cashiering	30.6	12,602	413
Claims & Distributions	13.0	5,713	439
Total	957.5	408,934	427
Brought forward time (10 September 2018 to 9 September 2020)*	12,762.0	5,590,069	438
SIP9 period time (10 September 2020 to 9 March 2021)	957.5	408,934	427
Carry forward time (10 September 2018 to 9 March 2021)	13,719.5	5,999,003	437

*We note that the total time costs and total hours reported in our last progress report dated 8 October 2020 of £5,590,902 and 12,764 respectively were incorrectly calculated. The correct figures are £5,590,069 and 12,762 respectively.

SIP 9 narrative for the period from 10 September 2020 to 9 March 2021

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Engagement control	<ul style="list-style-type: none"> - Formulating, monitoring and reviewing the administration strategy; - Briefing our staff on the administration strategy and matters in relation to various work-streams; - Regular case management and review of process, including regular team update meetings and calls; - Reviewing and authorising junior staff correspondence and other work; - Dealing with queries arising during the appointment; - Reviewing matters affecting the outcome of the administration; - Allocating and managing staff/case resourcing and budgeting exercises and reviews; - Liaising with legal advisers regarding the various instructions; and - Complying with internal filing and information recording practices, including documenting strategy decisions. 	To comply with statute and ensure the administration is run efficiently and effectively.	None.
Appointment & risk	<ul style="list-style-type: none"> - Liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; and - Assessing the level of insurance premiums. 	To comply with statute.	None.

SIP 9 narrative for the period from 10 September 2020 to 9 March 2021

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Reports, decision making & remuneration	<ul style="list-style-type: none"> - Preparing statutory receipts and payments accounts; - Drafting and publishing our progress reports; - Ensuring compliance with all statutory obligations within the relevant timescales; - Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9; - Preparing and reviewing the fees estimate; and - Reviewing the expenses estimate. 	To comply with statute as well as ensuring the creditors are informed of progress.	None.
Correspondence & statutory filing	<ul style="list-style-type: none"> - Uploading information to the Portal; - Complying with ongoing statutory filing requirements; - Providing written and oral updates to representatives of the Secured Lenders regarding the progress of the administration and case strategy; and - Dealing with creditor queries and ongoing case correspondence. 	To comply with statute as well as ensuring the creditors are informed of progress.	None.
Investigations	<ul style="list-style-type: none"> - Managing and reviewing the Company books and records database in the context of ongoing legal matters; - Liaising with legal advisers in relation to ongoing legal disputes and related correspondence; - Progression of settlement negotiations in respect of certain legal disputes; - Progression of various legal claims including attendance at hearings; - Reviewing pre-appointment transactions; and - Drafting the statutory report and submitting to the relevant authority. 	To comply with statute as well as pursue potential realisations for the estate.	Successful legal claims may have the potential to generate material net realisations for creditors.
Asset realisations	<ul style="list-style-type: none"> - Liaising with third parties in relation to Company motor vehicle inventory held offsite; and - Communicating with the landlord regarding rental obligations, property occupation and other issues. 	To ensure that all of the Company's assets are realised and that the costs and expenses of the administration can be met, with any surplus going to the benefit of the Company's creditors.	Asset realisations will generate value for creditors.

SIP 9 narrative for the period from 10 September 2020 to 9 March 2021

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Costs of realisation	<ul style="list-style-type: none"> - Liaising with third parties regarding costs incurred; - Collecting and paying the rent due in respect of the Company's remaining premises (under the terms of the licence to occupy); - Reviewing and agreeing invoices from WML in relation to the storage of motor vehicles and usage of IT systems for the purposes of investigations; - Reviewing costs incurred to ensure recorded accurately; and - Arranging payment of the costs in a timely manner as and when funds allow. 	To understand the costs associated with realising assets for the benefit of the estate.	Mitigation of costs can increase the return to creditors.
Tax	<ul style="list-style-type: none"> - Analysing VAT related transactions; - Preparing, reviewing and submitting quarterly VAT returns; - Liaising with affiliates in relation to the deregistration of the pre-appointment VAT group; and - Dealing with post appointment tax compliance. 	To comply with filing deadlines.	Mitigation of tax expenses can increase the return for creditors.
Cashiering	<ul style="list-style-type: none"> - Preparing and processing vouchers for the payment of post-appointment invoices; - Creating remittances and making payments to settle post-appointment invoices; - Reconciling post-appointment bank accounts to internal systems; and - Ensuring compliance with appropriate risk management procedures in respect of receipts and payments. 	To maintain a proper treasury and accounts function for the administration estate.	None.
Claims & distributions	<ul style="list-style-type: none"> - Reviewing and updating the list of unsecured creditors; and - Dealing with creditor claims. 	To comply with statute, ensuring claims made against the Company are kept up-to-date and to distribute funds in the estate to the Secured Lenders.	Ensures claims are accurate and funds are distributed to the correct creditors.

Appendix 5 – Glossary

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016 respectively.

Defined Terms	Definition
A&M	Alvarez & Marsal Europe LLP
Company or JDCL	JD Classics Limited in administration
Court	The High Court of Justice in England and Wales
HMRC	HM Revenue & Customs
Joint Administrators/we/our/us	Richard Fleming, Mark Firmin and Richard Beard
Pinsents	Pinsent Masons LLP
QE	Quinn Emanuel Urquhart & Sullivan LLP
Secured Lenders	Lloyds Bank plc and HPS Investment Partners LLC
SIP9	Payments to insolvency office holders and their associates from an estate

Appendix 6 – Notice: About this progress report

This progress report been prepared by Richard Fleming, Mark Firmin and Richard Beard, the Joint Administrators of JD Classics Limited in administration ('the Company'), solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

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

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

Any person that chooses to rely on this progress report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Richard Fleming, Mark Firmin and Richard Beard are authorised to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales.

We are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agent for the Company without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Alvarez & Marsal Europe LLP does not assume any responsibility and will not accept any liability to any person in respect of this progress report or the conduct of the administration.