In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up

Companies House

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

1 Company details

Company number	0 5 8 0 4 2 2 1
Company name in full	Courtaulds Brands Limited

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

2 Liquidator's name

Full forename(s)	Tyrone
Surname	Courtman

3 Liquidator's address

Building name/number	Rivermead House
Street	7 Lewis Court
Post town	Grove Park
County/Region	Leicester
Postcode	L E 1 9 1 S D
Country	

4 Liquidator's name ❶

Full forename(s)	Deviesh
Surname	Raikundalia

❶ **Other liquidator**
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	Rivermead House
Street	7 Lewis Court
Post town	Grove Park, Enderby
County/Region	Leicestershire
Postcode	L E 1 9 1 S D
Country	

❷ **Other liquidator**
Use this section to tell us about another liquidator.

LIQ03
Notice of progress report in voluntary winding up

6 Period of progress report

From date	30 05 2021
To date	29 05 2022

7 Progress report

☑ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X Tyrone C X
Signature date	12 07 2022

LIQ03
Notice of progress report in voluntary winding up

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	Sarah Clarke
Company name	RSM UK Restructuring Advisory LLP
Address	Suite A, 7th Floor
	East West Building, 2 Tollhouse Hill
Post town	Nottingham
County/Region	
Postcode	N G 1 5 F S
Country	
DX	
Telephone	+44 (0) 115 9644 450

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

Important information

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

Where to send

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

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

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

CUK CLOTHING LIMITED & COURTAULDS BRANDS LIMITED - BOTH IN LIQUIDATION

JOINT LIQUIDATORS' COMBINED PROGRESS REPORT
FOR THE TWELVE-MONTH PERIOD TO 29 MAY 2022

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM

INTRODUCTION

Contact details

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

Primary office holder	**Case manager**
Tyrone Courtman	Samantha Rogers
RSM UK Restructuring Advisory LLP	RSM UK Restructuring Advisory LLP
Rivermead House, 7 Lewis Court, Grove Park, Leicester, LE19 1SD	St Philips Point, Temple Row, Birmingham, B2 5AF
Tel: +44 (0) 116 282 0550	Tel: +44 (0) 121 214 3100

Basis of preparation

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

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

General guidance on the Liquidation process

You can find guidance on the different insolvency processes at the R3 website www.R3.org.uk. R3 is the trade association for the insolvency profession.

Contents

Appendices

CONDUCT OF THE LIQUIDATIONS

Realisation of assets

CUK Clothing ("CUK") & Courtaulds Brands ("Courtaulds") (together "the Companies")

Group debts

As previously reported, the Liquidators have identified significant balances due to the Companies from connected companies within the wider group ("the Group"). DLA Piper UK LLP ("DLA") were engaged to provide advice regarding the Group debts. During the current period, the Joint Liquidators and their staff have liaised with their advisors regarding the options available to the Liquidators to pursue the balances due.

Due to the absence of sufficient funds in the Liquidations to bring legal proceedings in relation to the Group debts, the Liquidators have explored the options available in this regard with litigation funders. As a result of these discussions, I am delighted to advise that a funding offer has been received and agreed with Asertis Limited ("Asertis") which will enable the Liquidators to pursue the Group debts further.

Further information regarding the course of action being pursued with Asertis will be disclosed in due course. However, at present, these details are confidential to avoid prejudicing potential realisations in this regard. Any realisations which are achieved in relation to these debts will be disclosed in future reports.

The time costs incurred to date in respect of asset realisations are shown on the attached analyses of time costs.

CUK

Refund of bank charges

During the current period, the Liquidators have been in contact with CUK's former bankers regarding the level of charges applied to CUK's account prior to insolvency. A review conducted by the relevant bank identified that there had previously been excessive bank charges applied to CUK's account. As a result, these excessive charges were refunded into the Liquidation in the sum of £10,277.

Investigations

In accordance with legislation, the appropriate documentation in relation to the conduct of the directors was filed during the prior Administrations. The work done only leads to a financial return to creditors if any rights of action become visible during the course of the investigation, which lead to a recovery for the benefit of the estate.

In this instance, further work is still ongoing in relation to the group debts detailed above.

The time costs incurred to date in dealing with these matters is set out in the attached analyses of time costs.

Case specific matters

This work relates to correspondence with the Liquidators' legal advisers regarding ongoing work in relation to the group debts, which are detailed further above.

The time costs incurred to date in dealing with these matters is set out in the attached analyses of time costs.

Statutory and case management matters

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

Statutory requirements

- statutory filing, advertising and appointment notifications to prescribed parties following a change in office holder, details of which are provided further below;
- preparing, reviewing and issuing a progress report to creditors and other prescribed parties; and
- taxation matters, including correspondence with HM Revenue & Customs ("HMRC") regarding post-appointment Corporation Tax periods and returns and preparing necessary documents for the reclaim of VAT post-deregistration.

Case management matters

- periodic case reviews, ongoing case planning and strategy, liaising with joint office holders;
- maintaining and updating computerised case management records;
- maintenance of cashiering records, bank accounts, receipts and payments, billing; and
- initial and ongoing consideration of ethical, conflict & anti money laundering checks.

The time costs incurred to date in dealing with these matters is set out in the attached analyses of time costs.

Combined receipts and payments and estimated outcome statement

A combined summary of receipts and payments and estimated outcome statement is attached for each Liquidation at Appendix B. Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

Regarding CUK, Appendix B demonstrates a balance in hand of £19,706.

Regarding Courtaulds, Appendix B demonstrates a balance in hand of £6,440.

Further realisations are dependent on the progress of legal proceedings relating to the Group debts. To ensure that we do not predjudice our enquiries regading the Group debts, the estimated outcome statement includes a nil figure for future realisations.

Changes in Joint Liquidator

Please note that the following changes in Joint Liquidators relate to both of the Companies.

Adrian Allen has ceased to act as Joint Liquidator by Court Order dated 6 December 2021 and Lee Brocklehurst (IP No 9459) of RSM UK Restructuring Advisory LLP was appointed in his place. A notice to this effect was advertised in the London Gazette on 14 December 2021, and in accordance with the terms of the Order, the prior appointee was released from office with effect from 11 January 2022.

Also, as a result of Lee Brocklehurst leaving RSM UK Restructuring Advisory LLP, he ceased to act as Joint Liquidator by Court Order dated 17 March 2022 and Deviesh Raikundalia (IP No 13890) of RSM UK Restructuring Advisory LLP was appointed in his place. A notice to this effect was advertised in the London Gazette on 4 April 2022, and in accordance with the terms of the Order, the prior appointee was released from office with effect from 3 May 2022.

RSM UK Restructuring Advisory LLP met the costs of these applications. The Orders also provided that each creditor of the estate was at liberty to apply to vary or discharge the Orders within 28 days of publication in the Gazette (or receipt of this report, if sooner).

OUTSTANDING MATTERS

Assets remaining to be realised

The only outstanding assets to be realised are the Group debts due to the Companies as detailed above. Further details will be provided in a future report, once the matter has been finalised.

Other outstanding matters

The level of any further dividends for creditors from the Liquidations is dependent on the level of future realisations from the Group debts.

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects - CUK

	Owed (£'000)	Paid to date (£)	Estimated future prospects
Secured creditor – HSBC Bank Plc	Nil	Nil	N/A
Secured creditor – HSBC Invoice Finance UK Ltd	c£5,400 from combined facility of the Companies	c£4,900 from combined book debt realisations	Additional small dividend – amount dependent on realisations from Group debts
The Portman Estate Nominees (One) Limited	Security deposit	N/A	N/A
Preferential creditors	c£54	100p in the £ on 20 November 2017	N/A
Unsecured creditors	c£6,737[1]	c1p in the £ on 16 October 2020	Uncertain – dependent on realisations from Group debts
Estimated Net Property	c£366		
Estimated 'Prescribed Part' available for creditors	c£76[2]		

Dividend prospects - Courtaulds

	Owed (£'000)	Paid to date (£)	Estimated future prospects
Secured creditor – HSBC Bank Plc	Nil	Nil	N/A
Secured creditor – HSBC Invoice Finance UK Ltd	c£5,400 from combined facility of the Companies	c£4,900 from combined book debt realisations	Additional small dividend – amount dependent on realisations from Group debts
Kadima Holdings Limited	Uncertain	N/A	Nil
Preferential creditors	c£320	100p in the £ on 1 December 2017	N/A
Unsecured creditors	c£5,167[1]	c1p in the £ on 16 October 2020	Uncertain – dependent on realisations from Group debts
Estimated Net Property	c£521		
Estimated 'Prescribed Part' available for creditors	c£107[2]		

[1]Per claims agreed.
[2]The Prescribed Part is estimated and is before the associated costs.

Any estimated outcome for creditors is illustrative and may be subject to change.

Prescribed Part

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

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

Based on current information, it is not proposed that that an application will be made to court under Section 176A(5) of the Insolvency Act 1986 for an order disapplying the Prescribed Part provisions.

Please note that the Prescribed Part calculation above is based on the estimated final outcome so no calculation is included for the current period's figures in the estimated outcome statement at Appendix B.

Agreement of claims

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

As set out above, dividends have been paid to both preferential and unsecured creditors. However, these dividends were paid in a prior period. Therefore, no work has been undertaken in the current period in relation to adjudicating and agreeing creditor claims.

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

Dividend payments

The timing of any future dividend to unsecured creditors (in relation to the Prescribed Part) is dependent on future realisations. Further information regarding any potential dividend payment will be provided in due course.

Creditor communication

The following work was undertaken in the period to comply with legislation, best practice and to ensure creditors were kept informed:

- dealing with communications from creditors;
- correspondence with the Company's secured creditor; and
- maintenance of schedules of creditors' claims.

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

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.

JOINT LIQUIDATORS' FEES, COSTS AND EXPENSES

Guide to Liquidator's fees and expenses

A Guide to Liquidator's Fees, which provides information for creditors in relation to the fees and expenses of a Liquidator, can be accessed at under 'general information for creditors'. A hard copy can be requested from this office by telephone, email or in writing. All fees, costs and expenses are subject to VAT.

Relevant Approving Body

In accordance with the relevant legislation, the Joint Liquidators' remuneration is fixed on the same basis as in the prior Administration. Where applicable, the unsecured creditors are the Relevant Approving Body responsible for any subsequent fee approvals in the Liquidation. However, if a Liquidation committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

Post Appointment fees, costs and expenses

Basis for remuneration

CUK

The Joint Liquidators' fees were approved in the prior Administration on a time cost basis, and this is therefore the basis on which the Joint Liquidators' fees are calculated. The Relevant Approving Body initialy approved the quantum of the Joint Liquidators' fees on this basis, limited to the sum of £46,602 (plus VAT) on 18 September 2017. The fee estimate was prepared for the life of the appointment.

In addition, the Liquidators' remuneration in respect of book debt collection work was agreed on a percentage basis in the previous Administration. Creditors agreed they be remunerated at 5% of the debts collected.

Courtaulds

The Joint Liquidators' fees were approved in the prior Administration on a time cost basis, and this is therefore the basis on which the Joint Liquidators' fees are calculated. The Relevant Approving Body initially approved the quantum of the Joint Liquidators' fees on this basis, limited to the sum of £49,582 (plus VAT) on 18 September 2017. The fee estimate was prepared for the life of the appointment.

In addition, the Liquidators' remuneration in respect of book debt collection work was agreed on a percentage basis in the previous Administration. Creditors agreed they be remunerated at 5% of the debts collected.

Increase in Fee Estimate

CUK

For the reasons set out in the Liquidators' report to creditors delivered on 27 July 2020 the original fee estimate has been exceeded, as additional work has been required and matters became protracted regarding recovery of the Group debts. The unsecured creditors approved the further fee estimate provided to creditors on 12 August 2020, where the total fees that the Joint Liquidators can be paid, without further approval, is £91,602 (plus VAT). This includes £35,000 (plus VAT) relating to the Prescribed Part dividend.

Please note that the further fee estimate refleced the work that was anticipated would be done during the life of the appointment.

Courtaulds

For the reasons set out in the report to creditors delivered on 27 July 2020 the original fee estimate has been exceeded, as additional work was required and matters became protracted regarding recovery of the Group debts. The unsecured creditors approved the further fee estimate provided to creditors on 11 August 2020, where the total fees that the Joint Liquidators can be paid, without further approval, is £77,354 (plus VAT). This includes £40,000 (plus VAT) relating to dealing with the Prescribed Part.

Please note that the further fee estimate reflected the work that was anticipated would be done during the life of the appointment.

Fee Estimate Exceeded – CUK & Courtaulds

The Joint Liquidators have exceeded the fee estimate provided to creditors on 27 July 2020 ("the July 2020 fee estimate") for the following reasons in relation to both of the Companies:

- additional statutory and administrative tasks have been undertaken as a result of the Liquidations remaining open for longer than previously anticipated. The July 2020 fee estimate anticipated that the Liquidations would be closed within four years of appointment, however this has been exceeded due to ongoing issues with investigating and pursuing the Group debts. As a result of the cases remaining open for longer than anticipated, there has been an increase in the administrative and statutory work required, including case reviews, tax returns, processing of receipts and payments and annual progress reports. Additional time has also been required in relation to planning and strategy to identify the most appropriate way to realise the Group debts; and

- at the date of the July 2020 fee estimates, it was not anticipated that any further work would be required in relation to the Group debts, neither in relation to investigations into the level of Group debts to determine the final balance due to the Company, nor in relation to case specific matters relating to legal advice sought regarding the Group debts, nor in relation to work required to determine the most appropriate course of action to pursue the outstanding debts due. However, since the July 2020 fee estimates, further work has been required to progress the Liquidators' strategy for dealing with the Group debts. For the reasons set out above, details of the course of action being pursued by the Liquidators in relation to the Group debts are confidential to avoid prejudicing potential realisations in this regard. Further details of the additional work which has been required in this regard will be provided in due course.

The following work remains to be carried out in relation to both Companies before the administration of the Liquidations can be finalised:

- the Joint Liquidators need to finalise the work being undertaken in relation to pursuing the Group debts, which will be disclosed in full in due course as a result of the confidentiality of the work being undertaken at present; and

- there will be additional administrative tasks which require completing while the Liquidation remains open, as well as formal closure procedures.

A further fee estimate will be provided in due course.

Fee Estimate Exceeded – CUK

In addition to the reasons set out above, the Joint Liquidators have exceeded the fee estimate provided to creditors on 27 July 2020 ("the July 2020 fee estimate") for the following reasons in relation to CUK:

- additional work has been undertaken in relation to the Company's creditors to enable the Prescribed Part dividend to be paid, including adjudicating additional claims received. The July 2020 fee estimate assumed that no further claims would be received beyond those already received and agreed at that time. The estimate assumed that 118 claims would require adjudicating, however the total number of claims received which required adjudication was actually 123. Of these, 104 claims were admitted in full, 10 claims were partially admitted and 9 claims were rejected. The additional adjudication work which was required included some large and complex claims, which required significant input from the senior members of the case team to resolve. Therefore, this additional adjudication work was not anticipated in the July 2020 fee estimate. Also, correspondence (including calls and emails) has been undertaken with the Company's creditors since the July 2020 fee estimate, which was not anticipated in the estimate; and

- the July 2020 fee estimate anticipated that the Group debts were the only remaining asset of the Liquidation. However, during the current period, a refund of bank charges has been identified and received into the Liquidation. The work undertaken in relation to this asset was not anticipated in the July 2020 fee estimate.

Fee Estimate Exceeded - Courtaulds

In addition to the reasons set out above, the Joint Liquidators have exceeded the fee estimate provided to creditors on 27 July 2020 ("the July 2020 fee estimate") for the following reasons in relation to Courtaulds:

- additional work has been undertaken in relation to the Company's creditors to enable the Prescribed Part dividend to be paid, including adjudicating additional claims received. The July 2020 fee estimate assumed that no further claims would be received beyond those already received and agreed at that time. The estimate assumed that 396 claims would required adjudicating, however ultimately 435 claims were received which required adjudicating. Of these, 410 claims were admitted in full, 17 claims were partially admitted and 8 claims were rejected. The additional adjudication work which was required included some large and complex claims, which required significant input from the senior members of the case team to resolve. Therefore, this additional adjudication work was not anticipated in the July 2020 fee estimate. Also, correspondence (including calls and emails) has been undertaken with the Company's creditors since the July 2020 fee estimate, which was not anticipated in the estimate; and

- additional work has been undertaken in relation to Courtaulds' employees, including dealing with correspondence with or in relation to former employees and ensuring claims were agreed as required to enable the Prescribed Part dividend to be paid. The July 2020 fee estimate assumed that no further work would be required regarding Courtaulds' employees from that date forward.

Remuneration Charged

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done. It does not mean the Joint Liquidators' fees have been paid. Amounts paid to date, if any, are shown in the attached receipts and payments account.

During the period, the remuneration charged by the Joint Liquidators, on the basis set out above in CUK, totalled £26,953. An analysis of time incurred in the period is attached. Time costs incurred since appointment total £182,924.

During the period, the remuneration charged by the Joint Liquidators, on the basis set out above in Courtaulds, totalled £11,041. An analysis of time incurred in the period is attached. Time costs incurred since appointment total £136,618.

Please note that the time incurred listed under debtors relates to ongoing work in respect of the Group debts detailed above and does not relate to general trade book debts, where separate fee approval was given.

In CUK, total fees of £146,214 (plus VAT) have been drawn since the date of appointment, of which £8,000 (plus VAT) was paid during the current period. Of the total fees drawn, £89,602 relates to fees drawn on a time cost basis, with the balance of £56,612 relating to fees drawn on a percentage basis in respect of debt collection. The fees drawn in the period have been drawn on a time cost basis.

In Courtaulds, total fees of £82,964 (plus VAT) have been drawn since the date of appointment, of which £5,000 (plus VAT) was paid during the current period. Of the total fees drawn, £67,354 relates to fees drawn on a time cost basis, with the balance of £15,610 relating to fees drawn on a percentage basis in respect of debt collection. The fees drawn in the period have been drawn on a time cost basis.

Further fee approval

The amount of fee that can be drawn is limited to the revised amount approved by the Relevant Approving Body, whether calculated on the basis of time in accordance with a fee estimate, or for a fixed amount or a percentage rate. It cannot be further increased or the percentage rates changed, without their approval.

The Joint Liquidators anticipate that it may be necessary to seek further approval for additional fees as the July 2020 fee estimates having been exceeded, for the reasons set out above.

Please note that the estimated outcome statement included in the appendix assumes that no further fees will be sought or drawn by the Joint Liquidators, except those remaining to be drawn within the current level of fees approved by the Relevant Approving Body, due to the uncertainty regarding realisations in relation to the Group debts.

Expenses and professional costs

The total costs and expenses estimated to be incurred by the Joint Liquidators are set out below, together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account. The quantum of costs and expenses is higher than the estimates previously provided to creditors for the reasons provided in previous reports. The key area in which costs incurred have exceeded the previous estimate is in relation to legal costs incurred in investigating and pursuing the Group debts.

Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the Relevant Approving Body prior to being paid.

	CUK		Courtaulds	
Type of expense	Total estimated (£)	Incurred in period (£)	Total estimated (£)	Incurred in period (£)
Bank charges	744	3	51	3
Postage	-	2	-	1
Storage	-	-	6,623	225
Total	744	5	6,674	229

Category 2 expenses

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

The Relevant Approving Body approved payment of the 'Category 2' expenses on 18 September 2017 in relation to both Companies, at the rates prevailing at the date they were incurred. Details of the current rates are set out below.

Type of expense

- Room hire (£25/£80)
- Mileage (42.5p per mile)
- Tracker reports (£10 per report)
- Subsistence (£25 per night)

No 'Category 2' expenses have been incurred during the current period in relation to either company.

Other professional costs

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

Party	Nature of advice	Total estimated (£)	Incurred in period (£)
DLA	Legal advice in relation to the Group debts	2,311	8,615
Total		2,311	8,615

No professional costs have been incurred in the Liquidation of Courtaulds during the current period.

Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the relevant legislation creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

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

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court on the grounds that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive. Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

Tyrone

Tyrone Courtman
RSM UK Restructuring Advisory LLP
Joint Liquidator

Tyrone Courtman and Deviesh Raikundalia are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

APPENDICES

APPENDIX A - STATUTORY INFORMATION

CUK

Company information

Company name:	CUK Clothing Limited
Company number:	05786280
Date of incorporation:	19 April 2006
Trading name:	As above
Trading address:	West Mill, Bridge Foot, Belper, Derbyshire, DE56 1BH The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB 22-25 Portman Close, London, W1H 6BS Heanor Road, Loscoe, DE75 7JT
Principal activity:	Manufacture of Wearing Apparel; Dressing & Dying Fur
Registered office:	RSM UK Restructuring Advisory LLP Suite A, 7th Floor East West Building 2 Tollhouse Hill Nottingham NG1 5FS
Previous company names:	Courtaulds (UK) Limited
Director:	Mr Robert Hershan

Liquidation information

Joint Liquidators:	Tyrone Courtman (appointed 6 December 2021) Deviesh Raikundalia (appointed 17 March 2022) Adrian Allen (appointed 26 May 2020, released 12 January 2022) Lee Brocklehurst (appointed 6 December 2021, released 3 May 2022) Dilip Dattani (appointed 30 May 2017, released 21 April 2021) Patrick Ellward (appointed 30 May 2017, released 10 July 2020)	
Date of appointment:	30 May 2017	
Joint Liquidators:	**Primary office holder:** Tyrone Courtman RSM UK Restructuring Advisory LLP Rivermead House, 7 Lewis Court, Grove Park, Leicester, LE19 1SD 0116 282 0550 IP Number: 7237	**Joint office holder:** Deviesh Raikundalia RSM UK Restructuring Advisory LLP Rivermead House, 7 Lewis Court, Grove Park, Leicester, LE19 1SD 0116 282 0550 IP Number: 13890

Courtaulds

Company information

Company name:	Courtaulds Brands Limited
Company number:	05804221
Date of incorporation:	3 May 2006
Trading name:	Courtaulds
Trading address:	West Mill, Bridge Foot, Belper, Derbyshire, DE56 1BH The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB 22-25 Portman Close, London, W1H 6BS Heanor Road, Loscoe, DE75 7JT
Principal activity:	Manufacture of Wearing Apparel; Dressing & Dying Fur
Registered office:	RSM UK Restructuring Advisory LLP Suite A, 7th Floor East West Building 2 Tollhouse Hill Nottingham NG1 5FS
Previous company names:	Courtaulds (UK) Limited
Directors:	Mr Robert Hershan

Liquidation information

Joint Liquidators:	Tyrone Courtman (appointed 6 December 2021) Deviesh Raikundalia (appointed 17 March 2022) Adrian Allen (appointed 26 May 2020, released 12 January 2022) Lee Brocklehurst (appointed 6 December 2021, released 3 May 2022) Dilip Dattani (appointed 30 May 2017, released 21 April 2021) Patrick Ellward (appointed 30 May 2017, released 10 July 2020)	
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APPENDIX B – COMBINED RECEIPTS AND PAYMENTS SUMMARY AND ESTIMATED OUTCOME STATEMENT

CUK

Statement of Affairs £		Period Year ended 29/05/2022 £	Total to date £	Estimated Future £	Estimated Outcome £
	Assets subject to charge				
	Book debts	-	365,583	-	365,583
81,298	Transfer from Administration	-	81,298	-	81,298
81,298		-	446,881	-	446,881
	Fixed charge costs of realisation				
	Debt collection legal costs	-	(17,500)	-	(17,500)
	Joint Liquidators' 5% book debt fee	-	(56,612)	-	(56,612)
	Legal fees	-	(35,493)	-	(35,493)
-		-	(109,604)	-	(109,604)
	Available to HSBC Invoice Finance	-	337,277	-	337,277
(709,040)	Paid to HSBC Invoice Finance	-	(341,437)	-	(341,437)
(627,743)	Fixed charge balance	-	(4,160)	-	(4,160)
	Assets not subject to charge				
472,344	Current account - transfer from ADM	-	523,417	-	523,417
42,808	VAT payable - transfer from ADM	-	(164)	-	(164)
	Bank interest	-	2,396	-	2,396
	Insurance refunds	-	133	-	133
	Inter account transfer		0	-	0
	Rates refund	-	2,836	-	2,836
	Refund of bank charges	10,277	10,332	-	10,332
	Refund of bank interest	-	13	-	13
	Trading surplus/(deficit)	-	(326)	-	(326)
515,153		10,277	538,637	-	538,637
	Costs of realisations				
	Administration Corporation Tax	-	(113)	-	(113)
	Bank charges	(3)	(2,144)	-	(2,144)
	Corporation Tax	-	(462)	-	(462)
	Courier	-	(10)	-	(10)
	Joint Liquidators' fees	(8,000)	(54,602)	(2,000)	(56,602)
	Legal fees	-	(18,000)	-	(18,000)
	Postage	-	(92)	(750)	(842)
	Rates refund agent	-	(31,600)	-	(31,600)
	Repayment of group receipts	-	(431)	-	(431)
	Specific bond	-	(20)	-	(20)
	Statutory advertising	-	(85)	(95)	(179)
	Storage	-	(6,829)	(895)	(7,724)
	Travel	-	(112)	-	(112)
		(8,003)	(114,501)	(3,740)	(118,240)

CUK cont'd

Statement of Affairs £		Period Year ended 29/05/2022 £	Total to date £	Estimated Future £	Estimated Outcome £
515,153	Available to preferential creditors	2,274	424,137	(3,740)	420,397
(51,800)	Paid to preferential creditors (100p in £)	-	(53,696)	-	(53,696)
	Net property	2,274	370,441	(3,740)	366,701
	Amounts available to				
	Prescribed Part		77,088	(748)	76,340
	HSBC Invoice Finance		293,353	(2,992)	290,361
	HSBC Invoice Finance calculation				
	Due to HSBC Invoice Finance		293,353	(2,992)	290,361
	Paid to HSBC Invoice Finance		(272,262)	-	(272,262)
	Fixed charge overpayment to HSBC Invoice Finance		(4,160)	-	(4,160)
463,353			16,930	(2,992)	13,939
	Amount owed to HSBC Invoice Finance		123,000	123,000	123,000
	Balance payable to HSBC Invoice Finance		16,930	(2,992)	13,939
	Surplus/(deficit) to HSBC Invoice Finance				(109,061)
	Additional funds available to unsecured creditors		-	-	-
	Prescribed Part calculation				
	Prescribed Part		77,088	(748)	76,340
	Prescribed Part ERA fees		(1,240)	-	(1,240)
	Prescribed Part Joint Liquidators' fees		(35,000)	-	(35,000)
	Prescribed Part payable to unsecured creditors		40,848	(748)	40,100
	Trade & expense creditors		(36,227)	-	(36,227)
	RPS		(1,786)	-	(1,786)
	PAYE/NIC deductions on dividend		(60)	-	(60)
	Prescribed Part balance due to be paid		2,776	(748)	2,028
	Additional funds available to unsecured creditors		-	-	-
	Total available to unsecured creditors		2,776	(748)	2,028
(7,469,400)	Total unsecured creditors				6,736,774
(7,006,047)	Estimated future dividend (p in £)				0.03%
	Funds in hand	2,274	19,706	(19,706)	0
	Represented by:				
	Current Account - RBS (NIB)		18,106		
	VAT Control Account		1,600		
			19,706		

Note: the fixed charge overpayment will be deducted from the floating charge distribution payable to HSBC Invoice Finance across both Companies due to the combined facility

Courtaulds

Statement of Affairs £		Period Year ended 29/05/2022	Total realised to date £	Estimated future realisations £	Estimated final outcome £
	Assets subject to charge				
	Book debts	-	2,602	-	2,602
		-	2,602	-	2,602
	Fixed charge costs of realisation				
	Joint Administrators' 5% book debt fee	-	(7,915)	-	(7,915)
	Joint Liquidators' 5% book debt fee	-	(15,610)	-	(15,610)
		-	(23,525)	-	(23,525)
	Fixed charge balance	-	(20,923)	-	(20,923)
	Assets not subject to charge				
400,616	Current account - transfer from ADM	-	400,971	-	400,971
(11,340)	VAT payable - transfer from ADM	-	(11,340)	-	(11,340)
	Agency agreement sales	-	231,592	-	231,592
	Bank interest	-	1,456	-	1,456
	CUK Clothing contribution to storage costs	-	6,829	895	7,724
	Trading surplus/(deficit)	-	309,742	-	309,742
389,276		-	939,251	895	940,146
	Costs of realisations				
	Administration Corporation Tax	-	(78)	-	(78)
	Bank charges	(3)	(44)	-	(44)
	Corporation Tax	-	(257)	-	(257)
	Joint Administrators' fees	-	(43,572)	-	(43,572)
	Joint Liquidators' fees	-	(37,354)	-	(37,354)
	Land Registry searches	-	-	(3)	(3)
	Legal fees	-	(2,311)	-	(2,311)
	Postage	-	(427)	-	(427)
	Specific bond	-	(20)	-	(20)
	Statutory advertising	-	(85)	(95)	(179)
	Storage	-	(14,214)	(1,260)	(15,475)
		(3)	(98,361)	(1,358)	(99,718)

Courtaulds cont'd

Statement of Affairs £		Period Year ended 29/05/2022	Total realised to date £	Estimated future realisations £	Estimated final outcome £
	Available to preferential creditors	(3)	840,890	(463)	840,428
(321,550)	Paid to preferential creditors (100p in £)	-	(319,689)	-	(319,689)
	Net property	(3)	521,201	(463)	520,739
	Amounts available to				
	Prescribed Part		107,240	(93)	107,148
	HSBC Invoice Finance		413,961	(370)	413,591
	HSBC Invoice Finance calculation				
(519,691)	Due to HSBC Invoice Finance		413,961	(370)	413,591
	Paid to HSBC Invoice Finance		(396,691)	-	(396,691)
	Fixed charge overpayment to HSBC Invoice Finance		(20,923)	-	(20,923)
			(3,653)	(370)	(4,023)
	Amount owed to HSBC Invoice Finance		123,000	123,000	123,000
	Balance payable to HSBC Invoice Finance		(3,653)	(370)	(4,023)
	Surplus/(deficit) to HSBC Invoice Finance				(127,023)
	Additional funds available to unsecured creditors		-	-	-
	Prescribed Part calculation				
	Prescribed Part		107,240	(93)	107,148
	Prescribed Part ERA fees		(6,940)	-	(6,940)
	Prescribed Part Joint Liquidators' fees	(5,000)	(30,000)	(10,000)	(40,000)
	Prescribed Part payable to unsecured creditors		70,300	(10,093)	60,208
	Trade & expense creditors		(60,197)	-	(60,197)
	PAYE/NIC deductions on dividend		(10)	-	(10)
	Prescribed Part balance due to be paid		10,093	(10,093)	(0)
	Additional funds available to unsecured creditors		-	-	-
	Total available to unsecured creditors		10,093	(10,093)	(0)
(6,995,487)	Total unsecured creditors				5,167,053
	Estimated future dividend (p in £)				0.00%
	Funds in hand	(5,003)	6,440	(6,440)	0
	Represented by				
	Current Account - RBS (NIB)		6,440		
			6,440		

Note: the fixed charge overpayment will be deducted from the floating charge distribution payable to HSBC Invoice Finance across both Companies due to the combined facility

APPENDIX D - POST-APPOINTMENT TIME ANALYSES

CUK

Joint Liquidators' post appointment time cost analysis for the period 30 May 2021 to 29 May 2022.

On 1 July 2021, RSM UK Restructuring Advisory LLP changed the job titles of some of their staff, and this is reflected in the SIP 9 analysis table. This change does not alter the value of time costs recorded or the column within the table to which that time has been allocated.

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Statutory Requirements									
	Appointment documentation (statutory)	0.0	0.2	0.0	0.0	0.0	0.0	0.2	£ 74.00	370.00
										370.00
	Preparing progress & final reports (inc. R&Ps)	0.2	0.0	1.4	7.0	0.0	2.5	11.1	£ 2,283.50	205.72
										205.72
	Clearance / closure / other matters	0.0	0.0	0.0	0.0	0.1	0.0	0.1	£ 11.00	110.00
	CT/IT/CGT post-appointment returns	0.0	0.0	0.1	0.0	0.0	0.0	0.1	£ 26.00	260.00
	Post-appointment VAT	0.0	0.0	0.0	0.1	0.8	0.0	0.9	£ 123.00	136.67
										145.45
	Total	**0.2**	**0.2**	**1.5**	**7.1**	**0.9**	**2.5**	**12.4**	**£ 2,517.50**	**203.02**
	Realisation of Assets									
	Legal / Risk Board clearance	1.7	1.9	0.4	0.0	0.0	0.0	4.0	£ 2,027.50	506.88
	Other (e.g. rates, insurance pre-payments etc)	0.6	0.0	1.1	2.7	0.4	0.0	4.8	£ 1,208.00	251.67
										367.67
	Antecedent transactions (other) (inc Risk Board clearance)	8.1	0.0	0.0	0.0	0.0	0.0	8.1	£ 4,533.50	559.69
										559.69
	Debt collection	8.7	0.2	0.1	0.0	0.0	0.0	9.0	£ 4,672.50	519.17
	Legal / Risk Board clearance	0.0	0.6	6.2	8.5	0.0	0.0	15.3	£ 3,780.50	247.09
	Other major book debt issues	1.6	0.0	0.3	8.1	0.0	0.0	10.0	£ 2,745.00	274.50
	No Comment	1.5	0.0	0.0	0.0	0.0	0.0	1.5	£ 787.50	525.00
										334.79
	Total	**22.2**	**2.7**	**8.1**	**19.3**	**0.4**	**0.0**	**52.7**	**£ 19,754.50**	**374.85**

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Investigations									
	Antecedent transactions - other	0.2	0.0	0.0	0.0	0.0	0.0	0.2	£ 105.00	525.00
										525.00
	Total	**0.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.2**	**£ 105.00**	**525.00**
	Case Specific Matters									
	General advice (e.g. non litigation / asset realisation)	1.9	0.0	0.4	0.3	0.0	0.0	2.6	£ 1,164.50	447.88
	Other major issues (e.g. litigation to reduce claims etc)	0.9	0.0	0.0	0.0	0.0	0.0	0.9	£ 472.50	525.00
										467.71
	Total	**2.8**	**0.0**	**0.4**	**0.3**	**0.0**	**0.0**	**3.5**	**£ 1,637.00**	**467.71**
	Creditors									
	Discussions / correspondence	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 20.50	205.00
										205.00
	Meetings/corres/tel	0.0	0.0	0.2	0.1	0.0	0.0	0.3	£ 74.00	246.67
										246.67
	Correspondence/tel	0.1	0.0	0.6	0.7	0.0	0.0	1.4	£ 355.00	253.57
										253.57
	Total	**0.1**	**0.0**	**0.8**	**0.9**	**0.0**	**0.0**	**1.8**	**£ 449.50**	**249.72**

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Administration and Planning									
	Billing	0.1	0.0	0.0	0.9	0.0	0.0	1.0	£ 237.00	237.00
	Case review / KPI reports	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 22.00	220.00
	Diary updates / checklists	0.0	0.0	0.0	0.2	0.3	0.0	0.5	£ 78.50	157.00
	Filing	0.0	0.0	0.0	0.1	0.1	0.0	0.2	£ 31.50	157.50
	Ongoing case planning/strategy	0.0	0.0	4.2	0.9	0.4	0.0	5.5	£ 1,338.00	243.27
										233.84
	Bank Reconciliations	0.0	0.0	0.4	0.1	0.0	0.4	0.9	£ 130.50	145.00
	Cashiering / TPS transaction posting	0.0	0.0	1.2	0.0	0.7	0.0	1.9	£ 364.00	191.58
	Journals	0.0	0.0	0.0	0.3	0.2	0.0	0.5	£ 83.50	167.00
	Receipts and Payments	0.0	0.0	0.3	0.6	0.0	0.0	0.9	£ 204.00	226.67
										186.19
	Total	**0.1**	**0.0**	**6.1**	**3.2**	**1.7**	**0.4**	**11.5**	**£ 2,489.00**	**216.43**
Total Hours		**25.6**	**2.9**	**16.9**	**30.8**	**3.0**	**2.9**	**82.1**	**£ 26,952.50**	**328.29**
Total Time Cost		**£ 14,008.50**	**£ 1,204.00**	**£ 4,336.00**	**£ 6,675.00**	**£ 439.00**	**£ 290.00**	**£ 26,952.50**		
Average Rates		**547.21**	**415.17**	**256.57**	**216.72**	**146.33**	**100.00**	**328.29**		

Courtaulds

Joint Liquidators' post appointment time cost analysis for the period 30 May 2021 to 29 May 2022.

On 1 July 2021, RSM UK Restructuring Advisory LLP changed the job titles of some of their staff, and this is reflected in the SIP 9 analysis table. This change does not alter the value of time costs recorded or the column within the table to which that time has been allocated

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Statutory Requirements									
	Appointment documentation (statutory)	0.2	0.2	0.0	0.0	0.0	0.0	0.4	£ 179.00	447.50
										447.50
	Preparing progress & final reports (inc. R&Ps)	1.0	0.0	0.6	5.7	0.0	3.0	10.3	£ 2,237.00	217.18
										217.18
	Clearance / closure / other matters	0.0	0.0	0.0	0.0	0.1	0.0	0.1	£ 11.00	110.00
	Post-appointment VAT	0.1	0.0	0.0	0.2	0.9	0.0	1.2	£ 206.00	171.67
										166.92
	Total	**1.3**	**0.2**	**0.6**	**5.9**	**1.0**	**3.0**	**12.0**	**£ 2,633.00**	**219.42**
	Realisation of Assets									
	Legal / Risk Board clearance	0.0	1.0	0.0	0.0	0.0	0.0	1.0	£ 439.00	439.00
	Other (e.g. rates, insurance pre-payments etc)	0.1	0.0	0.0	0.2	0.0	0.0	0.3	£ 93.50	311.67
										409.62
	Antecedent transactions (other) (inc Risk Board clearance)	0.5	0.0	0.0	0.0	0.0	0.0	0.5	£ 262.50	525.00
										525.00
	Debt collection	2.7	0.1	0.0	0.0	0.0	0.0	2.8	£ 1,457.00	520.36
	Legal / Risk Board clearance	0.0	1.8	0.0	4.9	0.0	0.0	6.7	£ 1,782.50	266.04
	Other major book debt issues	0.1	0.0	0.0	6.2	0.0	0.0	6.3	£ 1,395.50	221.51
										293.35
	Total	**3.4**	**2.9**	**0.0**	**11.3**	**0.0**	**0.0**	**17.6**	**£ 5,430.00**	**308.52**

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Investigations									
	Antecedent transactions - other	0.1	0.0	0.0	0.0	0.0	0.0	0.1	£ 52.50	525.00
	Collect / schedule / general review of books & records & other papers	0.1	0.0	0.0	0.0	0.3	0.0	0.4	£ 97.50	243.75
										300.00
	Total	**0.2**	**0.0**	**0.0**	**0.0**	**0.3**	**0.0**	**0.5**	**£ 150.00**	**300.00**
	Case Specific Matters									
	General advice (e.g. non litigation / asset realisation)	0.2	0.0	0.0	0.3	0.0	0.0	0.5	£ 168.00	336.00
	Other major issues (e.g. litigation to reduce claims etc)	0.2	0.0	0.0	0.0	0.0	0.0	0.2	£ 105.00	525.00
										390.00
	Total	**0.4**	**0.0**	**0.0**	**0.3**	**0.0**	**0.0**	**0.7**	**£ 273.00**	**390.00**
	Creditors									
	Discussions / correspondence	0.0	0.0	0.0	0.5	0.0	0.0	0.5	£ 102.50	205.00
	Other major issues	0.0	0.0	0.2	0.0	0.0	0.0	0.2	£ 52.00	260.00
										220.71
	Meetings/corres/tel	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 22.00	220.00
										220.00
	Correspondence/tel	0.1	0.0	0.9	1.5	0.7	0.0	3.2	£ 683.00	213.44
	Dividend (notices, advertisement and payment)	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 20.50	205.00
										213.18
	Total	**0.1**	**0.0**	**1.1**	**2.2**	**0.7**	**0.0**	**4.1**	**£ 880.00**	**214.63**

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Administration and Planning									
	Billing	0.1	0.0	0.0	0.7	0.0	0.0	0.8	£ 196.00	245.00
	Case review / KPI reports	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 22.00	220.00
	Diary updates / checklists	0.0	0.0	0.0	0.2	0.2	0.0	0.4	£ 66.00	165.00
	Filing	0.0	0.0	0.0	0.1	0.1	0.0	0.2	£ 33.00	165.00
	Ongoing case planning/strategy	0.0	0.0	0.6	1.1	0.3	0.3	2.3	£ 459.50	199.78
										204.34
	Bank Reconciliations	0.0	0.0	2.1	0.3	0.0	1.0	3.4	£ 529.00	155.59
	Cashiering / TPS transaction posting	0.0	0.0	0.4	0.0	0.3	0.0	0.7	£ 136.00	194.29
	Journals	0.0	0.0	0.0	0.2	0.0	0.0	0.2	£ 42.50	212.50
	Receipts and Payments	0.1	0.0	0.2	0.2	0.4	0.0	0.9	£ 191.00	212.22
										172.79
	Total	**0.2**	**0.0**	**3.3**	**2.9**	**1.3**	**1.3**	**9.0**	**£ 1,675.00**	**186.11**
Total Hours		**5.6**	**3.1**	**5.0**	**22.6**	**3.3**	**4.3**	**43.9**	**£ 11,041.00**	**251.50**
Total Time Cost		**£ 2,940.00**	**£ 1,263.50**	**£ 1,092.00**	**£ 4,886.50**	**£ 429.00**	**£ 430.00**	**£ 11,041.00**		
Average Rates		**525.00**	**407.58**	**218.40**	**216.22**	**130.00**	**100.00**	**251.50**		