In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10
Notice of administrator's progress report

Companies House

WEDNESDAY

A8Y4XEN5
A17 05/02/2020 #173
COMPANIES HOUSE

1 Company details

Company number	0 5 9 8 1 9 1 7
Company name in full	PHTR Realisations Limited
	(Formerly Temple Retail Limited)

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

2 Administrator's name

Full forename(s)	Robert James
Surname	Harding

3 Administrator's address

Building name/number	Four Brindleyplace
Street	Birmingham
Post town	B1 2HZ
County/Region	
Postcode	
Country	

4 Administrator's name ❶

Full forename(s)	Matthew James
Surname	Cowlishaw

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

5 Administrator's address ❷

Building name/number	Four Brindleyplace
Street	Birmingham
Post town	B1 2HZ
County/Region	
Postcode	
Country	

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

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Notice of administrator's progress report

6 Period of progress report

	d	d	m	m	y	y	y	y
From date	0	4	0	7	2	0	1	9
To date	0	3	0	1	2	0	2	0

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature

Signature

X [signature] X

	d	d	m	m	y	y	y	y
Signature date	0	3	0	2	2	0	2	0

AM10
Notice of administrator's progress report

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Emily Thorne
Company name	Deloitte LLP
Address	Four Brindleyplace
	Birmingham
Post town	B1 2HZ
County/Region	
Postcode	
Country	
DX	
Telephone	+44 121 632 6000

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

Deloitte.

PHTR Realisations Limited
(formerly Temple Retail Limited) ("PHTR") and
PHF Realisations Limited
(formerly Perfect Home Finance Ltd) ("PHF")
(both in administration, together "the Companies")

Progress report to creditors for the period 4 July 2019 to 3 January 2020 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules")

In the High Court of Justice
Business and Property Courts
of England and Wales

PHTR
Court Case No. 005598 of 2018
Company Number: 5981917

PHF
Court Case No. 005599 of 2018
Companies Number: 06020013

Registered Office:
c/o Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Robert James Harding and Philip Stephen Bowers ("the Joint Administrators") were appointed Joint Administrators of the Companies on 4 July 2018 by Kaluga Investments S.A.R.L of 6 rue Eugene Ruppert, L-2453 Luxembourg in its capacity as Security Agent, having been invited to do so by the directors of the Companies. Philip Stephen Bowers retired as a Partner of Deloitte LLP and as a result, Matthew James Cowlishaw replaced Philip Stephen Bowers as a Joint Administrator on 15 November 2019 via an application to the High Court of Justice, London.

The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

03 February 2020

Key messages

Key messages

Joint Administrators of the Company

Robert James Harding

Deloitte LLP

1 New Street Square

London

EC4A 3HQ

Matthew James Cowlishaw

Deloitte LLP

Four Brindleyplace

Birmingham

B1 2HZ

Contact Details

Email: ethorne@deloitte.co.uk

Website:

www.deloitte.com/uk/perfecthome

Tel: 0121 696 8569

	Commentary
Purpose of administrations	• The purposes of the administrations are to achieve better results for the Companies' creditors as a whole than liquidations.
Progress of administrations	• We have continued to liaise with landlords of the former leasehold premises of PHTR in order to facilitate the necessary surrenders. • The claims of the unsecured creditors in PHTR are in the process of being agreed in order to enable a dividend to this class of creditor. • Philip Stephen Bowers retired as a Partner of Deloitte LLP and as a result, Matthew James Cowlishaw replaced Philip Stephen Bowers as a Joint Liquidator on 15 November 2019 via an application to the High Court of Justice, London.
Costs	• No costs have been incurred in PHF. • Our fees have been fixed in PHTR only, as a set amount of £375k plus VAT, although to date fees paid total £300k plus VAT. Please see page 11 for further details. • We have incurred disbursements of £7 in PHTR and £20 in PHF in the report period. Please see page 12 for further details. • Third party costs and expenses of £2,357 have been incurred in PHTR during the report period. Please see page 5 for further details.
Outstanding matters	• We continue to liaise with the landlords of PHTR's pre-existing property portfolio in order to surrender the premises and quantify their claims in the administration. • Settling final third party legal costs and issuing the necessary tax returns to HM Revenue & Customs. • Agreeing the remaining unsecured creditor claims in PHTR to enable a Prescribed Part distribution to be made to this class of creditor. • Closure of the administrations.
Dividend prospects	• The Secured Creditors will not be paid in full. • There are no preferential creditors in either company. • Unsecured creditors in PHTR will be paid an estimated prescribed part dividend of 0.6p/£, however this depends on the final value of agreed creditor claims.
Extension to administration period	• The administration was extended by the secured creditors on 3 July 2019 and will now end on or before 3 July 2020.

Progress of the administration

Progress of the administration
Summary

Work done during the report period

PHF

There has been no asset realisations or payments in PHF as can be seen by our receipts and payments account on page 7.

PHTR

Asset Realisations

There have been no asset realisations in the period and we do not expect any further amounts to be received.

Creditors

Work has been undertaken (and is continuing) to agree claims in advance of a dividend to this class of creditor which is anticipated in the next 2-3 months.

Leasehold property

We have continued to correspond with landlords of the leasehold sites in relation to surrender of the various premises and any unsecured claims in the administration.

Legal advice from Pinsent Masons LLP ("Pinsents") has been required in relation to the various properties and lease surrenders, which has been paid by the landlords.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions, including updating the insolvency website for the case, filing, and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of the previous progress report;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Third party costs incurred during the report period

PHF

No amounts have been incurred in PHF.

PHTR

The following third party expenses have been incurred during the report period:

- Storage Costs totalling £1,357 have been paid in advance of closing the case.
- Legal Costs
  - Onions Solicitors were instructed to prepare an application to court for an extension of the Administrations. The costs incurred were a total of £2,000 plus VAT. £1,000 of this was incurred during the period.
  - Ultimately the secured creditors agreed to the extension and the court application was not needed, however the costs had already been incurred.
- Our remuneration as Joint Administrators as detailed on page 11.

Except for our remuneration and disbursements, all costs have been paid as shown in the receipts and payments account on page 6.

All professional costs are reviewed and analysed in detail before payment is approved.

Progress of the administration
Receipts and payments

PHTR Realisations Limited

Joint Administrators' receipts and payments account
4 July 2019 to 3 January 2020

£	SoA values	Notes	Period	To date
Receipts				
Furniture & Equipment	196,000	A	-	196,000
Stock	244,600	A	-	244,600
VAT Receivable	77,000	A	-	77,100
Prepayments	69,000	A	-	69,000
Contribution to Legal Costs - various	-		-	5,136
Barclays Pre App A/C Closure Suspense	-		-	4,180
Licence Fee	-		-	49,246
Bank Interest Gross	-	B	-	710
Other	-		-	10
Rates Refund	-		-	135,100
Funds Received in Error	-		-	20,000
Total receipts	**586,600**		**-**	**801,082**
Payments				
Funds Received in Error			-	20,000
Administrators' Fees			-	300,000
Legal Fees			1,000	65,957
Legal Disbursements			-	12
Legal Fees Paid by Third Parties			-	4,250
Rates Paid to Coleshill Retail Ltd			-	134,529
Rents Payable			-	38,053
Service Charge			-	766
Storage Costs		C	1,357	1,719
Statutory Advertising			-	85
Insurance of Assets			-	3,255
Property Insurance			-	2,219
Specific Bond			-	230
VAT on Rents Payable			-	8,208
Bank Charges			-	13
Senior Lender - Secured Distributon			-	82,501
Barclays - Seucred Distribution			-	83,862
Legal Disbursements - Paid by Third Parties			-	105
Total payments			**2,357**	**745,762**
Balance				**55,320**
Made up of:				
VAT Receivable		D		2,937
Floating NIB Deposit A/c		B		47,631
Funds due to Coleshill Retail Ltd		E		4,752
Balance in hand				**55,320**

A receipts and payments account is provided opposite, detailing the transactions during the report period and cumulatively for the entire period of our appointment from 4 July 2018 to 3 January 2020.

Notes to receipts and payments account

A. £586,710 was realised from sale proceeds of the Company's business and Assets, including Furniture & Equipment, Stock, VAT Receivable, Prepayments and Other, as shown opposite, in addition to a £14m credit as detailed in the Proposals.

B. All funds were held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HM Revenue & Customs.

C. Final storage costs have been settled in advance of the closure of the administration

D. All sums shown opposite are shown net of VAT, some of which is recoverable and has been accounted for to HM Revenue & Customs

E. An amount is due to the purchaser of the business in relation to business rates and other refunds received into the administration as per the terms of the Sale & Purchase Agreement.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

Progress of the administration
Receipts and payments

PHF Realisations Limited

Joint Administrators' receipts and payments account 4 July 2019 to 3 January 2020

£	SoA values	Period	To date
Receipts			
Sales Proceeds	1	-	1
Other - TBC	-	-	13
Total receipts	**1**	**-**	**14**
Payments			
Total payments		-	-
Balance			**14**
Made up of:			
Floating Charge NIB Current Account			14
Balance in hand			**14**

A receipts and payments account is provided opposite, detailing the transactions during the report period and also cumulatively for the entire period of our appointment on 4 July 2018 to 3 January 2020.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

Information for creditors

Information for creditors
Outcome

Outcome for creditors

Secured creditors

All of the Companies' assets were charged in a security package, firstly for the benefit of Kaluga Investments Sarl ("the Senior Lender") (created on 5 December 2017), then for the benefit of Barclays Bank Plc ("Barclays") (created in 2 February 2002) and then for the benefit of Aaron's Inc. ("the Junior Lender") (created on 5 December 2017). Amounts outstanding at appointment were:

Senior Lender - £14.0 million

Barclays - £0.1 million

Junior Lender - £17.1 million

Based on currently available information, we do not expect there will be sufficient asset realisations to repay the Secured Creditors in full. To date, the Senior Lender has received £82.5k and Barclays has received c.£84k.

Preferential creditors

Preferential creditors consist of amounts owed to the Companies' employees for arrears of wages, holiday pay and pension contributions.

PHF had no employees.

PHTR's employees were jointly employed by three other Group companies. Temple Finance Limited continued to meet all ongoing employee obligations. As there were no amounts due as at the date of appointment, there are no preferential creditors of PHTR.

Prescribed Part

As detailed in the Proposals, we anticipate that there will be a Prescribed Part fund available for distribution to unsecured creditors of PHTR only. No dividend will be available from PHF.

We currently estimate that PHTR will have net property of c.£212k and a Prescribed Part fund of c.£45k will be available for distribution to the unsecured creditors. This amount is subject to deduction of the associated costs of making the distribution, which chiefly comprise our time costs for agreeing creditors' claims and processing the distribution.

We anticipate paying a dividend to creditors in the next 2-3 months.

Unsecured creditors

On present information, insufficient funds will be realised to enable a dividend to be paid to unsecured creditors, other than the prescribed part distribution referred to above.

Claims process

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed, according to the Company's statement of affairs, is £1,000 or less. Instead, we will notify you if funds become available for dividend purposes and provide you with details of the amount at which your claim has been admitted. If you disagree with that amount, you will be provided with an opportunity to notify us of the correct amount.

Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of claim to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us either directly via the case website at www.deloitte.com/uk/perfecthome or by downloading and completing a proof of debt form from the case website and which should be sent to the address on the cover page. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

Extensions to the administration

The administration was extended by the secured creditors on 3 July 2019 and will now end on or before 3 July 2020. We do not anticipate that it will be necessary to further extend the period of the administration.

Exit

As detailed in our Proposals, we consider that dissolution is the most appropriate exit route from administration, because there are no funds to distribute to unsecured creditors besides the small Prescribed Part dividend.

Remuneration and expenses

Remuneration and expenses

Joint Administrators' remuneration

Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/perfecthome.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration in PHTR was fixed on 9 December 2018 by the Secured Creditors as a set amount of £375k plus VAT thereon.

No fees are intended to be drawn from the PHF administration and a fee basis has therefore not been sought.

Fees drawn to date

We have drawn fees in PHTR only, of £300k against the agreed set fee of £375k as shown in the receipts and payments account on page 6.

We intend to draw a final fee in the next period of between £5k - 6k.

Remuneration and expenses

Detailed information

Joint Administrators' Disbursements

Details of all disbursements are given below from which it can be seen that we have not recovered any of our disbursements.

Category 1

These are payments made by us direct to third parties and for which no approval is required.

Category 2

Specific approval is required before these costs and expenses can to be drawn from the administration estate and was given by the secured creditors on 9 December 2018.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred. Deloitte charges a fixed cost of £500 for each statutory website set up to cover the costs of setting up and maintaining the website, along with the uploading of statutory notifications, reports and other documents to the website for the duration of the appointments. There is only one charge for the Companies and this cost has been assigned to PHTR.

PHF Disbursements

In PHF £20 has been incurred in Bordereau charges, which is a Category 1 disbursement and has not been reimbursed. No category 2 disbursements have been incurred in PHF.

PHTR Disbursements

In PHTR £7 has been incurred during the period in relation to postage costs. The remaining costs are as follows:

Category 1 disbursements

£ (net)	Estimated per Proposals	Incurred to date	Paid	Unpaid
Postage / Couriers	300	746	-	746
Advertising	-	85	-	85
Total disbursements	**300**	**831**	**-**	**831**

Category 2 disbursements

£ (net)	Estimated per Proposals	Incurred to date	Paid	Unpaid
Website set up	500	500	-	500
Total disbursements	**500**	**500**	**-**	**500**

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

Deloitte.