

# Administrator's progress report

Name of Company TCG Taverns Limited	Company Number 06663925
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 6432 of 2015

(a) Insert full name(s) and address(es) of administrator(s)

We (a) David Christian Chubb and Michael John Andrew Jervis of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT

administrators of the above company attach a progress report for the period

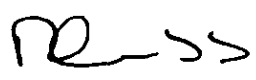
from

to

(b) Insert dates

(b) 11 August 2016

(b) 10 February 2017

Signed   
Joint Administrator

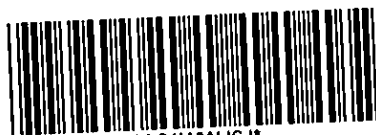
Dated 9 March 2017

## Contact Details:

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

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Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

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# Joint administrators' progress report from 11 August 2016 to 10 February 2017

## ***TCG Pubs Limited***

High Court of Justice, Chancery Division, Companies Court  
Case no. 6430 of 2015

## ***TCG Bars Limited***

High Court of Justice, Chancery Division, Companies Court  
Case no. 6431 of 2015

## ***TCG Taverns Limited***

High Court of Justice, Chancery Division, Companies Court  
Case no. 6432 of 2015

## ***TCG Inns Limited***

High Court of Justice, Chancery Division, Companies Court  
Case no. 6433 of 2015

## ***TCG Management Services Limited***

High Court of Justice, Chancery Division, Companies Court  
Case no. 6434 of 2015

9 March 2017

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# Section 1: Abbreviations and definitions

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

Abbreviation or definition	Meaning
Companies	TCG Bars Limited, TCG Pubs Limited, TCG Taverns Limited, TCG Inns Limited and TCG Management Services Limited
Administrators, us or we	David Christian Chubb and Michael John Andrew Jervis of PwC
PwC	PricewaterhouseCoopers LLP
IR86	Insolvency Rules 1986
IA86	Insolvency Act 1986
Sch.B1 IA86	Schedule B1 to the Insolvency Act 1986
HMRC	HM Revenue & Customs
prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
unsecured creditors	Creditors who are neither secured nor preferential
Group	Tattershall Castle Group Limited group of companies
Bars Co	TCG Bars Limited
Pubs Co	TCG Pubs Limited
Inns Co	TCG Inns Limited
Taverns Co	TCG Taverns Limited
Management Co	TCG Management Services Limited
Top Co	Tattershall Castle Group Limited
the Secured Lender	LS Ref III Wight Limited
Proposals	Statement of proposals for achieving the purpose of the administrations, dated 20 November 2015
Stonegate or Purchaser	Stonegate Pub Company Limited
LT	LT Management Services Limited
transaction	The sale of the majority of the Companies' business and assets to Stonegate on 29 September 2015
SIP	Statement of Insolvency Practice

## Section 2: Key messages

### Why we've sent you this report

We are writing to update you on the progress of the administration of the Companies since our last report dated 6 September 2016.

You can still view our earlier reports on our website at [www.pwc.co.uk/tcg](http://www.pwc.co.uk/tcg). Please get in touch with Katharyn Froggett on 0113 289 4155 or at [katharyn.v.froggett@uk.pwc.com](mailto:katharyn.v.froggett@uk.pwc.com) if you need any of the passwords to access the reports

### How much creditors may receive

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

	TCG Bars Limited	TCG Pubs Limited	TCG Inns Limited	TCG Taverns Limited	TCG Management Services Limited
Class of creditor					
Secured creditors					
LSREF III Wight Limited					
Estimated total debt (£)	£99.9 million across the wider Group				
Estimated % recovery.	100% (only in part from the Companies)				
Forecast timing:	12 months+				
Tattershall Castle Group Limited					
Estimated total debt (£)	£104.1 million across the wider Group				
Estimated % recovery	2.4%				
Forecast timing	12 months+				
Preferential creditors			Not applicable		
Estimated total debt (£):	£14,000	£nil			
Estimated % recovery	Unknown	Unknown			
Forecast timing.	Unknown	Unknown			
Unsecured creditors					
Estimated total debt (£):	£10,708,966	£9,149,214	£5,242,738	£6,316,924	£7,104,206
Estimated % recovery	Nil	Nil	1%	1%	4%
Forecast timing:	N/A	N/A	12 months	12 months	12 months

\*Please note this guidance on dividends is only an indication and should not be used as the main basis of any bad debt provision or debt trading.

#### Secured creditors

We have made distributions to the Secured Lender from Bars Co and Pubs Co of £13.65m and £4.27m respectively. We expect that the Secured Lender will recover 100% of their debt in due course.

Subordinate to the Secured Lender's debt, Top Co holds a second charge in respect of its lending and the total balance of £104.1m was cross-guaranteed by all Group entities. Top Co will suffer a significant shortfall on its secured lending

## **Preferential creditors**

We currently consider that preferential claims will arise only in relation to Bars Co, due to employee redundancies at the pubs that have needed to close. We provide our current estimate of the value of preferential claims in the table above. We are unable to confirm whether we will have sufficient funds (after allowable costs) to enable a distribution to preferential creditors at this stage, due to a potentially large but (as yet) unquantified Capital Gains Tax liability which would be a floating charge expense ranking ahead of payment of the preferential creditors (Rule 2.67 IR86).

## **Unsecured creditors**

As explained previously, the balance owed to certain trade creditors at the date of our appointment has been paid by the Purchaser under the normal terms of trade. Any amounts unpaid will rank as an unsecured claim against the relevant company. Any dividends that arise will become available only by virtue of the prescribed part fund due to considerable amounts owed to the secured creditors and the expectation that Top Co will suffer a significant shortfall on secured lending. We show above what we believe the dividend prospects will be for the unsecured creditors of each company.

## *What you need to do*

If you haven't already done so, please send your claim to us. A claim form can be downloaded from our website at [www.pwc.co.uk/tcg](http://www.pwc.co.uk/tcg) or you can get one by telephoning Katharyn Froggett on 0113 289 4155.

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## ***Section 3: Progress since we last reported***

The Companies are trading entities within the Tattershall Castle Group Limited group of companies which was formed in 2005. The Group comprises 14 statutory entities (7 registered in Guernsey and 7 in the UK) and 2 Unit Trusts (Guernsey) and collectively they operated 63 public houses and bars throughout England, Wales and Scotland. At the time of our appointment, the Companies employed in excess of 1,200 employees.

Information on the background of the Companies and circumstances giving rise to our appointment can be found in our proposals, a copy of which is still available to download at [www.pwc.co.uk/tcg](http://www.pwc.co.uk/tcg).

### ***3.1 Sale of business***

Immediately on our appointment, the majority of the Companies' business and assets were acquired by Stonegate. Further details on the transaction can be found in our SIP16 report dated 5 October 2015 which is still available to download at [www.pwc.co.uk/tcg](http://www.pwc.co.uk/tcg).

During the period of this report, the assignment of leasehold interests completed on one further pub (belonging to Pubs Co) resulting in the following consideration being received during the period.

<b>Assets</b>	<b>Consideration received during the period (£)</b>
Fixtures and fittings	37,764
Goodwill	108,736
Leasehold property	600,000
<b>Total</b>	<b>746,500</b>

There are two pubs remaining that were part of the sale to Stonegate that have not yet been legally assigned.

The assignment of one of the leasehold interests in Pubs Co has been subject to a legal challenge and we will provide an update to creditors once the position has been resolved.

Since the last report, Stonegate has advised us that they no longer wish to take legal assignment of the lease of one of the pubs in Bars Co. As such, we will retain the lease and continue trading the pub whilst the pub is marketed for sale to the open market. We began trading this pub on 1 February 2017 and we have instructed agents (LT) to assist us in doing so. Those members of staff working at this pub are employed by LT.

### ***3.2 Remaining pubs***

Nine pubs were not part of the transaction with Stonegate and a strategy was developed to determine which pubs might be sold and which would have to close. At the date of our last report, there were two pubs remaining open and we provide an update on these pubs below.

#### ***The Royal Victoria & Bull Hotel, Dartford (Pubs Co)***

A sale of the pub is currently progressing and we anticipate that contracts will be exchanged shortly. We will provide an update to creditors in our next report

## *The Old Sugar Loaf, Dunstable (Pubs Co)*

The sale of the pub completed on 2 November 2016 and we received the following sales proceeds:

<b>Assets</b>	<b>Consideration received to 10 February 2017 (£)</b>
Leasehold property	1
Goodwill	1
Fixtures and fittings	20,000
Stock	9,695
<b>Total</b>	<b>29,697</b>

### *3.3 Employees*

The Companies employed a total of 1,278 staff at the date of our appointment and our previous reports provided details of the employee position to 10 August 2016.

At the date of our last report, we retained 32 employees of Pubs Co to assist with trading the retained pubs. The current position is shown below.

	<b>Number of employees</b>
Retained as at 10 August 2016	32
Redundancies in the period	-
New joiners/leavers in the period	-
Transfer to purchaser under TUPE (The Old Sugar Loaf)	(17)
<b>Position as at 10 February 2017</b>	<b>15</b>

The fifteen employees remaining are assisting with the trading of the Royal Victoria & Bull Hotel.

### *3.4 Rates and other refunds*

We have recovered a further £32,312.94 (belonging to Bars Co) in business rates refunds during the period of this report. Our agents (Gerald Eve LLP) are continuing to pursue further business rates refunds including appeals against historical ratings.

We have also received refunds of prepaid music and video licence fees during the period totalling £46,447.04 across Bars Co and Pubs Co. We do not expect any further realisations from this source.

### *3.5 Taverns Co, Inns Co and Management Co*

We have received a refund of a security deposit in respect of utilities of £63,933.28 in Management Co. Aside from this, there have been no realisations in these three companies during the period.



There are no further known assets to realise in any of these three companies. However, we need to keep these administrations open for the time being in order to:

- Submit corporation tax returns and finalise the companies' corporation tax;
- Agree and pay creditor claims from the prescribed part funds, and
- Refund the fixed charge deficits from fixed charge surpluses in other group companies.

We will bring these administrations to an end as soon as it is possible to do so, once these matters have been resolved.

### *3.6 Our receipts and payments account*

We set out in Appendix A an account of our receipts and payments in the administration from 11 August 2016 to 10 February 2017.

We have previously reported that Stonegate are responsible for managing the trading of the Royal Victoria & Bull Hotel (Dartford), and provide us with regular information on trading performance. We have included trading statements covering the period to December 2016 in Section 4 which represents the latest available accounts

The trading statement for January 2017 has not been received by the date of this report but is due shortly. Updated performance figures will be provided in the next report to creditors.

As explained in Section 3.1, we began trading one further pub on 1 February 2017. Whilst we have control and visibility over the performance of this pub, it is not yet possible for us to provide a meaningful disclosure of trading receipts and payments (due to the minimal amount of time that has elapsed since commencing to trade). We will therefore update creditors on the trading position of this pub in our next report.

### *3.7 Our expenses*

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

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

### *3.8 Our fees*

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

### *3.9 Pre-administration costs*

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

### 3.10 Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 2.48A IR86. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 2.109 IR86. This information can also be found in the guide to fees at:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-administrators-fees-final.ashx?la=en>

You can also get a copy free of charge by telephoning Katharyn Froggett on 0113 289 4155.

### 3.11 Next steps

Before we can bring the administrations to an end, we will need to:

- Finalise the sale of the remaining pubs;
- Calculate and agree the tax liability of the Group,
- Adjudicate claims and pay the prescribed part to unsecured creditors (where applicable), and
- Distribute to the secured creditors in line with their security entitlements.

We continue to progress these matters and will provide an update in our next report to creditors.

We expect to send our next report at the end of the administration or in about six months, whichever is the sooner. If you've got any questions, please get in touch with Katharyn Froggett on 0113 289 4155.

Yours faithfully  
For and on behalf of the Companies



.....  
David Chubb  
Joint administrator

*David Chubb and Michael Jervis have been appointed as joint administrators of the Companies to manage their affairs, business and property as their agents without personal liability. Both are licensed in the United Kingdom to act as an Insolvency Practitioner by the ICAEW. The joint administrators are bound by the Insolvency Code of Ethics which can be found at:*  
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

*The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration.*

## Section 4: Receipts and payments

**TCG Bars Limited**

Receipts and payments account for the period 11 August 2016 to 10 February 2017

Directors' statement of affairs (£)	29 September 2015 to 10 August 2016 (£)	11 August 2016 to 10 February 2017 (£)	Total to 10 February 2017 (£)
Fixed charge			
Receipts			
Goodwill	1 952 040 38	-	1 952 040 38
Insurance refund	12 877 14	-	12 877 14
Leasehold property	11,400 000 00	-	11 400 000 00
Refund of rates and deposits	939 484 01	89,120 12	1 008 584 13
True up of pre and post administration fixed charge receipts with purchaser	788 852 57	-	788 852 57
13,600,000			
Total receipts	15,073,234 08	69,120 12	15,142,354 20
Payments			
Agents' fees	(15 165 04)	-	(15 165 04)
Legal fees	(32 317 27)	(5,935 35)	(38 252 62)
Management incentive payments	(162,750 00)	-	(162,750 00)
Office holders' fees (time cost basis)	(100 000 00)	-	(100 000 00)
Rent payments awaiting reimbursement	(87,233 54)	-	(87,233 54)
Trade supplier payments	(781,850 32)	(12 151 99)	(774 002 31)
Total payments	(1,159,316 17)	(18,087 34)	(1,177,403 51)
Amount available to fixed charge holder	13,913,917 91	51,032 78	13,964,950 69
(13 600 000)			
Distribution to the Secured Lender	(13 655 000 00)	-	(13,655 000 00)
Net fixed charge realisations	258,917 91	51,032 78	309,950 69
Floating charge			
Receipts			
Cash at bank	509 831 71	-	509 831 71
Cash floats	90,250 00	-	90 250 00
Debtors	-	-	-
Futures and fittings	738 923 64	-	738,923 64
Insurance refund	1,981 10	-	1,981 10
Interest received	3,958 67	273 84	4 232 31
Stock	357 586 78	-	357,586 78
Sundry debts and refunds	2 897 67	-	2 897 67
Third party funds	-	-	-
Trading account balance as at 31 December 2016 (see trading statement)	1 488 43	-	1 488 43
1,651,754			
Total receipts	1,706,897 98	273 84	1,707,171 82
Payments			
Agents' fees	(11,906 21)	(1 314 80)	(13 221 01)
Bank charges	(90 00)	(12 50)	(102 50)
Legal fees	(14 581 78)	(3 088 45)	(17,650 23)
Office holders' fees (time cost basis)	(50,000 00)	-	(50 000 00)
Office holders' expenses	(544 11)	-	(544 11)
Pre-appointment expenses	(11,320 75)	-	(11,320 75)
Property and asset expenses	(5 483 30)	-	(5 483 30)
Rent payments to landlords in advance	-	(128 950 90)	(128 950 90)
Statutory advertising	(97 02)	-	(97 02)
Stock supplier payments	(338 000 00)	-	(338 000 00)
Storage costs	(689 63)	(380 52)	(1 050 15)
Sundry appointment related costs	(35 00)	-	(35 00)
True up of pre and post administration floating charge receipts and costs with purchaser	(462 975 57)	-	(462 975 57)
Total payments	(893,703 37)	(133,727 17)	(1,027,430 54)
Net floating charge realisations	813,194 61	(133,453 33)	679,741 08
VAT control account	(123 957 21)	29,162 01	(94 795 20)
Balance held in interest bearing current account	948,155 31	(53,258 74)	894,896 57

Represented by

**Held in Barclays**

Held by Stonegate (trading funds)

Total

894 898 14

0.43

894,895 57

- Trade supplier payments and stock supplier payments are in respect of payments to certain suppliers under the terms of the transaction sales agreement.
- *Management incentive payments were a condition of the sales contract and have been financed by the Secured Lender from fixed charge realisations*

**TCG Bars Limited**

Trading statement for the period to 31 December 2016

Directors' statement of affairs (£)	29 September 2015 to 30 June 2016 (£)	1 June 2016 to 31 December 2016 (£)	Total to 31 December 2016 (£)
<b>Trading statement</b>			
Sales revenue	500,626.44	-	500,626.44
Cost of sales	(134,683.18)	-	(134,683.18)
<b>Trading profit</b>	<b>365,943.26</b>		<b>365,943.26</b>
Advertising and promotions	(21,231.19)	-	(21,231.19)
Bank and credit card charges	(2,142.00)	-	(2,142.00)
Deposits returned	(3,501.65)	-	(3,501.65)
Equipment hire	(22,653.88)	-	(22,653.88)
Licensing and stock taking	(10,614.18)	-	(10,614.18)
Office costs, stationery and postage	(4,050.55)	-	(4,050.55)
Rates	(49,280.00)	-	(49,280.00)
Repairs, maintenance and cleaning	(21,664.95)	-	(21,664.95)
Salaries, wages and staff costs	(191,431.01)	-	(191,431.01)
Utilities	(26,631.72)	-	(26,631.72)
<b>Net profit</b>	<b>12,742.14</b>		<b>(353,201.13)</b>
Management charge	(11,253.70)	-	(11,253.70)
<b>Trading account surplus</b>	<b>1,488.44</b>		<b>1,488.44</b>

**Notes:**

- Receipts and payments are shown net of VAT
- We previously explained that we did not expect any further movements in the trading figures for Bars Co. However, as we began trading a further pub from 1 February 2017 (as explained in Section 3.1), there will be further trading receipts and payments from this date, which we will report to creditors in our next progress report

# TCG Pubs Limited

Receipts and payments account for the period 11 August 2016 to 10 February 2017

Directors' statement of affairs (£)	29 September 2015 to 10 August 2016 (£)	11 August 2016 to 10 February 2017 (£)	Total to 10 February 2017 (£)
<b>Fixed charge</b>			
<b>Receipts</b>			
Goodwill	540,055 25	108,736 76	648,792 01
Insurance refunds	12,877 14	-	12,877 14
Leasehold property	3,134,949 00	601,961 00	3,736,910 00
Refund of rates and deposits	393,070 72	9,639 86	402,710 58
True up of pre and post-administration fixed charge receipts with purchaser	309,577 02	-	309,577 02
<b>5,330,000</b>	<b>4,390,529 13</b>	<b>720,337 62</b>	<b>5,110,866 75</b>
<b>Total receipts</b>			
<b>Payments</b>			
Agents' fees	(10,000 00)	(17,575 00)	(27,575 00)
Legal fees	(57,404 18)	(878 80)	(58,282 98)
Management incentive payments	(68,250 00)	(9,000 00)	(77,250 00)
Office holders' fees (time cost basis)	(100,000 00)	-	(100,000 00)
Trade supplier payments	(558,337 48)	3,934 96	(554,402 52)
<b>Total payments</b>	<b>(793,991 66)</b>	<b>(23,518 64)</b>	<b>(817,510 50)</b>
<b>Amount available to fixed charge holder</b>	<b>3,596,537 48</b>	<b>696,818 78</b>	<b>4,293,356 26</b>
<b>(5,330,000)</b>	<b>(3,645,000 00)</b>	<b>(626,000 00)</b>	<b>(4,271,000 00)</b>
<b>Distribution to the Secured Lender</b>			
<b>Net fixed charge realisations</b>	<b>(48,462 52)</b>	<b>70,818 78</b>	<b>22,356 26</b>
<b>Floating charge</b>			
<b>Receipts</b>			
Cash at bank	266,843 67	-	266,843 67
Cash floats	81,450 00	3,500 00	84,950 00
Debtors	-	-	-
Fixtures and fittings	357,563 75	57,764 24	415,327 99
Insurance refunds	1,981 10	-	1,981 10
Interest received	2,384 72	89 18	2,473 90
Stock	206,777 67	9,695 15	216,472 82
Sundry debts and refunds	1,195 00	-	1,195 00
Third party funds	7,098 01	131,252 79	138,350 80
Trading account balance as at 30 June 2016 (see trading statement)	18,132 46	(24,606 29)	(6,473 84)
<b>1,061,635</b>	<b>943,426 38</b>	<b>177,893 07</b>	<b>1,121,119 44</b>
<b>Total receipts</b>			
<b>Payments</b>			
Agents' fees	(4,613 20)	113 20	(4,500 00)
Bank charges	(75 00)	(12 50)	(87 50)
Legal fees	(20,907 01)	(2,318 33)	(23,225 34)
Office holders' expenses	(620 95)	-	(620 95)
Office holders' fees (time cost basis)	(50,000 00)	-	(50,000 00)
Pre-appointment expenses	(11,886 80)	-	(11,886 80)
Property and asset expenses	(1,515 00)	(15,710 00)	(17,225 00)
Rent payments to landlords and freeholder including rent in advance	(131,182 06)	(74,000 00)	(205,182 06)
Statutory advertising	(97 02)	-	(97 02)
Storage costs	(683 99)	(397 95)	(1,081 94)
Sundry appointment related costs	(35 00)	(35 00)	(70 00)
Stock supplier payments	(201,000 00)	-	(201,000 00)
True up of pre and post-administration floating charge receipts and costs with purchaser	(249,011 02)	-	(249,011 02)
<b>Total payments</b>	<b>(671,607 05)</b>	<b>(92,360 58)</b>	<b>(763,967 63)</b>
<b>Net floating charge realisations</b>	<b>271,819 32</b>	<b>85,532 49</b>	<b>357,151 81</b>
<b>VAT control account</b>	<b>(125,953 52)</b>	<b>52,331 07</b>	<b>(73,622 45)</b>
<b>Balance held in interest bearing current account</b>	<b>97,403 26</b>	<b>208,482 34</b>	<b>305,885 62</b>

Represented by

Held in Barclays  
Total

305,885 62  
305,885 62

## Notes:

- The fixed charge deficit will be netted off against fixed charge surpluses in other companies.
- Trade supplier payments and stock supplier payments are in respect of payments to certain suppliers under the terms of the transaction sales agreement.
- Third party funds relate principally to amounts held on behalf of Stonegate
- Management incentive payments were a condition of the sales contract and have been financed by the Secured Lender from fixed charge realisations

# TCG Pubs Limited

## Trading statement for the period to 31 December 2016

Directors' statement of affairs (€)	29 September 2015 to 30 June 2016 (€)	1 July 2016 to 31 December 2016 (€)	Total to 31 December 2016 (€)
<b>Trading statement</b>			
Sales revenue	1,387,055.02	608,662.53	1,993,717.55
Cost of sales	(381,982.50)	(187,006.33)	(568,988.83)
<b>Trading profit</b>	<b>1,005,072.52</b>	<b>419,656.20</b>	<b>1,424,728.72</b>
Advertising and promotions	(52,216.62)	(25,313.54)	(77,530.16)
Bank and credit card charges	(5,934.70)	(6,316.92)	(12,251.62)
Deposits returned	(155.95)	-	(155.95)
Equipment hire	(56,987.60)	(39,245.77)	(96,233.37)
Licensing and stock taking	(30,344.66)	(9,273.02)	(39,617.68)
Office costs stationery and postage	(13,573.18)	(3,025.68)	(16,598.86)
Rates	(76,826.04)	(44,574.19)	(121,500.23)
Repairs, maintenance and cleaning	(93,355.85)	(44,100.38)	(137,456.23)
Salaries wages and staff costs	(481,859.31)	(210,373.97)	(692,333.28)
Utilities	(106,378.21)	(40,569.24)	(146,947.45)
<b>Net profit</b>	<b>85,240.40</b>	<b>(3,136.61)</b>	<b>82,103.89</b>
Management charge	(67,107.95)	(21,471.78)	(88,579.73)
<b>Trading account surplus</b>	<b>18,132.45</b>	<b>(24,608.29)</b>	<b>(6,475.84)</b>

### Notes:

- Receipts and payments are shown net of VAT
- The trading statement covers the period to 31 December 2016. Trading figures for January 2017 were not available at the time of producing this report but will be disclosed in our next report to creditors.
- Trading funds are held by Stonegate as managing agents and profits are transferred to our bank account on a quarterly basis

# TCG Inns Limited

Receipts and payments account for the period 11 August 2016 to 10 February 2017

Directors' statement of affairs (£)	29 September 2015 to 10 August 2016 (£)	11 August 2016 to 10 February 2017 (£)	Total to 10 February 2017 (£)
<b>Fixed charge</b>			
Receipts			
Insurance refund	4,952 74	-	4,952 74
Refund of rates and deposits	23 329 58	-	23 329 58
True up of pre and post-administration fixed charge receipts with purchaser	7,726 71	-	7,726 71
<b>Total receipts</b>	<b>36,009 03</b>		<b>36,009 03</b>
Payments			
Agents' fees	(1,170 80)	-	(1,170 80)
Trade supplier payments	(73,738 11)	(743 99)	(74,482 10)
<b>Total payments</b>	<b>(74,908 71)</b>	<b>(743 99)</b>	<b>(75,652 70)</b>
<b>Net fixed charge realisations</b>	<b>(38,899 68)</b>	<b>(743 99)</b>	<b>(39,643 67)</b>
<b>Floating charge</b>			
Receipts			
Cash at bank	65 378 26	-	65,378 26
Cash floats	33,300 00	-	33,300 00
Insurance refund	1,981 10	-	1,981 10
Interest received	242 39	13 29	255 68
Fixtures and fittings	80,000 00	-	80,000 00
Stock	22,000 00	-	22 000 00
Third party funds	-	-	-
<b>Total receipts</b>	<b>182,901 75</b>	<b>13 29</b>	<b>182,915 04</b>
Payments			
Agents' fees	(1,000 00)	-	(1,000 00)
Bank charges	(30 00)	(12 50)	(42 50)
Legal fees	(4,732 49)	-	(4,732 49)
Office holders' fees (time cost basis)	(40,000 00)	-	(40 000 00)
Pre-appointment expenses	(2 264 15)	-	(2,264 15)
Statutory advertising	(28 80)	-	(28 80)
Storage costs	(648 59)	(421 24)	(1,069 83)
Stock supplier payments	(22,000 00)	-	(22,000 00)
True up of pre and post-administration floating charge receipts and costs with purchaser	(17,947 71)	-	(17,947 71)
<b>Total payments</b>	<b>(88,647 74)</b>	<b>(433 74)</b>	<b>(89,081 48)</b>
<b>Net floating charge realisations</b>	<b>94,254 01</b>	<b>(420 45)</b>	<b>93,833 56</b>
VAT control account	(12 991 73)	8 272 57	(4,719 16)
<b>Balance held in interest bearing current account</b>	<b>42,362 60</b>	<b>7,108 13</b>	<b>49,470 73</b>

Represented by

Held in Barclays  
Total

49,470 73  
49,470 73

## Notes:

- The fixed charge deficit will be netted off against fixed charge surpluses in other companies
- Trade supplier payments and stock supplier payments are in respect of payments to certain suppliers under the terms of the transaction sales agreement.

# TCG Taverns Limited

Receipts and payments account for the period 11 August 2016 to 10 February 2017

Directors' statement of affairs (£)		29 September 2015 to 10 August 2016 (£)	11 August 2016 to 10 February 2017 (£)	Total to 10 February 2017 (£)
	<b>Fixed charge</b>			
	<b>Receipts</b>			
	- Insurance refunds	4,952 74	-	4,952 74
	- Refund of rates and deposits	151,618 66	-	151,618 66
	- True up of pre and post-administration fixed charge receipts with purchaser	38,750 81	-	38,750 81
	<b>Total receipts</b>	<b>195,322 21</b>	<b>-</b>	<b>195,322 21</b>
	<b>Payments</b>			
	- Trade supplier payments	(253,981 45)	(3,251 85)	(257,233 30)
	<b>Total payments</b>	<b>(253,981 45)</b>	<b>(3,251 85)</b>	<b>(257,233 30)</b>
	<b>Net fixed charge realisations</b>	<b>(58,659 24)</b>	<b>(3,251 85)</b>	<b>(61,911 09)</b>
	<b>Floating charge</b>			
	<b>Receipts</b>			
780	- Book debts	1,508 83	-	1,508 83
329,696	- Cash at bank	311,545 91	-	311,545 91
80,000	- Cash floats	17,150 00	-	17,150 00
	- Fixtures and fittings	175,000 00	-	175,000 00
	- Insurance refunds	1,981 10	-	1,981 10
	- Interest received	1,015 69	74 36	1,090 05
94,336	- Stock	78,000 00	-	78,000 00
	- Sundry debts and refunds	1,050 00	-	1,050 00
	- Third party funds	-	-	-
504,817	<b>Total receipts</b>	<b>587,251 53</b>	<b>74 36</b>	<b>587,325 89</b>
	<b>Payments</b>			
	- Agents' fees	(11,060 00)	-	(11,060 00)
	- Bank charges	(30 00)	(12 50)	(42 50)
	- Insurance	-	(7,367 50)	(7,367 50)
	- Legal fees	(5,130 49)	-	(5,130 49)
	- Office holders' fees (time cost basis)	(40,000 00)	-	(40,000 00)
	- Pre-appointment expenses	(4,528 30)	-	(4,528 30)
	- Property and asset expenses	(1,749 00)	-	(1,749 00)
	- Statutory advertising	(26 80)	-	(26 80)
	- Storage costs	(712 06)	(381 00)	(1,093 06)
	- Stock supplier payments	(78,000 00)	-	(78,000 00)
	- True up of pre and post-administration floating charge receipts and costs with purchaser	(98,991 81)	-	(98,991 81)
	<b>Total payments</b>	<b>(240,248 46)</b>	<b>(7,761 00)</b>	<b>(248,009 46)</b>
	<b>Net floating charge realisations</b>	<b>347,003 07</b>	<b>(7,686 64)</b>	<b>339,316 43</b>
	<b>VAT control account</b>	<b>(16,739 81)</b>	<b>8,641 01</b>	<b>(8,098 80)</b>
	<b>Balance held in interest bearing current account</b>	<b>271,504 02</b>	<b>(2,297 48)</b>	<b>269,306 54</b>

Represented by:

Held in Barclays  
Total

269,306 54  
269,306 54

## Notes:

- The fixed charge deficit will be netted off against fixed charge surpluses in other companies
- Trade supplier payments and stock supplier payments are in respect of payments to certain suppliers under the terms of the transaction sales agreement.



# TCG Management Services Limited

Receipts and payments account for the period 11 August 2016 to 10 February 2017

Directors' statement of affairs (£)	29 September 2015 to 10 August 2016 (£)	11 August 2016 to 10 February 2017 (£)	Total to 10 February 2017 (£)
<b>Fixed charge</b>			
Receipts			
True up of pre and post-administration fixed charge receipts with purchaser	15,235 13	-	15,235 13
<b>Total receipts</b>	<b>15,235 13</b>	<b>-</b>	<b>15,235 13</b>
<b>Payments</b>			
Trade supplier payments	(40,298 53)	(501 73)	(40,800 26)
<b>Total payments</b>	<b>(40,298 53)</b>	<b>(501 73)</b>	<b>(40,800 26)</b>
<b>Net fixed charge realisations</b>	<b>(25,063 40)</b>	<b>(501 73)</b>	<b>(25,565 13)</b>
<b>Floating charge</b>			
Receipts			
Book debts	23,315 55	-	23,315 55
Cash at bank	1,771,399 76	-	1,771,399 76
Fee income	1,105 00	130 00	1,235 00
Insurance refunds	1,961 10	-	1,961 10
Interest received	3,693 16	800 74	4,493 90
Rent deposits	24,685 87	-	24,685 87
Sundry debts and refunds	2,507 66	63,933 28	66,440 94
Third party funds	910,709 15	(646,033 61)	264,675 54
Utility deposits	240,152 25	-	240,152 25
<b>Total receipts</b>	<b>2,979,549 50</b>	<b>(581,169 59)</b>	<b>2,398,379 91</b>
<b>Payments</b>			
Bank charges	(360 00)	(57 50)	(417 50)
Legal fees	(16,686 49)	-	(16,686 49)
Office costs, stationery and postage	(3,175 00)	-	(3,175 00)
Office holders' fees (time cost basis)	(40,000 00)	-	(40,000 00)
Rent	(3,498 53)	-	(3,498 53)
Statutory advertising	(26 80)	-	(26 80)
Storage costs	(1,688 06)	(381 00)	(2,069 06)
True up of pre and post-administration floating charge receipts and costs with purchaser	(166,876 62)	-	(166,876 62)
<b>Total payments</b>	<b>(232,311 50)</b>	<b>(438 50)</b>	<b>(232,750 00)</b>
<b>Net floating charge realisations</b>	<b>2,747,238 00</b>	<b>(581,608 09)</b>	<b>2,165,629 91</b>
VAT control account	77,840 74	(160,573 09)	(82,732 35)
<b>Balance held in interest bearing current account</b>	<b>2,800,015 34</b>	<b>(742,682 91)</b>	<b>2,057,332 43</b>

Represented by

Held in Barclays

Total

2,057,332 43

2,057,332 43

## Notes:

- The fixed charge deficit will be netted off against fixed charge surpluses in other companies
- Trade supplier payments and stock supplier payments are in respect of payments to certain suppliers under the terms of the transaction sales agreement
- Third party funds are principally amounts held on behalf of Stonegate.

## Section 5: Expenses

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

Please also note that the tables provide a list of expenses incurred by us on behalf of the Companies and does not seek to provide an exhaustive list of trading expenses incurred by Stonegate or LT (as managing agents) in the ordinary course of trading.

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

### TCG Bars Limited

Statement of expenses incurred in the period 11 August 2016 to 10 February 2017

	Expenses brought forward to 10 August 2016 (£)	Expenses incurred in this period (£)	Total expenses to 10 February 2017 (£)	Total expenses paid to 10 February 2017 (£)	Expenses outstanding at 10 February 2017 (£)
Agents' fees	27,071 25	7,994 05	35,065 30	(35 065 30)	-
Bank charges	90 00	12 50	102 50	(102 50)	-
Insurance	-	3 766 40	3 766 40	-	3,766 40
Legal fees	51,423 99	7,503 99	58 927 98	(55,902 85)	3,025 13
Management incentive payments	162,750 00	-	162 750 00	(162,750 00)	-
Office holders' expenses	550 81	96 63	647 44	(544 11)	103 33
Office holders' fees (time cost basis)	179 374 73	20 046 40	199 421 13	(150 000 00)	49,421 13
Pre-appointment expenses	12 320 75	(6 679 25)	5 641 50	(4 641 50)	1,000 00
Property and asset expenses	5 483 30	-	5,483 30	(5 483 30)	-
Rent payments awaiting reimbursement	87,233 54	-	87 233 54	(87,233 54)	-
Statutory advertising	97 02	-	97 02	(97 02)	-
Stock supplier payments	336,000 00	-	336 000 00	(336,000 00)	-
Storage costs	669 63	380 52	1,050 15	(1 050 15)	-
Sundry appointment related costs	35 00	-	35 00	(35 00)	-
Trade supplier payments	774 002 31	-	774,002 31	(774 002 31)	-
True up of pre and post-administration floating charge receipts and costs with purchaser	482,975 57	-	482,975 57	(482 975 57)	-
	2,100,077 90	33,121 24	2,133,199 14	(2,076,883 15)	57,315 99

### TCG Pubs Limited

Statement of expenses incurred in the period 11 August 2016 to 10 February 2017

	Expenses brought forward to 10 August 2016 (£)	Expenses incurred in this period (£)	Total expenses to 10 February 2017 (£)	Total expenses paid to 10 February 2017 (£)	Expenses outstanding at 10 February 2017 (£)
Agents' fees	14 613 20	17,481 80	32,075 00	(32 075 00)	-
Bank charges	75 00	12 50	87 50	(87 50)	-
Insurance	-	16 324 42	16,324 42	-	16,324 42
Legal fees	100 105 13	(2 936 68)	97,168 45	(81,508 32)	15,660 13
Management incentive payments	68 250 00	9 000 00	77,250 00	(77,250 00)	-
Office holders' expenses	1,029 96	192 83	1,222 79	(620 95)	601 84
Office holders' fees (time cost basis)	186,265 02	99 687 85	285,932 87	(150,000 00)	135,932 87
Pre-appointment expenses	12 886 80	-	12,886 80	(11,886 80)	1,000 00
Property and asset expenses	1,515 00	15,710 00	17,225 00	(17,225 00)	-
Rent payments to landlords and freeholder including rent in advance	131,162 06	74,000 00	205,162 06	(205,162 06)	-
Statutory advertising	97 02	-	97 02	(97 02)	-
Stock supplier payments	201,000 00	-	201,000 00	(201,000 00)	-
Storage costs	683 99	397 95	1,081 94	(1,081 94)	-
Sundry appointment related costs	35 00	35 00	70 00	(70 00)	-
Trade supplier payments	554,402 52	-	554,402 52	(554,402 52)	-
True up of pre and post-administration floating charge receipts and costs with purchaser	249 011 02	-	249,011 02	(249,011 02)	-
	1,521,131 72	229,865 67	1,750,997 39	(1,581,478 13)	169,519 26

**TCG Inns Limited**

## Statement of expenses incurred in the period 11 August 2016 to 10 February 2017

	Expenses brought forward to 10 August 2016 (£)	Expenses incurred in this period (£)	Total expenses to 10 February 2017 (£)	Total expenses paid to 10 February 2017 (£)	Expenses outstanding at 10 February 2017 (£)
Agents' fees	2,170 80	-	2,170 80	(2,170 80)	-
Bank charges	30 00	-	30 00	(30 00)	-
Legal fees	4,732 49	-	4,732 49	(4,732 49)	-
Office holders' expenses	319 73	22 77	342 50	-	342 50
Office holders' fees (time cost basis)	54,757 93	24,809 10	79,567 03	(40,000 00)	39,567 03
Pre-appointment expenses	3,264 15	-	3,264 15	(2,264 15)	1,000 00
Statutory advertising	26 80	-	26 80	(26 80)	-
Storage costs	646 59	-	646 59	(646 59)	-
Stock supplier payments	22,000 00	-	22,000 00	(22,000 00)	-
Trade supplier payments	74,482 10	(743 98)	73,738 11	(73,738 11)	-
True up of pre and post-administration floating charge receipts and costs with purchaser	17,947 71	-	17,947 71	(17,947 71)	-
	180,378.10	24,087.89	204,465.98	(163,556.45)	40,909.53

**TCG Taverns Limited**

## Statement of expenses incurred in the period 11 August 2016 to 10 February 2017

	Expenses brought forward to 10 August 2016 (£)	Expenses incurred in this period (£)	Total expenses to 10 February 2017 (£)	Total expenses paid to 10 February 2017 (£)	Expenses outstanding at 10 February 2017 (£)
Agents' fees	9,329 87	1,750 33	11,080 00	(11,080 00)	-
Bank charges	15 00	27 50	42 50	(42 50)	-
Insurance	-	7,367 50	7,367 50	(7,367 50)	-
Legal fees	5,130 49	-	5,130 49	(5,130 49)	-
Office holders' expenses	320 71	22 77	343 48	-	343 48
Office holders' fees (time cost basis)	52,626 43	15,078 50	67,704 93	(40,000 00)	27,704 93
Pre-appointment expenses	5,528 30	-	5,528 30	(4,528 30)	1,000 00
Property and asset expenses	1,749 00	-	1,749 00	(1,749 00)	-
Statutory advertising	26 80	-	26 80	(26 80)	-
Storage costs	160 10	932 96	1,093 06	(1,093 06)	-
Stock supplier payments	78,000 00	-	78,000 00	(78,000 00)	-
Trade supplier payments	253,981 45	3,251 85	257,233 30	(257,233 30)	-
True up of pre and post-administration floating charge receipts and costs with purchaser	98,991 81	-	98,991 81	(98,991 81)	-
	505,859.76	28,431.41	534,291.17	(505,242.76)	29,048.41

**TCG Management Services Limited**

## Statement of expenses incurred in the period 11 August 2016 to 10 February 2017

	Expenses brought forward to 10 August 2016 (£)	Expenses incurred in this period (£)	Total expenses to 10 February 2017 (£)	Total expenses paid to 10 February 2017 (£)	Expenses outstanding at 10 February 2017 (£)
Bank charges	360 00	57 50	417 50	(417 50)	-
Legal fees	16,686 49	-	16,686 49	(16,686 49)	-
Office costs, stationery and postage	3,175 00	-	3,175 00	(3,175 00)	-
Office holders' expenses	341 37	22 77	364 14	-	364 14
Office holders' fees (time cost basis)	84,648 48	24,809 10	109,457 59	(40,000 00)	69,457 59
Pre-appointment expenses	1,000 00	-	1,000 00	-	1,000 00
Rent	3,498 53	-	3,498 53	(3,498 53)	-
Statutory advertising	26 80	-	26 80	(26 80)	-
Storage costs	1,688 06	381 00	2,069 06	(2,069 06)	-
Trade supplier payments	40,800 27	-	40,800 27	(40,800 26)	-
True up of pre and post-administration floating charge receipts and costs with purchaser	166,876 62	-	166,876 62	(166,876 62)	-
	319,101.63	25,270.37	344,372.00	(273,550.26)	70,821.73

## Section 6: Remuneration update

Our fees were approved on a time costs basis by the secured and preferential creditors (where applicable) To 10 February 2017, we have drawn fees of £420,000 (excluding VAT) across the Companies in line with the approval given, as shown on the enclosed receipts and payments accounts.

The time cost charges incurred in the period covered by this report are £174,893. A breakdown between the Companies is provided below. This amount does not necessarily reflect how much we will eventually draw as fees for this period.

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

### 6.1 Our hours and average rates

The following tables provide further detail on the time spent on the various areas of work by the different grades of staff. For each company, we show (separately) the position for the period of this report.

#### TCG Bars Limited - in administration

Analysis of time costs incurred in the period

From 11 August 2016  
To 10 February 2017

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Accounting and treasury	-	-	-	0 10	1 00	-	-	1 10	2,782 50	2,529 55
Asset realisations	5 10	-	2 25	0 10	4 85	-	-	12 30	6,218 75	505 50
Creditors	-	-	-	-	0 20	-	-	0 20	130 00	650 00
Employees & pensions	-	-	-	-	-	-	-	-	334 50	-
Investigations	-	-	0 40	3 30	9 05	2 15	3 20	18 10	28 50	1 57
Secured creditors	-	-	0 50	0 10	9 59	9 80	-	19 99	-	-
Statutory and compliance	-	-	-	-	0 15	-	-	0 15	3,682 30	24,548 67
Strategy & Planning	-	-	-	3 30	4 00	5 20	-	12 50	38 00	3 04
Tax & VAT	-	-	-	-	0 10	0 40	-	0 50	6,744 85	13 489 70
Trading	-	-	-	-	0 20	0 50	-	0 70	87 00	124 29
<b>Total</b>	<b>5 10</b>		<b>3 15</b>	<b>6 90</b>	<b>29 14</b>	<b>18 05</b>	<b>3 20</b>	<b>65 54</b>	<b>20,048 40</b>	<b>306 87</b>

#### TCG Pubs Limited - in administration

Analysis of time costs incurred in the period

From 11 August 2016  
To 10 February 2017

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Accounting and treasury	-	-	-	-	8 70	-	-	8 70	6,340 00	728 74
Asset realisations	50 60	-	58 50	7 20	18 00	0 80	-	134 90	74,167 50	549 80
Creditors	-	-	-	0 20	0 20	-	-	0 40	79 00	197 50
Employees & pensions	-	-	-	-	0 40	-	-	0 40	1,653 00	4,132 50
Investigations	-	-	1 75	5 00	9 85	2 05	3 50	22 15	37 00	1 67
Secured creditors	-	-	0 50	5 80	10 34	13 15	-	29 79	76 00	2 55
Statutory and compliance	-	-	-	-	0 15	0 05	-	0 20	5,017 75	25,088 75
Strategy & Planning	-	-	0 20	4 70	12 50	13 15	-	30 55	107 00	3 50
Tax & VAT	-	-	-	-	2 20	1 80	-	4 00	11,468 60	2,868 65
Trading	-	-	-	-	0 20	0 20	-	0 40	724 00	1,810 00
<b>Total</b>	<b>50 60</b>		<b>60 95</b>	<b>22 90</b>	<b>62 54</b>	<b>31 00</b>	<b>3 50</b>	<b>231 49</b>	<b>99 887 85</b>	<b>430 55</b>

### TCG Inns Limited - in administration

Analysis of time costs incurred in the period

From:  
To

11 August 2016  
10 February 2017

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Accounting and treasury	-	-	-	-	-	-	-	-	1,769.00	-
Asset realisations	-	-	-	-	0.40	-	-	0.40	76.00	190.00
Creditors	-	-	-	-	0.05	-	-	0.05	26.00	520.00
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	0.40	2.90	6.95	1.20	0.10	11.55	28.50	2.47
Secured creditors	-	-	-	5.80	9.39	10.80	-	25.99	-	-
Statutory and compliance	-	-	-	-	0.15	-	-	0.15	2,707.90	18,052.67
Strategy & Planning	-	-	-	1.50	3.50	3.45	-	8.45	9.50	1.12
Tax & VAT	-	-	-	-	0.10	0.40	-	0.50	10,586.85	21,173.70
Trading	-	-	-	-	0.10	-	-	0.10	87.00	870.00
<b>Total</b>	-	-	0.40	10.20	20.64	15.65	0.10	47.19	15,290.75	324.03

### TCG Taverns Limited - in administration

Analysis of time costs incurred in the period

From:  
To

11 August 2016  
10 February 2017

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Accounting and treasury	-	-	-	-	-	-	-	-	1,705.50	-
Asset realisations	-	-	-	-	0.75	-	-	0.75	142.50	190.00
Creditors	-	-	-	-	0.05	-	-	0.05	247.00	4,940.00
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	0.40	2.60	6.05	0.95	0.10	10.10	28.50	2.82
Secured creditors	-	-	-	5.10	10.24	10.30	-	25.64	-	-
Statutory and compliance	-	-	-	-	0.15	-	-	0.15	2,390.90	15,939.33
Strategy & Planning	-	-	-	1.60	2.85	3.60	-	8.05	9.50	1.18
Tax & VAT	-	-	-	-	0.10	0.40	-	0.50	10,467.50	20,935.20
Trading	-	-	-	-	0.10	1.30	-	1.40	87.00	62.14
<b>Total</b>	-	-	0.40	9.30	20.29	16.55	0.10	46.64	15,078.50	323.30

### TCG Management Services Limited - in administration

Analysis of time costs incurred in the period

From:  
To

11 August 2016  
10 February 2017

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Accounting and treasury	-	-	-	-	0.15	-	-	0.15	3,346.50	22,310.00
Asset realisations	-	-	-	-	0.35	-	-	0.35	66.50	190.00
Creditors	-	-	0.35	2.40	6.85	1.50	1.00	12.10	35.50	2.93
Employees & pensions	-	-	-	-	0.15	-	-	0.15	210.00	1,400.00
Investigations	-	-	-	-	-	-	-	-	28.50	-
Secured creditors	-	-	-	-	0.05	-	-	0.05	-	-
Statutory and compliance	-	-	-	-	0.50	-	-	0.50	2,625.75	5,251.50
Strategy & Planning	-	-	-	3.60	5.15	6.50	-	15.25	9.50	0.62
Tax & VAT	0.80	-	4.50	5.00	12.84	11.60	-	34.54	18,113.35	524.42
Trading	-	-	-	-	-	-	-	-	373.50	-
<b>Total</b>	0.80	-	4.85	11.00	25.84	19.60	1.00	63.09	24,809.10	393.23

The above tables show the time costs that we have incurred during the period of this report. We provide below the total time costs incurred for each company and an estimate of future hours and costs that will be incurred by work category.

Aspect of assignment	TCG Bars Limited		TCG Pubs Limited		TCG Inns Limited		TCG Taverns Limited		TCG Management Services Limited	
	Estimated future hours	Estimated future cost (£)	Estimated future hours	Estimated future cost (£)	Estimated future hours	Estimated future cost (£)	Estimated future hours	Estimated future cost (£)	Estimated future hours	Estimated future cost (£)
Accounting and treasury	4 00	840 00	5 00	1,000 00	1 00	190 00	1 00	190 00	1 00	190 00
Asset realisations	10 00	3 750 00	32 00	15,000 00	-	-	-	-	-	-
Creditors	2 00	370 00	2 00	370 00	53 00	26,300 00	61 00	26,200 00	41 00	20 200 00
Employees & pensions	4 00	960 00	21 00	7,350 00	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Secured creditors	5 00	2,500 00	5 00	2 500 00	-	-	-	-	-	-
Statutory and compliance	25 00	6 000 00	25 00	6,000 00	20 00	4,600 00	20 00	4,700 00	22 00	5,000 00
Strategy & Planning	-	-	-	-	-	-	-	-	-	-
Tax & VAT	24 00	9,530 00	31 90	15,040 00	7 00	5,220 00	7 00	5,220 00	8 00	5 690 00
Trading	12 00	5,000 00	12 00	5,000 00	-	-	-	-	-	-
<b>Estimated future</b>	<b>86 00</b>	<b>28,950 00</b>	<b>133.90</b>	<b>52,260 00</b>	<b>81.00</b>	<b>36,310 00</b>	<b>89 00</b>	<b>36,310 00</b>	<b>72.00</b>	<b>31,070 00</b>
Brought forward to 10 February 2017	65 54	20 046 40	231 49	99,667 85	47 19	15 290 75	46 64	15,078 50	63 09	24,809 10
<b>Estimated total</b>	<b>151 54</b>	<b>48,996 40</b>	<b>365 39</b>	<b>151,927 85</b>	<b>128 19</b>	<b>51,600 75</b>	<b>135 64</b>	<b>51,388 50</b>	<b>135 09</b>	<b>55,879 10</b>

We have based the above figures on the following principal assumptions, which may be subject to change:

- The administrations will continue until March 2018 and accordingly an application to court will be required to further extend the period of the administrations.
- There will be no distribution to unsecured or preferential creditors of Bars Co or Pubs Co due to the potential capital gains tax liability.
- The sale of the remaining pubs will complete between March 2017 and June 2017 and we will continue to trade these pubs until sales complete.
- The estimate does not take account of any legal or other issues that may arise.

## 6.2 Our time charging policy and hourly rates

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

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

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

Specialist departments within our firm such as tax, VAT, real estate and pensions departments were also used where expert advice was required. Such specialist charge-out rates vary but the following are the maximum rates by grade per hour.

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

Grade	Administrators' staff Maximum rate per hour from 1 July 2016	Specialist staff Maximum rate per hour from 1 July 2016
Partner	840	1,250
Director	740	1,175
Senior manager	560	1,170
Manager	480	700
Senior associate (qualified)	400	515
Senior associate (unqualified)	295	-
Associate	250	255
Support staff	125	150

### 6.3 Payments to associates

We have made no payments to associates in the period covered by this report.

### 6.4 Our work in the period

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

Area of work	Work undertaken and why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and treasury	<ul style="list-style-type: none"> <li>Dealing with receipts, payments and journals not relating to trading.</li> <li>Carrying out periodic bank reconciliations.</li> <li>Corresponding with the bank regarding specific transfers.</li> </ul>	Ensuring stewardship of the funds under our control.
Asset realisations	<ul style="list-style-type: none"> <li>Liaising with Stonegate to deal with various post-sale matters and ongoing responsibilities under the sales contract. In particular there have been some complexities in progressing the leasehold completions for the remaining pubs sold to Stonegate.</li> <li>Requesting invoices and arranging payment of quarterly rent payments on behalf of Stonegate under the licence to occupy.</li> <li>Progressing the sale of the remaining retained pubs (including completion of the sale of the Old Sugar Loaf).</li> <li>Monitoring the trading of the retained pubs.</li> <li>Dealing with property issues impacting on realisable value.</li> <li>Working with our lawyers to seek to preserve value through the court process.</li> </ul>	Enhanced asset realisations for the benefit of creditors.

<b>Area of work</b>	<b>Work undertaken and why the work was necessary</b>	<b>What, if any, financial benefit the work provided to creditors OR whether it was required by statute</b>
Creditors	<ul style="list-style-type: none"> <li>• Dealing with ad-hoc creditor queries.</li> <li>• Receiving proofs of debt and maintaining the register.</li> </ul>	Provision of information to parties who have an economic interest in the outcome of the administrations.
Employees & pensions	<ul style="list-style-type: none"> <li>• Overseeing the calculation of payroll and deductions by Stonegate in relation to the trading pubs.</li> </ul>	Statutory and regulatory requirements.
Secured creditors	<ul style="list-style-type: none"> <li>• Attending conference calls with the Secured Lender regarding the progress of the administrations</li> </ul>	Provision of information to parties who have an economic interest in the outcome of the administrations.
Statutory and compliance	<ul style="list-style-type: none"> <li>• Conducting statutory case reviews.</li> <li>• Preparing and issuing our second progress report to creditors and the Registrar.</li> <li>• Dealing with the extension of the administrations</li> </ul>	Statutory and regulatory requirements.
Strategy and planning	<ul style="list-style-type: none"> <li>• Holding team strategy and progress meetings not relating to trading.</li> <li>• Progressing outstanding matters in the administrations.</li> </ul>	Ensuring good case progression and management.
Tax and VAT	<ul style="list-style-type: none"> <li>• Preparing and submitting quarterly VAT returns.</li> <li>• Preparing the first corporation tax returns.</li> </ul>	Statutory and regulatory requirements.
Trading	<ul style="list-style-type: none"> <li>• Reviewing cash flow statements and management accounts prepared by Stonegate.</li> <li>• Liaising with Stonegate regarding trading matters.</li> <li>• Holding meetings to discuss the trading position.</li> <li>• Liaising with LT to take control of trading the one further pub from Stonegate (as a result of matters outlined in Section 3.1).</li> </ul>	Retain value in the pubs while a sales process is carried out.



## 6.5 Our future work

We still need to do the following work to achieve the purpose of administrations

Area of work	Work we need to do	Estimated cost (£)	Whether or not the work will provide a financial benefit to creditors
Accounting and treasury	<ul style="list-style-type: none"> <li>Processing of future invoices due for payment, receipts and journals.</li> <li>Carrying out periodic bank reconciliations.</li> </ul>	2,400	Ensuring stewardship of the funds under our control.
Asset realisations	<ul style="list-style-type: none"> <li>Finalising post-sale matters with the Purchaser.</li> <li>Liaising with agents and advisors regarding the sale of the remaining retained pubs.</li> <li>Progression and completion of sales of the remaining retained pubs.</li> <li>Ongoing liaison with our insurance broker regarding insurance requirements.</li> </ul>	18,800	Enhanced asset realisations for the benefit of creditors.
Creditors	<ul style="list-style-type: none"> <li>Adjudicate on unsecured creditor claims then declare and pay a dividend from the prescribed part fund (where available)</li> <li>Responding to ad-hoc creditor creditors.</li> </ul>	73,400	Permits distribution of funds to unsecured creditors. Statutory and regulatory requirements.
Employees & pensions	<ul style="list-style-type: none"> <li>Overseeing ongoing payroll functions in relation to the retained employees.</li> </ul>	8,300	Statutory and regulatory requirements. Incidental to financial benefits provided by trading.
Secured creditors	<ul style="list-style-type: none"> <li>Updating the Secured Lender on the progress of sales of fixed charged assets.</li> <li>Distributing funds to the secured creditors</li> </ul>	5,000	Provision of information and returning funds to creditors.
Statutory and compliance	<ul style="list-style-type: none"> <li>Filing statutory documents at Companies' House.</li> <li>Ongoing statutory reporting to creditors.</li> <li>Requesting a further extension of the administrations.</li> <li>Statutory case reviews by the Administrators.</li> <li>Managing case files and company records.</li> <li>Internal compliance procedures</li> </ul>	26,300	Statutory and regulatory requirements

Area of work	Work we need to do	Estimated cost (£)	Whether or not the work will provide a financial benefit to creditors
Tax and VAT	<ul style="list-style-type: none"> <li>Ongoing preparation and submission of corporation tax and VAT returns.</li> </ul>	40,700	Statutory and regulatory requirements
Trading	<ul style="list-style-type: none"> <li>Continued oversight of the management of the trading pubs until such a time that sales are completed.</li> <li>Liaison with our managing agents regarding the trading position.</li> </ul>	10,000	Retain value in the pubs while a sales process is carried out.

We have based the above figures on the following principal assumptions, which may be subject to change:

- The administrations will continue until March 2018 and accordingly an application to court will be required to further extend the period of the administrations.
- There will be no distribution to unsecured or preferential creditors of Bars Co or Pubs Co due to the potential capital gains tax liability.
- The sale of the remaining pubs will complete between March 2017 and June 2017 and we will continue to trade these pubs until sales complete.
- The estimate does not take account of any legal or other issues that may arise.

## 6.7 Disbursements

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

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

The following disbursements arose in the period of this report.

Category	Policy	TCG Bars Limited (£)	TCG Pubs Limited (£)	TCG Inns Limited (£)	TCG Taverns Limited (£)	TCG Management Services Limited (£)
2	Photocopying - at 5 pence per sheet copies, only charge for circulars to creditors and other bulk printing	96 63	22 77	22 77	22 77	22 77
2	Mileage - at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-	-	-	-	-
1	All other disbursements reimbursed at cost	-	85 03	-	-	-
		96 63	192 83	22 77	22 77	22 77

## 6.8 *Our relationships*

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

## 6.9 *Details of subcontracted work*

The table in Section 6 10 includes sub-contractors we have used on these cases where the work could have otherwise been done by ourselves. This principally relates to the business rates refunds and utility and property management work.

In the circumstances of the case we are satisfied that sub-contracting the work was more cost effective and therefore in the best interests of creditors.

## 6.10 Legal and other professional firms

We have instructed the following professionals on this case:

Service provided	Name of firm/organisation	Basis of fees
Business rates refund collections	Gerald Eve LLP	Commission and fixed fee
Insurance broker	Willis Limited	Insurance policy cost
Legal services (general advice)	Berwin Leighton Paisner LLP	Time costs
Legal services (relating to Guernsey)	Carey Olsen LLP	Time costs
Legal services (sale of non-core properties)	Freeths LLP	Time costs
Legal services (premises licences)	Poppleston Allen LLP	Time costs
Management of trading pubs	Stonegate Pub Group Limited	Fixed fee
Property agents (relating to the Philharmonic)	VPS (UK) Limited	Fixed fee
Property agents (valuations and sale of fixtures and fittings)	Lambert Smith Hampton	Commission
Property agents (property clearance)	GMS Property Support Services Limited	Fixed fee
Property agents (sale of non-core pubs)	Christie & Co	Commission
Storage services	Iron Mountain UK Limited	Fixed rate

Please note that the table above provides only a list of professionals and agents engaged by us on behalf of the Companies and does not seek to provide an exhaustive list of all suppliers used in the ordinary course of trading.

Our choice was based on our perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

We require all third party professionals to submit time cost analyses and narrative or a schedule of realisations achieved in support of invoices rendered. We undertake to review third party costs to ensure they are reasonable in the circumstances.

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## ***Section 7: Pre-administration costs***

The following costs incurred before our appointment with a view to the Company going into administration were approved for payment by the secured and preferential creditors (where appropriate).

A breakdown of these costs between the Companies is available in our proposals which are available to download from [www.pwc.co.uk/tcg](http://www.pwc.co.uk/tcg)

<b>Nature of costs</b>	<b>Amount (£)</b>
Fees charged by the administrators	24,465 00
Expenses incurred by the administrators	35,000 00
Fees charged by other persons qualified to act as an insolvency practitioner	-
Expenses incurred by other persons qualified to act as an insolvency practitioner	-
<b>Total</b>	<b>59,465.00</b>

We have made payment of £30,000 towards the pre-administration expenses (as shown in the receipts and payments accounts in Section 4). The balance remains unpaid but will be settled in due course.

## Section 8: Statutory information

Full name:	TCG Bars Limited	TCG Pubs Limited	TCG Inns Limited	TCG Taverns Limited	TCG Management Services Limited
Trading name:	Individual pub names are available on request				
Court details for the Administration:	6431 of 2015	6430 of 2015	6433 of 2015	6432 of 2015	6434 of 2015
Registered number:	06663934	06663910	06663938	06663925	06663931
Registered address:	Regus House, Windmill Hill Business Park, Swindon, Wiltshire, SN5 6QR				
Company directors:	Mark Fontaine Nigel Wright Benjamin Levick	Mark Fontaine Nigel Wright	Mark Fontaine Nigel Wright	Mark Fontaine Nigel Wright	Mark Fontaine Nigel Wright Nicolas Francis David Rimmer Jonathan Walker
Company secretary:	Andrew Green				
Shareholdings held by the directors and secretary:	N/A				
Date of the Administration appointment:	29 September 2015				
Administrators' names and addresses:	David Christian Chubb and Michael John Andrew Jervis of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT				
Appointor's / applicant's name and address:	LSREF III Wight Limited, First Floor, 25-28 Adelaide Road, Dublin 2, Ireland				
Objective being pursued by the Administrators:	Objective (b) - achieving a better result for the company's creditors as a whole than would be likely if the company was wound up (without first being in administration)				
Extensions of the administrations:	Administrations extended to 29 September 2017 by approval of the secured and preferential creditors (where appropriate).				
Division of the Administrators' responsibilities:	In relation to Paragraph 100(2) Sch B1 IA86, during the period for which the administration order is in force any act required or authorised under any enactment to be done by either or all of the administrators may be done by any one or more of the persons for the time being holding that office				
The European Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to these Administrations and the proceedings are main proceedings				