



For further information, please
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1 Company details

Company number 08013835

Company name in full Luxury For Less Limited t/a Soak.com

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

2 Administrator's name

Full forename(s) Andrew

Surname Poxon

3 Administrator's address

Building name/number Leonard Curtis

Street Riverside House
Irwell Street

Post town Manchester

County/Region

Postcode M35EN

Country

4 Administrator's name ①

Full forename(s) Sean

Surname Williams

① **Other administrator**
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street Riverside House
Irwell Street

Post town Manchester

County/Region

Postcode M35EN

Country

② **Other administrator**
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report


6 Period of progress report

From date	^d 1	^d 9	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0	
To date	^d 1	^d 8	^m 0	^m 9	^y 2	^y 0	^y 2	^y 0	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X 	X							
Signature date	^d 1	^d 2	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0	

**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	James Smith
Company name	Leonard Curtis
Address	Riverside House
	Irwell Street
	Manchester
Post town	
County/Region	
Postcode	M 3 5 E N
Country	
DX	
Telephone	0161 831 9999

**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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**LUXURY FOR LESS LIMITED T/A SOAK.COM
(IN ADMINISTRATION)**

Registered Number: 08013835

Court Ref: CR-2020-MAN-000318

High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD)

**Joint Administrators' first progress report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period
19 March 2020 to 18 September 2020**

12 October 2020

**Andrew Poxon and Sean Williams - Joint Administrators
Leonard Curtis
Riverside House, Irwell Street, Manchester M3 5EN
Tel: 0161 831 9999 Fax: 0161 831 9090
General email: recovery@leonardcurtis.co.uk
Ref: M/20/JSM/L594K/1010**

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**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules") to provide creditors with an update on the progress of the Administration of Luxury For Less Limited t/a Soak.com ("the Company") for the period from 19 March 2020 to 18 September 2020. This is the Joint Administrators' first progress report to creditors.

2 STATUTORY INFORMATION

- 2.1 Andrew Poxon and Sean Williams were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD), number CR-2020-MAN-000318 on 19 March 2020. The Administration appointment was made by the Directors. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the Manchester office of Leonard Curtis, which is situated at Riverside House, Irwell Street, Manchester M3 5EN.
- 2.3 The principal trading addresses of the Company were Attleborough House, Townsend Drive, Attleborough Fields Industrial Estate, Nuneaton, Warwickshire, CV11 6RU and 6 Garston Shore Road, Speke, Liverpool, L24 8AA. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was Attleborough House, Townsend Drive, Attleborough Fields Ind Estate, Nuneaton, Warwickshire CV11 6RU. Following the appointment, this was changed to Riverside House, Irwell Street, Manchester M3 5EN. The registered number of the Company is 08013835.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were deemed approved by the general body of creditors on 26 May 2020.
- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.

- 3.4 The objective of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in administration).
- 3.5 In the opinion of the Joint Administrators, this objective is likely to be achieved as there is a reasonable prospect of a dividend being available to unsecured creditors by virtue of a Prescribed Part dividend, which we anticipate would have not been possible if the Company had been wound up without first being in administration.
- 3.6 In the event that the aforementioned objective cannot be achieved, it is considered that the objective with regards to the realisation of property in order to make a distribution to one or more secured or preferential creditors has been achieved. There has been sufficient funds available to enable a distribution to have been made to each of the secured creditors National Westminster Bank plc ("NatWest"), Wolseley Limited ("Wolseley") and Soak Topco Limited ("Topco"), with potential further distributions due to Topco. It is further anticipated that a distribution will also be made to the preferential creditors in due course once their final claim has been received.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 19 March 2020 to 18 September 2020.

Sale of Certain Company Assets

- 4.2 As discussed in the Joint Administrators' Report and Statement of Proposals a sale of certain Company assets was completed on 17 March 2020 to Eurorad Limited, an unconnected third party.
- 4.3 The sales consideration £600,000.00 was apportioned as follows;

Category of Asset	Fixed Charge £	Floating Charge £	Cumulative £
The Business Intellectual Property Rights and the Business Name	599,999.00	-	599,999.00
I.T. Equipment	-	1.00	1.00
Total	599,999.00	1.00	600,000.00

- 4.4 Total sales consideration of £600,000.00 was payable on completion and the Joint Administrators confirm that this has been received in full, on 6 April 2020.
- 4.5 The Purchaser did not acquire any other Company assets under this sale, there were no buy-back arrangements or similar conditions attached to the contract of sale, and the Purchaser did not provide any guarantees in respect of the transaction. No additional realisations will be made under this category of asset.

Sale of Trading Premises

- 4.6 As detailed in Joint Administrators' Report and Statement of Proposals, the Directors had been actively marketing for the sale of their former trading premises at Attleborough House, Townsend Drive, Attleborough Fields Industrial Estate, Nuneaton, Warwickshire, CV11 6RU ("the Property"), prior to the Administration, in order to reduce the Company's secured indebtedness and obtain additional working capital.
- 4.7 Prior to the appointment of Administrators the Directors had agreed a sale and exchanged contracts with UK Warehouse Properties ("the Purchaser") for a sale of the property in the sum of c£7.5m with a final anticipated completion date of 31 March 2020. The Joint Administrators instructed Landwood Group ("Landwood"), independent property agents, to provide advice on the sale. Landwood subsequently recommended that the sale be completed at this price. However, on 30 March 2020 the Purchaser advised that they could not complete due

to the withdrawal of their finance and the decline of the general market conditions caused by the global pandemic, COVID-19.

- 4.8 The Purchaser later returned to the Administrators offering a reduced sum of £6,000,000.00 to complete the purchase. This offer was rejected by the Administrators as this offer was below market value as advised by Landwood Group ("Landwood"). Further negotiations with the Purchaser were maintained in order to increase their potential offer whilst also looking to other potential options to realise this asset, in particular remarketing.
- 4.9 After discussions with the Purchaser a final sales price of £7,419,500.00 was agreed with completion on 16 June 2020. Whilst this sum was less than originally agreed price it was recommended for acceptance by Landwood and mitigated any holding costs and also provided certainty to creditors. It should also be noted that consent to the sale was obtained from Wolseley and Soak Topco as the beneficiaries of the sale.
- 4.10 After the completion of the sale and following deduction of costs, the sum of £6,900,000.00 was received by Wolseley under their secured charge. The surplus funds of £377,500.00 was received by Topco under their floating charge
- 4.11 No further realisations are to be made under this category of asset.

Cash at Bank

- 4.12 The Company operated banking facilities with NatWest. The bank accounts were frozen following the appointment of the Joint Administrators, with a combined credit on the account of £779,387.67.
- 4.13 We have received the total sum of £478,570.45 from one of the Company's NatWest accounts however the other account was subject to a Duties and Customs Bond in favour of HMRC ("the Bond"). The funds within the bonded account totalling £300,819.53 could not be released to the estate until HMRC had confirmed that the liabilities had been paid in full under the Bond and provided the necessary release forms to NatWest.
- 4.14 On 23 July 2020 the sum of £95,597.68 was claimed by HMRC under their Bond for outstanding Customs, Duty and VAT payments due for the pre-appointment period and paid from the bond monies. We are currently in the processes of assessing this sum to ascertain how the claim has been calculated and whether a refund is due back to the estate. We have received confirmation from NatWest, in the period subsequent to that to which this report relates, that HMRC have submitted their release. Following receipt of this confirmation the remaining balance was duly been requested to be transferred to the case bank account relating to the Administration by the Joint Administrators and the funds, totalling £205,221.85 have been received into the estate after the Period.
- 4.15 Any further updates regarding any potential refunds from HMRC will be detailed in the next report to creditors.

Stock Assets

- 4.16 At the onset of the Administration the Company records were reviewed to ascertain the book value of the remaining stock held by the Company. The book value of the remaining stock was calculated at approximately £1m. The stock did not form part of the sale of certain company assets detailed at 4.2 above.
- 4.17 Following appointment the Joint Administrators contacted the two previously interested parties to ascertain if they still had an interest in purchasing the physical assets, including stock. An offer was made for the purchase of all the physical assets held at the leasehold premises for the sum of £85,000.00 by Eurorad Limited. As this offer was the highest offer received and above the ex-situ valuation provided by our appointed agents Cerberus Asset Management ("CAM") it was accepted.
- 4.18 The sale of the physical assets held in the leasehold premises, which included the stock, completed on 20 March 2020 for the sum of £85,000.00.

Plant & Machinery and Fixtures & Fittings

- 4.19 As detailed above, a sale of the physical assets, including Plant & Machinery and Fixtures & Fittings, held at the leasehold premises in Liverpool was completed on 20 March 2020.
- 4.20 The Company's remaining physical assets based at the property in Nuneaton were uplifted by CAM to be sold at auction. This was made up primarily of display stock held at the showroom of the premises. The auction was held on 14 May 2020 and total sales generated the sum of £7,686.00, prior to costs, for the benefit of the estate.
- 4.21 As all Plant & Machinery and Fixtures & Fittings have now been sold there are no further realisations to be made under this category of asset.

Debtors

- 4.22 As discussed in the Joint Administrators' Report and Statement of Proposals there were a number of outstanding debtors due to the Company. After further discussions with the Directors it was confirmed that the majority of these debtors related to transactions in respect of monies held by third parties which should have been, and were, to be offset as part of their accounting procedures. As such, no funds were realisable from this source.
- 4.23 The only remaining debtor was Soak BV, a company in the Netherlands. We have been advised of the insolvency of this Company and continue to liaise with the Dutch Insolvency Practitioner to confirm the level of any potential return to the estate. Further information regarding any possible realisation from this category of asset will be made available in our next report to creditors.

Cash in Hand

- 4.24 At the outset of the Administration we were advised that there was a small sum of petty cash held by the Company. Upon appointment the sum of £335.00 was remitted to the estate.

Post Appointment Receipts

- 4.25 A number of post appointment receipts were paid into the Company's unbonded NatWest account which appeared to be interest accrued on the funds previously held in this account. Upon receipt these funds were remitted to the Administration estate. Funds received to date total £86.94. It is not anticipated that any further funds will be realised under this category of asset.

Sundry Refunds

- 4.26 A number of refunds were received into the estate totalling £973.92 These appear to be refund of charges into the Company's previous current account. It is not anticipated that there will be further realisations in relation to this category of asset.

Interest

- 4.27 Interest has accrued in respect of funds held in the Administration bank account. To date the sum of £1.64 has been received. Any further realisations in relation to bank interest are anticipated to be minimal.

Rebate from China

- 4.28 Shortly after the onset of the Administration the Directors advised that one of the Company's suppliers located in China provided a yearly rebate system rather than offering discounts. As this rebate is due from a company within another jurisdiction there are potential litigation risks in pursuing the supplier for this rebate. The Joint Administrators are currently reviewing the possible options available in order to obtain a return to the estate.
- 4.29 An update will be provided within the next report to creditors.

5 ASSETS STILL TO BE REALISED

5.1 The assets still to be realised in this matter are detailed in section 4 above.

6 INVESTIGATIONS

6.1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.

6.2 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider require investigation, they should please send full details to this office at the address given at the front of this report.

6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

7.1 The secured and preferential creditors consented to the following pre-Administration costs and expenses being paid as an expense of the Administration on 17 June 2020 and 28 May 2020 respectively:

Charged by	Services provided	Total amount charged £	Total amount paid £	Total amount unpaid £
LCR	Carried out an assessment of the financial position with a view to establishing the appropriate insolvency procedure. Providing insolvency advice to the directors and Company on the available options, instructing valuation agents, marketing the business and assets, negotiating and agreeing the sale of assets (including failed negotiations) and dealing with all appointment formalities. Responding to queries by phone and email from unsecured consumer creditors. Drafting Sale Asset Agreements, liaising with the Purchaser's solicitors and reviewing the inter-creditor security position. General legal advice was also provided by our in-house solicitors.	158,521.00	150,000.00	8,521.00
CAM	Attending the Company's premises to conduct a valuation of the Company's physical assets and providing advice on the suitability of any offers. Organising inspection of physical assets with interested parties.	5,000.00	-	5,000.00

LUXURY FOR LESS LIMITED T/A SOAK.COM – IN ADMINISTRATION

Landwood Group Limited ("Landwood")	Attendance at the Property, providing a Valuation of the Property and any recommendations in respect of offers received.	7,500.00	7,500.00	-
Evolve Limited ("Evolve")	IS Attendance on site to assist employees with the start of their claims to the Redundancy Payment Service and provide information regarding making a claim.	500.00	500.00	-
Champion Accountants	Advice in relation to Capital Gains Tax in respect of the proposed Property sale	1,000.00	-	1,000.00
Total		172,521.00	158,000.00	14,521.00

The costs that have been paid are detailed in the receipts and payments account attached at Appendix B. The outstanding costs will be paid shortly.

Joint Administrators' Remuneration

- 7.2 On 17 June 2020 and 28 May 2020 respectively, the secured and preferential creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £227,514.00, as set out in a Fees Estimate.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £143,218.00. This represents 432.5 hours at an average rate of £331.14 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed.
- 7.4 Attached, at Appendix D, is a summary of time costs during the Period compared with time costs as set out in the Joint Administrators' original fees estimate.
- 7.5 You will note that time costs incurred to date do not exceed the time as set out in the Fees Estimate. As demonstrated at Appendix D, costs attributable to each category of time generally fall within those anticipated. The areas where significant variance has occurred relate to Receipts and Payments, Debenture Holder, Post Appointment Creditor Decisions and Legal Services.
- 7.6 Total time has exceeded the fees estimate by £3,246.50 in relation to the category of Receipts and Payments. This has resulted from the additional reviews that have been required to be undertaken with regards the Company's pre-appointment tax affairs. Due to their complex nature it was not initially anticipated that further time would be required in order to determine and rectify the pre-appointment tax position of the Company.
- 7.7 Total time has exceeded the fees estimate by £3,469.50 in relation to the category of Debenture Holder. This increase has resulted from additional updates having been required to be provided to the various debenture holders regarding the sale of the Property which was protracted in nature, and the discussions and correspondence that has been incurred with regards the retrospective cap that has been applied on the total post appointment remuneration charged by the Administrators compared to that reported in the Fees Estimate when prepared.
- 7.8 Total time has exceeded the fees estimate by £3,551.50 in relation to the category Post Appointment Creditor Decisions. This was a result of the additional work required to compile the Joint Administrators' Report and Statement of Proposals due to the alterations in the sale of the Property as discussed in paragraphs 4.6 to 4.11.

- 7.9 Total time has exceeded the fees estimate by £9,810.50 in relation to Legal Services. This is a result of the additional work required in the sale of the Property due to the aborted completion date, the work undertaken in reviewing the potential lien stated by the Company's former logistics creditors and discussions regarding potential Retention of Title ("ROT") creditors.
- 7.10 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. It is uncertain at this time as to whether the Fees Estimate will be exceeded. Should information come to light during the course of the Administration which means that the Joint Administrators will be required to undertake work not envisaged at the time that the Fees Estimate was provided, it may be necessary for the Joint Administrators to revert to the secured and preferential creditors for further approval. The information provided above is therefore for information purposes only.
- 7.11 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" (Version 4 – April 2017) which may be downloaded from:
- <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>
- 7.12 If you would prefer this to be sent to you in hard copy please contact James Smith of this office on 0161 831 9999.
- 7.13 The remuneration drawn by the Joint Administrators to date totals £25,000.00 plus VAT.

8 JOINT ADMINISTRATORS' EXPENSES

- 8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval of the creditors. On 17 June 2020 and 28 May 2020 respectively, the secured and preferential creditors also approved that category 2 disbursements could be drawn by the Joint Administrators, as detailed at Appendix F.

- 8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.
- 8.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.
- 8.4 It has been noted that the expenses relating to document hosting are higher than first anticipated, this is due to the large volume of additional creditors which has resulted in a premium paid for the upload of documents. Dependent on the number of documents uploaded throughout the life of the case and the additional creditors added to the overall creditors list this sum will increase further.
- 8.5 It has also been noted that an additional sum of £2,000 has been paid to Landwood for their assistance post-appointment in handling the previously aborted sale of the Property. These excess costs were deemed

acceptable due to the additional work undertaken to increase the Property offer in order to secure as satisfactory sale of the Property for the benefit of the secured creditors.

- 8.6 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 August 2019.
- 8.7 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.
- 8.8 Under Rule 18.34 of the Rules, 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 the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.9 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 8.10 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

- 9.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.

Secured Creditors

NatWest

- 9.2 NatWest held security by way of a fixed charge over deposits, created on 2 August 2016.
- 9.3 At the date of appointment, the Company had an outstanding balance of £10,255.45 due to NatWest in respect of an overdrawn Euro bank account and charges payable. NatWest has applied its right of set-off under its security against the Company's credit balances to settle its debt in full. No further sums are expected to be due to NatWest.

Wolseley

- 9.4 Wolseley hold security by way of fixed and floating charges, created on 9 April 2019, and also a legal charge over the Property, created on 3 April 2019. Wolseley's security is also subject to the Deed of Priority detailed at paragraph 9.10 below.
- 9.5 Wolseley provided funding to the Company by way of a vendor loan in connection with a Management Buy Out ("MBO"). In addition, Wolseley also provided funding to the Company by way of various loan notes prior to the MBO.
- 9.6 We understand that c£7m remained outstanding in respect of the vendor loan in respect of the MBO, which was secured by way of a fixed charge over the Property. A further £1.9m in respect of various loan notes, and any shortfall under the fixed charge detailed above, is secured by way of a floating charge. As part of the negotiations in respect of the sale, Wolseley agreed to receive £6.9m from the Property proceeds. As such, Wolseley received the sum of £6.9 under their fixed charge upon the sale of the Property.

Topco

- 9.7 Topco hold security by way of a debenture, incorporating fixed and floating charges, created on 10 December 2019. Topco's security is also subject to the Deed of Priority detailed at 9.10 below.
- 9.8 Topco provided funding for working capital to the Company.
- 9.9 We understand that Topco are owed approximately £3,900,000.00 in respect of sums paid to the Company. In the period to date, Topco have received the sum of £977,499.00 under their fixed charge following the sale of the Business Intellectual Property and the Property as detailed in Section 4. A further £22,500.00 has been paid under their floating charge, thus totalling £999,999.00. It is anticipated that there may be further sums payable to Topco under these charges, albeit the quantum and timing remains uncertain at this time.

Deed of Priority

- 9.10 A Deed of Priority was entered into by the secured creditors on 10 December 2019. The Deed details the following:
- 9.11 Pursuant to the Deed, the ranking of the security is agreed as:
- Wolseley legal charge;
 - Topco debenture; and
 - Wolseley share pledge and Wolseley floating charge.
- 9.12 The priority of the debts is agreed as (in each case inclusive of costs, interest etc. on those facilities):
- Wolseley liabilities under £7m facility less any shortfall on the Property;
 - Topco liabilities under the £3.9m facility; and
 - Wolseley liabilities under the loan note facility plus any shortfall in the £7m facility after the Property is realised.

Preferential Claims

- 9.13 The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay and certain pension contributions.
- 9.14 When the Company ceased to trade on 21 February 2020, 138 members of staff were made redundant. These members of staff were owed arrears of pay from 1 February 2020 to 21 February as well as any accrued holiday pay.
- 9.15 The Company retained 8 members of staff ("the Retained Employees") in order to assist with the provision of information required for the Accelerated Merger and Acquisition ("AMA") process run by LCR and for the benefit of the Administration. Immediately following the Joint Administrators' appointment, the Retained Employees were made redundant. The Retained Employees' preferential claims relate to arrears of pay from 16 March 2020 to 19 March 2020, accrued holiday pay and certain pension contributions.
- 9.16 The Joint Administrators, along with their appointed employment consultants, Evolve IS Limited ("Evolve IS"), have assisted employees in submitting their relevant claims with the Redundancy Payment Service ("RPS") who would make certain payments to the employees and become a subrogated creditor for the amounts paid out.
- 9.17 Preferential claims in relation to wages and holiday pay are estimated at £167,198.
- 9.18 There will be further preferential claims for outstanding employee pension contributions for the Retained Employees' post-cessation of trade wages relating to all of February 2020 and 1 March 2020 to 13 March 2020. Total preferential claims for arrears of employee pension contributions are estimated to total £374.
-

9.19 The necessary claims to the RPS in respect of outstanding contributions have been submitted and we await receipt of the RPS's subrogated claim in this matter.

9.20 It is anticipated that preferential creditors will be repaid in full.

Prescribed Part

9.21 The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, the administrator must make a Prescribed Part of the company's net property available to the unsecured creditors and not distribute it the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.

9.22 Based upon the information currently available, it is estimated that there will be a Prescribed Part fund available in this case. In instances where there will be no dividend to unsecured creditors except for the Prescribed Part, as is the case here, the Prescribed Part fund will be distributed at the appropriate time by the Joint Administrators.

Unsecured Non-Preferential Claims

9.23 At present, it is considered unlikely that a liquidator will be appointed for the purpose of enabling a distribution to unsecured creditors.

9.24 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.

9.25 If you have not already done so, please submit details of your claim to my office. A proof of debt form is attached at Appendix H for your ease of use. These will enable the Joint Administrators to pay any Prescribed Part dividend referred to in paragraph 9.21 above. The claims will also be collated and passed to any subsequently appointed Liquidator, should the position change.

10 MATTERS STILL TO BE DEALT WITH

10.1 Matters still to be dealt with before conclusion of the Administration include the following:

- The realisation of the remaining assets, as detailed in sections 4 and 5;
- The formal agreement of the preferential creditor claims;
- The distribution to the preferential creditors;
- The formal agreement of the unsecured creditor claims;
- Additional distribution(s) to Topco, secured creditor, if appropriate;
- The distribution of the Prescribed Part fund; and
- The unpaid remuneration and expenses will need to be defrayed.

11 EXTENSIONS TO THE ADMINISTRATION

11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.

11.2 In certain circumstances it may be necessary to extend the administrators' term of office. In the context of this case, this may be done for a specified period not exceeding twelve months as follows:

- With the consent of each secured creditor of the Company; and
- A decision of the preferential creditors in a decision procedure.

- 11.3 The appropriate body of creditors will be contacted in due course should an extension be required.
- 11.4 The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.

12 NEXT REPORT

- 12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

13 DATA PROTECTION

- 13.1 Finally, when submitting details of your claim in the administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix I, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully

For and on behalf of

LUXURY FOR LESS LIMITED T/A SOAK.COM



ANDREW POXON
JOINT ADMINISTRATOR

Andrew Poxon and Sean Williams are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 8620 and 11270, respectively

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation ("CVL"). It is further proposed that the Joint Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the Company, and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Andrew Poxon and/or Sean Williams be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

APPENDIX B

SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
19 MARCH 2020 TO 18 SEPTEMBER 2020

	Estimated to Realise £	The Period £
Receipts		
Freehold Property	7,419,500.00	7,419,500.00
Business IP Rights, Name and Brand	599,999.00	599,999.00
Interest	-	1.64
Physical Assets - Liverpool	85,000.00	85,000.00
Physical Assets - Nuneaton	7,686.00	7,686.00
Post Appointment Sales Receipts	86.94	86.94
I.T. Equipment	1.00	1.00
Balance at Bank	778,630.23	478,570.45
Sundry Refunds	973.92	973.92
Cash in Hand	335.00	335.00
	8,892,212.09	8,592,153.95
Payments		
Pre-Appointment		
Pre-Appointment Administrators' Fee		(150,000.00)
Pre-Appointment Agents' Fees and Expenses		(8,000.00)
Post-Appointment		
Administrators' Remuneration		(25,000.00)
Agents' Fees and Expenses		(20,850.00)
Agents' Disbursements		(550.00)
Agents' Auction Costs		(1,460.34)
Agents Property Inspection Fees		(5,000.00)
Solicitors' Fees and Expenses		(75,210.00)
Insurance of Freehold Property		(8,417.26)
Disbursements CAT1		(1,171.40)
Insurance		(375.00)
Bank Interest and Charges		(52.50)
Court Costs		(27.00)
Title Indemnity Insurance		(2,500.00)
Sub-Contract Labour		(958.92)
		(299,572.42)
Distributions		
Secured Creditor - Wolesley		(6,900,000.00)
Secured Creditor - Soak Topco (Fixed charge)		(977,499.00)
Secured Creditor - Soak Topco (Floating Charge)		(22,500.00)
Secured Creditor - NatWest		(10,255.45)
		(7,910,254.45)
Balance in Hand		382,327.08

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 19 MARCH 2020 TO 18 SEPTEMBER 2020**

	Total Units	Cost £	Average Hourly Rate £
Statutory and Review	291	9,225.00	317.01
Receipts and Payments	177	6,400.00	361.58
Insurance	64	1,940.00	303.13
Assets	697	27,645.50	396.64
Liabilities	1,465	38,482.50	262.68
Landlords	41	1,560.50	380.61
Debenture Holder	121	5,619.50	464.42
General Administration	158	5,382.00	340.63
Appointment	99	3,123.00	315.45
Planning and Strategy	8	224.00	280.00
Post Appointment Decision Procedures	546	17,491.50	320.36
Investigations	145	3,445.00	237.59
LEGAL SERV - Preparation	471	21,608.00	458.78
LEGAL SERV - Research	17	476.00	280.00
LEGAL SERV - Email In	4	112.00	280.00
LEGAL SERV - Email Out	21	483.00	230.00
Total	4,325	143,218.00	331.14

All Units are 6 minutes

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it ensures that the case is managed efficiently and resourced appropriately, which is of benefit to all creditors. The work that was carried out under this category during the period of this report has comprised of the following:

- Case management reviews. These have been carried out periodically throughout the period. In the early stages of the case this involved weekly team meetings to discuss and agree case strategy. A further handover review was conducted to move the case onto the progressions and closures team. As the case progresses we will carry out regular reviews to ensure that the case is progressing as planned;
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Completion of case checklists following the appointment of Joint Administrators to ensure that all statutory tasks and duties have been fulfilled as required;
- Review of IP record; and
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly. Work carried out during the period of this report has included the following:

- Opening of case bank account;
- Management of case bank account to ensure compliance with relevant risk management procedures;
- Preparation of periodic receipts and payments accounts for inclusion in the Joint Administrators' Report and Statement of Proposals. It is anticipated that time will be allocated to preparing receipts and payments accounts for inclusion in at least two further progress reports, including this first progress report;
- Preparation, review and update of the case Estimated Outcome Statement ("EOS") in order to ensure that the case is progressing as required and payments are allocated correctly; and
- Managing estate expenses.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor. Work carried out during the period of this report has included the following:

- Reviewing and progressing any pre-appointment insurance rebates due
- Periodic review of insurance requirements over physical assets, to minimise costs to the estate;
- Calculation and request of Joint Administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect creditors against the

fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors;

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice; and
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company directors to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pension's legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme.

Assets

- Agreeing strategy for realisation of Company assets, including the sale of the Intellectual Property and IT equipment, review and discussions regarding the various sales of assets held at the Nuneaton premises. Further work was conducted in relation to the initial aborted sale of the Property and the re-issued completion date. Additional work was required for the investigations into the HMRC Bonded account and gathering the information required in order to realise these funds;
- A review of the strategy for the realisation of the outstanding Dutch debtor due to its insolvency and if there is any potential return to the estate;
- A review of the information relating to the rebate from the Chinese supplier to ascertain the best avenue for recovery in this matter;;
- Instruction of and liaising with CAM relating to the sale of the various chattel assets and discussions with Shoosmiths in relation to the aborted sale of the Property;
- Liaising with the Company's bankers re pre-appointment bank accounts including correspondence with NatWest regarding the HMRC bonded account and the transfer of funds to the Administration case bank account;
- Identification and return of third party assets and discussions with Royal Mail regarding the collection of their vehicles from site; and;
- Identification and dealing with any assets subject to retention of title ("ROT"). Letters have been sent out to various ROT creditors but no claims have been received in respect of this.

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Processing of claims from the Company's 647 creditors. The majority of claims received by value related to various trade and expense creditors as claims have been received they have been logged on the system. The majority of the creditors by number appear to relate to consumer creditors regarding damaged or missing goods or refunds due to them for items. We are currently dealing with all consumer creditors on a weekly basis in order to make sure that all potential claims are received. We will begin the process of agreeing claims in the next reporting period in anticipation of paying out a dividend to unsecured creditors under a prescribed part;
- Processing of claims from the Company's employees. The company held 138 members of staff of which 8 were retained to finalise matters prior to the administration. We have liaised with our appointed agents Evolve IS in order to collect the various claims and submit them to the RPS. Review the draft RP14 form and RP14A form prepared for submission to the RPS by Evolve IS;
- Preparation, review and submission of the Joint Administrators' initial letter to creditors pursuant to SIP16; and
- Preparation, review and submission of pre-appointment tax and VAT returns. We have instructed Champion to review and calculate any outstanding pre appointment tax matters.

Non-statutory

- Dealing with enquiries from the Company's creditors. We have had numerous calls and emails from consumer creditors requesting further information in relation the Administration and if they will either receive their replacements/refunds or what are the next steps in claiming within the administration. Due to the nature of the Company it was anticipated that there would be a sizable amount of queries from the consumer creditors. Responses have been provided with regards the queries that have been received throughout the period;
- Dealing with enquiries from the Company's employees; and

- Discussions with the secured creditors regarding the various distributions that have been made during the period of the Administration to date.

Landlords

- Review of current leases in respect of Company premises; and
- Liaising with landlords in respect of premises and the removal of stock and equipment held at the Nuneaton and Liverpool premises and arranging the handing back of the keys to the relevant parties after the removal of goods.

Debenture Holder

- Discussions with the various debenture holders regarding distributions made to them under their security.

General Administration

This category of work does not result in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the administration:

- General planning matters;
- Setting up and maintaining the administrators' records;
- Arranging collection and storage of company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

Appointment

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration process. Other tasks are completed in order to ensure the administration is progressed to the benefit of all creditors and stakeholders. Actions completed to date are both statutory and non-statutory and include the following:

- Statutory notifications to creditors and other interested parties following the Joint Administrators' appointment; and
- Completion of internal initial appointment documentation.

Planning and Strategy

- Update and review of the EOS and identification of strategy to progress the administration as required.

Post Appointment Creditors' Decisions

Agreeing and reporting on our proposals and fee basis is a statutory requirement. Work completed to date includes the following:

- Preparation of Joint Administrators' Report and Statement of Proposals for achieving a statutory purpose of the Administration;
- Preparation of Fees Estimate and Statement of Expenses in accordance with the Rules;
- Convening a decision by correspondence to agree Fees Estimate with appropriate body of creditors and review of various voting forms received; and
- Reporting on outcome of voting.

Investigations

- Collecting and reviewing the Company's records
- Review of the Company's bank statements;
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Company Directors Disqualification Act 1986

Legal Services

Time costs relate to time incurred by Leonard Curtis's in house legal team where it has been deemed more cost effective to do so for the benefit of the estate as opposed to engaging a third party. Time has been incurred on the following items;

- Reviewing post appointment delivery of notices;
- Reviewing the validity of the security charges registered over the Company;
- Review position with regards priority of charges registered over the Company;
- Reviewing the post completion of the sale of the Property after the aborted completion date including liaising with Shoosmiths and discussions with Wolseley;
- Review of the IT contract;
- Completion of PN1, Land Registry, Trademark and Patent searches;
- Reviewing ROT queries regarding stock no longer held with the Company; and
- Review of deed of surrender with regards the Nuneaton lease.

**SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO DATE
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEES ESTIMATE**

	Fees Estimate			Incurred To Date			Variance
	Total			Total			Cost
	Units	Cost	Average Hourly Rate	Units	Cost	Average Hourly Rate	
	No	£	£	No	£	£	£
Statutory and Review	306	9,873.50	322.66	291	9,225.00	317.01	(648.50)
Receipts and Payments	113	3,153.50	279.07	177	6,400.00	361.58	3,246.50
Insurance	70	2,111.00	301.57	64	1,940.00	303.13	(171.00)
Assets	980	40,180.50	410.01	697	27,645.50	396.64	(12,535.00)
Liabilities	3,685	124,390.00	337.56	1,465	38,482.50	262.68	(85,907.50)
Landlords	92	3,905.00	424.46	41	1,560.50	380.61	(2,344.50)
Debenture Holder	57	2,150.00	377.19	121	5,619.50	464.42	3,469.50
General Administration	139	4,175.00	300.36	158	5,382.00	340.63	1,207.00
Appointment	99	3,123.00	315.45	99	3,123.00	315.45	-
Planning and Strategy	52	1,936.50	372.40	8	224.00	280.00	(1,712.50)
Post Appointment Decision Procedures	441	13,940.00	316.10	546	17,491.50	320.36	3,551.50
Investigations	168	5,707.00	339.70	145	3,445.00	237.59	(2,262.00)
LEGAL SERV - Preparation	277	12,386.00	447.15	471	21,608.50	458.78	9,222.50
LEGAL SERV - Research	-	-	-	17	476.00	280.00	476.00
LEGAL SERV - Email In	2	56.00	280.00	4	112.00	280.00	56.00
LEGAL SERV - Email Out	19	427.00	224.74	21	483.00	230.00	56.00
Total	6,500	227,514.00	350.02	4,325	143,218.00	331.14	(84,296.00)
All Units are 6 minutes							

APPENDIX E

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 19 MARCH 2020 TO 18 SEPTEMBER 2020
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses (All Category 1 Disbursements)

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	10.00	20.00	20.00	20.00	-
Bond Fee	AJA Insolvency Risk Services	Insurance bond	400.00	463.00	463.00	463.00	-
Document Hosting	Pelstar	Hosting of documents for creditors	98.00	264.60	264.60	264.60	-
Software Licence Fee	Pelstar	Case management system licence fee	87.00	87.00	87.00	87.00	-
Statutory Advertising	Courts Advertising	Advertising	83.02	91.80	91.80	91.80	-
Storage Costs	Charles Taylor	Storage of books and records	500.00	-	-	-	-
Post Redirection	Royal Mail	Redirection of Post	216.00	-	-	-	-
		Total standard expenses	1,394.02	926.40	926.40	926.40	-

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Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Accountancy Fees	TBC	Statement of Affairs assistance	3,000.00	-	-	-	-
Agents Fees	CAM	Fees in relation to finalising the sale of remaining physical assets.	12,750.00	12,150.00	12,150.00	12,150.00	-
Agents Fees	Evolve	Pension advice	275.00	-	-	-	-
Agents Fees	Evolve	ERA claims assistance	7,850.00	7,750.00	7,750.00	7,750.00	-
Agents Fees	Landwood	Additional costs from the sale of the Property	-	2,000.00	2,000.00	2,000.00	-
Staff Mileage	Leonard Curtis Staff	Category 2 disbursement requiring specific creditor / committee approval	200.00	-	-	-	-
Key Personnel Assistance	Sub-contract Staff	Cost of Post-Appointment Employee Assistance	1,500.00	958.92	958.92	958.92	-
Tax Advice	TBC	Tax accountant advice in relation to capital gains on the Property	2,500.00	-	-	-	-
Legal Fees	Shoosmiths	Advice in respect of the sale of the Property	75,000.00	75,210.00	75,210.00	75,210.00	-
Marketing fees (CAT1)	CAM	Costs of subscription to IP-Bid to market business and assets	245.00	245.00	245.00	245.00	-
Auction Fees	CAM	Costs of auctioning remaining assets	-	1,460.34	1,460.34	1,460.34	-
Insurance	Eddisons	Cost of Insurance over Company's assets including the various Company Chattel assets and the Property	26,600.00	8,792.26	8,792.26	8,792.26	-
Bank Charges	AIB	Interest and Charges from transactions on account	-	52.50	52.50	52.50	-
Court Costs	HMCTS	Application costs of Court	-	27.00	27.00	27.00	-
Capital Gain Tax	TBC	Tax payable on any profit achieved upon sale of the assets (in particular the Property)	TBC	-	-	-	-
Agents Fees	TBC	Property agents fees in connection with the Property Sale	1% of sale price (est.)	-	-	-	-
Property Holding Costs	TBC	Utilities, security etc in period prior to Property being sold (est. £5k per month)	40,000.00	-	-	-	-
		Total	169,920.00	108,646.02	108,646.02	108,646.02	-

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by the appropriate body of creditors that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard £	Complex £	1 Aug 2019 onwards	Standard £	Complex £
Director	450	562	Director	525	656
Senior Manager	410	512	Senior Manager	445	556
Manager 1	365	456	Manager 1	395	494
Manager 2	320	400	Manager 2	345	431
Administrator 1	260	325	Administrator 1	280	350
Administrator 2	230	287	Administrator 2	250	313
Administrator 3	210	262	Administrator 3	230	288
Administrator 4	150	187	Administrator 4	165	206
Support	0	0	Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

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Type	Description	Amount																								
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search																								
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload, plus VAT.	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IYA</td><td>£10 p.a. or £25 for life of case</td><td></td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IYA	£10 p.a. or £25 for life of case	
Type	First 100	Every addtl 10																								
ADM	£14.00	£1.40																								
CVL	£7.00	£0.70																								
MVL	£7.00	£0.70																								
CPL	£7.00	£0.70																								
CVA	£10.00	£1.00																								
BKY	£10.00	£1.00																								
IYA	£10 p.a. or £25 for life of case																									
Postage	Cost of posting documents in connection with a case to external recipients	Calculated in accordance with Royal Mail Hybrid Mail rates and dependent on whether the document is sent by first or second class post.																								
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, external room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

LUXURY FOR LESS LIMITED T/A SOAK.COM – IN ADMINISTRATION

Storage of office files (6 years)
Business mileage

£30 per box
45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

ESTIMATED OUTCOME STATEMENT

	Wolseley	Topco	Preferential	Unsecured
	£'000	£'000	£'000	£'000
Amount available to class of creditor	6,900	1,295	575	83
Amount due to creditor per Estimated Financial Position	(8,900)	(3,900)	(168)	(8,659)
Estimated dividend rate (as a %)	77.5%	33.2%	100%	<1%

Proof of Debt – General Form

Relevant date: 19 March 2020

Please e-mail completed form to:

claims.manchester@leonardcurtis.co.uk quoting ref: L594K/JSM/PROOF

Name of Company in Administration:

Luxury For Less Limited t/a Soak.com

Company registered number:

08013835

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.
3. **Please e-mail completed form to:**

claims.manchester@leonardcurtis.co.uk quoting ref: L594K/JSM/PROOF

PRIVACY NOTICE

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS