

Joint Administrators' remuneration report

Palmer & Harvey McLane Limited

CR-2017-008976

Palmer & Harvey (Holdings) Plc

CR-2017-008977

2 May 2024

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1. Abbreviations and definitions

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

Abbreviation or definition	Meaning
ABLs	Asset Based Lenders, namely Barclays Bank Plc, HSBC Invoice Finance (UK) Limited, PNC Business Credit (a trading name of PNC Financial Services UK Limited), RBS Invoice Finance Limited and Santander UK Plc
Administrators / we / us / our	Matthew Boyd Callaghan, Ian David Green and Zelf Hussain to 10 May 2019 Ian David Green and Zelf Hussain from 10 May 2019 to 19 December 2019 Zelf Hussain and Mark James Tobias Banfield from 19 December 2019
Companies	Palmer & Harvey (Holdings) Plc "PIC" Palmer & Harvey McLane Limited "PHML"
Excluded work	Work done in connection with investigatory work detailed in section 2.5 of the Administrators remuneration report dated 15 June 2018
P&H / Palmer & Harvey Group	P&H Direct Limited, Palmer & Harvey McLane (Holdings) Limited, P&H (1925) Limited "1925", P&H Snacksdirect Limited, P&H Sweetdirect Limited, P & H Direct Van Sales Limited - all formerly in administration and the Companies
Group	P&H Direct Limited, Palmer & Harvey McLane (Holdings) Limited, P&H Snacksdirect Limited, P&H Sweetdirect Limited, P & H Direct Van Sales Limited, WS Retail Limited (all formerly in administration), the Companies, and all other companies in the wider group
HMRC	HM Revenue & Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Preferential Creditors	Primarily employee claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
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
PwC/Firm	PricewaterhouseCoopers LLP
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
SIP	Statement of Insolvency Practice (issued by regulatory authorities, setting out principles and key compliance standards with which insolvency practitioners are required to comply)
Tobacco Companies / TCs	Imperial Brands Finance Plc and Gallaher Limited
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by **Zelf Hussain and Mark James Tobias Banfield** as Administrators of the Companies, solely to comply with the Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

Any person choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Administrators' previous reports issued to the Companies creditors, which can be found at www.pwc.co.uk/palmerandharvey. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Zelf Hussain and Mark James Tobias Banfield have been appointed as Administrators of the Companies to manage their affairs, business and property as its agents and act without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The 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 Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Administrators. Personal data will be kept secure and processed only for matters relating to the Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Administrators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

2. Background

2.1 Purpose of this remuneration report to creditors

If a company or individual is facing financial difficulty they may enter a formal insolvency process under the control of an independent external person (an insolvency practitioner). The costs of the proceedings are paid out of the assets of the company or the individual's estate and include the insolvency practitioner's remuneration, which in this case would be our fees for acting as Administrators.

We must seek approval for the basis of our remuneration before it is paid and provide the fee approving body with sufficient information for them to make a decision. Insolvency law determines who the fee approving body is (and it depends on the circumstances of the case), but it's usually those creditors who have a direct interest in the amount paid because it impacts on how much those creditors recover.

Changes to insolvency legislation on 1 October 2015 also now require us to give all known creditors details of the work we expect to carry out during the case and the expenses that are likely to be incurred. Also, if our fees are proposed to include remuneration calculated on a time costs basis, we must provide an estimate of those fees. This report provides all this information and details of where further information can be obtained.

Excluded work

We previously issued a remuneration report in respect of each company on 15 June 2018. In those reports, we set out the notes and assumptions around the proposed fees and at section 2.5 we set out the work which was not included in the original fees estimate.

The Excluded work centred around any potential future investigatory work and any related work in connection with these investigations.

As confirmed in our progress report issued in December 2023, the Administrators have resolved the potential claims they were investigating against certain former professional advisors referred to in our previous reports in respect of the Companies without admission of liability. The settlement agreement and its terms are confidential. As a result of the settlement, detailed in the receipts and payments account, of which 95% is due to the Companies, the remaining 5% is due to another connected party that was party to the litigation; P&H 2008 Limited - in liquidation and fees in respect of this entity are being dealt with separately.

Our allocation of settlement proceeds between the claimant companies was 90% to PHML, 5% to Plc and 5% to P&H 2008 Limited. This apportionment is based on the pre appointment cash position, trading and revenue positions.

This report has been prepared to set out our proposed fees in connection with this work, the Administrators will be seeking the below fixed fees for work in respect of the litigation.

Company	Fixed fee (£)
PHML	175,500.00
Plc	9,750.00

We are also seeking approval from the relevant approving bodies of creditors of PHML and Plc for the shared costs incurred in connection with this work, we are proposing to allocate costs between the claimant companies in accordance with the % split of proceeds detailed above.

Throughout the course of this work, we have provided regular updates to the TCs; being the parties with the main economic interest in this matter and the administrations, and sought approval at various stages of the work in regards to both the Administrators costs and the expenses incurred for professional advisors.

2.2 Action required by you

In respect of Palmer & Harvey McLane Limited, the Secured and Preferential creditors have the responsibility for fixing the basis of our fees, Category 2 expenses and shared costs (as defined in Section 4.1).

In the case of Palmer & Harvey (Holdings) Plc, the Secured creditors have the responsibility for fixing the basis of our fees, Category 2 expenses and shared costs (as defined in Section 4.1).

We will seek such fee approval separately in due course. This Remuneration Report is therefore for information purposes only and no action is required.

Table 1 – Dividend prospects

Company	Secured Creditors (p in the £)	Preferential Creditors (p in the £)	Unsecured Creditors (p in the £)
PHML			
This report:	ABLs 100p TCs 80-100p	100p (paid)	0.0978 (paid)
Last report:	ABLs 100p TCs 80-100p	100p (paid)	0.0978p (paid)
Plc			
This report:	ABLs 100p TCs 80-100p	N/A	less than 1p in the £
Last report:	ABLs 100p TCs 80-100p	N/A	Nil

As noted previously, it is uncertain whether all of the Secured Creditors will fully recover their lending and accrued interest out of their security over the Group's assets.

On appointment, the total value of the secured lending across the Group was £253.5m, the debt due to the ABLs was c.£187.4m (this included £9m funding provided to the administration on appointment which has since been repaid), secured by way of fixed and floating charges over the Group's assets. The ABLs held first ranking security (except in 1925) and their debt has been repaid in full.

The TCs held second ranking security over the Group's assets and were owed (prior to post appointment interest accruals) c.£66.1m. The amount owing across the Group to the TCs continues to increase as a result of the ongoing interest accrual. As the ABLs' debt has been discharged in full, funds were made available for distribution to the Tobacco Companies. To date, distributions totalling c.£67.9m have been made by PHML (both through realisations in the administration account and outside of it) and other companies within the Group to the TCs under the terms of their security.

A dividend of 100p in the £ was paid to Preferential creditors of PHML on 21 July 2020.

We stated in our proposals that we believed there will be no funds to distribute to Unsecured creditors, other than via the Prescribed part. A maximum Prescribed part distribution of £600,000 was paid to the Unsecured Creditors of PHML on 10 February 2022, providing a return to creditors of 0.0978p in the £.

We do not expect to pay a further dividend to the Unsecured Creditors of PHML

There are no known preferential creditors of Plc.

We had previously said that we did not believe that there would be sufficient realisations to enable a Prescribed part distribution to the Unsecured creditors of Plc, however following the conclusion of Excluded work as noted above, a Prescribed part dividend of less than 1p in the £ is now payable to the creditors of Plc.

If you have not submitted your claim in the administration of Plc and had an outstanding balance due at the date of the Administrators' appointment on 28 November 2017, please complete and return a proof of debt form available at www.pwc.co.uk/palmerandharvey as soon as possible to ensure that you can participate in the distribution.

Creditors' rights

You can find information on administrators' fees and your rights at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx?la=en>

2.3 How fees are calculated

Insolvency law currently allows fees to be calculated in three ways:

- As a percentage of the value of the property which we deal with (often referred to as a "percentage basis");
- By reference to the time properly given by us and our staff attending to the matters arising ("time costs basis");
or
- A set amount (a fixed fee).

The basis of our fees can be a combination of the above and different bases can be used for different parts of our work. The fee approving body decides which basis (or combination of bases) should be used to calculate fees, once it is satisfied that the fee basis proposed represents the most appropriate mechanism in the circumstances of the case.

Insolvency law says that in determining the basis of our remuneration, regard must be had to the following:

- The complexity (or otherwise) of the case;
- Any exceptional responsibility falling on us;
- The effectiveness with which we are carrying out, or to have carried out, our duties; and
- The value and nature of the property with which we have to deal.

2.4 The proposed basis of fees

In the case of both PHML and Plc we are proposing that our remuneration is on a fixed fee basis and in the next section we include details of the work included.

We will be proposing fixed fees of £175,000 and £9,750 in relation to the Excluded work for PHML and Plc. We are asking for a fixed fee resolution over a time cost resolution as the majority of our work in the administration has already been completed. We will not be charging the creditors for any additional work that was either out of our control or that we are currently not aware of.

3. Our fees estimate

3.1 Work we propose to undertake

The following table provides details of the work:

- we propose to do (indicated by)
- have already done (); or
- which is in progress ().

It provides a brief summary for each category rather than an exhaustive list of all possible tasks.

Table 1 – Work undertaken in relation to the Excluded work

Category of work	General description	Work included
Assets	Investigations in connection with Excluded work	<ul style="list-style-type: none"> • Working closely with legal advisors, counsel, experts and factual witnesses to progress the Companies' claim against third parties <input checked="" type="checkbox"/> • Identifying and implementing the optimal legal strategy to enhance realisations for creditors <input checked="" type="checkbox"/> • Monitoring litigation claims and potential windfalls <input checked="" type="checkbox"/> • Recovering refunds into the administration <input checked="" type="checkbox"/>
Creditors	Secured creditors	<ul style="list-style-type: none"> • Preparing updates to the TCs in connection with investigations progress <input checked="" type="checkbox"/> • Responding to the TC's queries <input type="checkbox"/> • Providing updated outcome estimates to the TCs <input type="checkbox"/> • Discussing litigation outcomes and next steps with the TCs <input checked="" type="checkbox"/> • Making distributions in accordance with security entitlements <input type="checkbox"/>
Investigations	Conducting investigations	<ul style="list-style-type: none"> • Collecting company books and records where related to investigatory work <input checked="" type="checkbox"/> • Reviewing books and records <input checked="" type="checkbox"/>
	Asset recoveries	<ul style="list-style-type: none"> • Identifying potential asset recoveries <input checked="" type="checkbox"/> • Instructing and liaising with solicitors regarding proposed actions <input checked="" type="checkbox"/> • Holding internal meetings to discuss status of litigation <input checked="" type="checkbox"/> • Attending to negotiations and settlement matters <input checked="" type="checkbox"/>
Statutory and compliance	Books and records	<ul style="list-style-type: none"> • Collecting the Companies' books and records related to investigatory work <input checked="" type="checkbox"/> • Reviewing books and records in connection with investigatory work <input checked="" type="checkbox"/>
Administration	Strategy and planning	<ul style="list-style-type: none"> • Managing costs and budgets to ensure funding remains available to progress ongoing litigation to include reporting to key stakeholders on claim status <input checked="" type="checkbox"/> • Internal meetings & updates on litigation <input checked="" type="checkbox"/> • Identifying and implementing the optimal legal strategy to enhance realisations for creditors <input checked="" type="checkbox"/>

Included in the above table are tasks that we must perform that may not directly benefit creditors financially. These typically relate to fulfilling obligations imposed by statute or regulatory bodies.

3.2 Further approval

We do not think we will need to seek further approval in regards to the Excluded work because we do not anticipate there to be further work, other than that of which we are already aware. Furthermore, the proposed fee basis provides creditors with certainty over the level of fees we will take for our work in the administration.

4. Expenses

4.1 What is an expense?

Expenses are amounts properly payable by the office holder from the estate but excludes our fees and dividends to creditors. These include disbursements, which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment. They fall into two categories: Category 1 and Category 2:

Expenses	SIP9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to associates or which have an element of shared costs.

The rate for services provided by the Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. All other disbursements to be charged at cost.

The table below shows the Category 2 expenses that we think will be incurred in relation to these administrations and our proposed policy for recovering these costs, along with the shared costs we are seeking approval of from creditors:

Photocopying	Up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.
Mileage	For petrol/diesel/hybrid; At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) For fully electric at a maximum of 72 pence per mile For a bicycle at a maximum of 12 pence per mile
Shared costs	We are proposing that costs incurred in relation to the 'Excluded work' are split between PHML, Plc and P&H (2008) Limited in accordance with the split of realisations. The settlement proceeds were allocated as 90% to PHML and 5% to each of Plc and 2008 and shared costs will be allocated in line with this allocation.

Approval for Category 2 expenses for photocopying and mileage was obtained from the Secured Creditors and Preferential Creditors for PHML and Secured Creditors of Plc with our 2018 remuneration request.

PHML

The following table provides a breakdown of the Category 2 expenses have been incurred by us as Administrators or our associates in the period, together with details of the Category 1 expenses that have been incurred by PwC and will be recharged to the cases:

Category	Provided by	Basis of cost	Costs incurred £
2	PwC	Photocopying - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	-
2	PwC	For petrol/diesel/hybrid: At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) For fully electric at a maximum of 72 pence per mile For a bicycle at a maximum of 12 pence per mile	-
1	PwC	Shared legal costs - detailed in table below	352,168.06
1	PwC	Storage	7,070.60
Total		Brought forward at 27 November 2023	130,964.11

Total	Incurred from 28 November 2017 to 27 March 2024		490,202.77
Plc			
Category	Provided by	Basis of cost	Costs incurred £
2	PwC	Photocopying - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	-
2	PwC	For petrol/diesel/hybrid: At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) For fully electric at a maximum of 72 pence per mile For a bicycle at a maximum of 12 pence per mile	-
1	PwC	Shared legal costs - detailed in table below	19,564.89
Total		Brought forward at 27 November 2023	820.65
Total		Incurred from 28 November 2017 to 27 March 2024	20,385.54

Legal fees incurred in connection to the Excluded work disclosed earlier in this report will be apportioned in accordance with the split of settlement proceeds, approval will be sought from the relevant bodies of creditors in due course for this allocation of shared costs. The details of the costs incurred in connection with the Excluded work and proposed split are detailed as follows:

Legal costs	PHML (90%)	Plc (5%)	2008 (5%)	Total
(£)	352,168.06	19,564.89	19,564.89	391,297.84

4.2 Our expenses estimate

The following table shows expenses incurred to date and an estimate of further expenses we consider will be (or are likely to be) incurred.

The total expenses estimates for the PHML and Plc are £10,376,689.47 and £415,532.87 respectively.

The estimate excludes any potential tax liabilities that may be payable as an expense of the administration in due course because amounts due will depend on the position at the end of the tax accounting period.

Our expenses estimate includes pre-administration costs that would, if approved, be payable as an expense of the administration and which were explained in more detail in our proposals dated 18 January 2018. Whilst pre-administration costs are subject to approval in the same manner as our remuneration, they do not form part of our remuneration in relation to our work as Administrators following our appointment.

Plc	Brought forward from 27 November 2023	Incurred in the period under review	Cumulative	Estimated future	Anticipated total	Revised estimate	Initial estimate
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Bank charges	-	-	-	25.75	25.75	25.75	203.00
Office holders expenses	820.65	-	820.65	200.00	1,020.65	744.38	744.38
Legals	348,484.93	42,812.91	391,297.84	5,000.00	396,297.84	396,297.84	23,000.00
Insurance	14,000.00	-	14,000.00	-	14,000.00	14,000.00	14,000.00
Pre administration costs	4,464.90	-	4,464.90	-	4,464.90	4,464.90	4,464.90
Total (excl VAT)	367,770.48	42,812.91	410,583.39	5,225.75	415,809.14	415,532.87	42,412.28

PHML	Brought forward from 27 November 2023 (£)	Incurred in the period under review (£)	Cumulative (£)	Estimated future (£)	Revised estimate (£)	Initial estimate (£)
Bank charges	775.75	-	775.75	-	775.75	600.00
Office holders expenses	130,964.05	7,070.66	138,034.71	6,000.00	144,034.71	49,515.48
Legals	2,715,213.41	1,018.14	2,716,231.55	15,000.00	2,731,231.55	2,230,370.00
Agents - asset realisations	512,795.50	-	512,795.50	-	512,795.50	421,930.38
Rent	615,481.60	-	615,481.60	-	615,481.60	582,637.69
Gross salaries	3,397,544.38	-	3,397,544.38	-	3,397,544.38	3,452,987.03
Employee expenses	167,282.24	-	167,282.24	-	167,282.24	53,154.33
Subcontractors	137,014.40	-	137,014.40	-	137,014.40	148,253.80
Petty cash	3,822.50	-	3,822.50	-	3,822.50	1,250.00
Motor and travel expenses	1,856.26	-	1,856.26	-	1,856.26	3,028.58
Lease/Hire payments	192,712.74	-	192,712.74	-	192,712.74	160,619.58
IT costs	598,737.82	-	598,737.82	-	598,737.82	221,829.76
Utilities and rates	495,005.99	-	495,005.99	-	495,005.99	735,447.58
Insurance	299,197.02	6,977.60	306,174.62	5,000.00	311,174.62	305,551.19
Repairs and maintenance	108,010.21	-	108,010.21	-	108,010.21	129,046.82
Site clearance	191,106.10	-	191,106.10	-	191,106.10	212,759.69
Duress payments	291,271.93	-	291,271.93	-	291,271.93	222,048.00
Postage and stationary	14,847.82	-	14,847.82	-	14,847.82	14,076.28
Advertising	531.00	-	531.00	-	531.00	444.00
Storage costs	35,204.14	-	35,204.14	-	35,204.14	27,353.14
Security	260,265.32	-	260,265.32	-	260,265.32	319,415.58
Professional fees	60,544.12	-	60,544.12	-	60,544.12	49,431.18
TV licence	147.00	-	147.00	-	147.00	147.00
Pre administration costs	93,018.75	-	93,018.75	-	93,018.75	93,018.75
Corporation tax	13,291.16	-	13,291.16	-	13,291.16	-
Total (excl VAT)	10,336,641.21	15,066.40	10,351,707.61	26,000.00	10,377,707.61	9,434,915.84

Note that the legal costs incurred and estimated in Plc and PHML above will change following the approval of the apportionment of the shared legal costs related to the Excluded work. All of the legal costs incurred to date have been paid through Plc and therefore following approval of the apportionments, PHML and 2008 will make payments to Plc for the relevant contributions in line with the above allocations.

5. Professionals and subcontractors

The following table provides details on the use of professionals and sub-contractors (work we could have done, but have outsourced).

Table 6 – Professionals and subcontractors

Service provided	Name of firm	Reason selected	Basis of fees and actual/estimated cost of the work
Legal advice, including: <ul style="list-style-type: none"> Contract renewal and debtor dispute assistance Advice on retention of title claims Investigation matters (also instructed by Plc) 	<ul style="list-style-type: none"> Dentons UK and Middle East LLP DLA Piper UK LLP Ashurst LLP Hogan Lovells LLP (also instructed by Plc) Quinn Emmanuel Urqhart & Sullivan UK LLP (also instructed by Plc) 	Industry knowledge and expertise; and Previous company knowledge	Time costs and disbursements
Chattel agents and valuers	<ul style="list-style-type: none"> Hilco Valuation Services The Fleet Auction Group 	Industry knowledge	% of realisations
Property agents, services including: <ul style="list-style-type: none"> Security Waste collection / skip hire 	<ul style="list-style-type: none"> Moorcroft Vacant Property Management ACM Environmental Plc Triton Securities and Facilities Management Limited 	Appropriateness of services and cost	Time costs and disbursements; and % realisations
Agents, services including: <ul style="list-style-type: none"> Debt collection Rates refunds 	<ul style="list-style-type: none"> Hilton-Baird Collection Services Limited CAPA UK 	Expertise and cost	% realisations
Subcontractors and others <ul style="list-style-type: none"> Assisting with the collection of debtors 	<ul style="list-style-type: none"> PG & JE Limited JRC Consultancy Services 	Expertise and cost	Time costs and disbursements

We require all third party professionals to submit time costs analyses and narrative or a schedule of realisations achieved, dependent on their fee basis, in support of invoices rendered. All invoices are reviewed before being approved for payment. We are satisfied that the level of legal and professional costs is appropriate.

6. Notes and assumptions

6.1 Fees estimate

We have made the following key assumptions:

- We have assumed that any additional further work that becomes necessary or beneficial, is not so excessive such that it would have impacted on the appropriateness of a fixed fee basis or the amount of that fee.
- We have assumed that as the settlement in relation to the “Excluded Work” is concluded there will be no further work involved with this.

6.2 Expenses

We have made the following key assumptions:

- No additional assets will come to light in relation to the Excluded work which will require Legal or agent assistance.

6.3 Associates

The Administrators have no business or personal relationships with parties responsible for approving remuneration or who provide services to the Administrators in respect of the appointment where the relationship could give rise to a conflict of interest.

7. Receipts & payments

PHML				
Statement of affairs		28 November 2017 to 27 November 2023	28 November 2023 to 27 March 2024	28 November 2017 to 27 March 2024
Fixed charge realisations				
1,945,000	Freehold property	3,400,000.00	-	3,400,000.00
	Bank interest	618.30	-	618.30
		3,400,618.30	-	3,400,618.30
Fixed charge cost of realisations				
		-	-	-
		-	-	-
Fixed charge balance				
		3,400,618.30	-	3,400,618.30
Floating charge realisations				
1,989,000	Fixtures & Fittings, Office Equipment & Computers	245,831.99	-	245,831.99
237,099,000	Debtors	213,458,339.82	12,440.11	213,470,779.93
	Plant & Machinery	257,884.00	-	257,884.00
190,000	Motor Vehicles	1,157,275.68	-	1,157,275.68
	Pre-appointment cash balance	870,442.74	-	870,442.74
	Stock	857,921.72	-	857,921.72
	Settlement	5,500,000.00	(550,000.00)	4,950,000.00
	Intellectual property	131,013.80	-	131,013.80
593,000	Refunds	830,720.84	-	830,720.84
359,000	Prepayments	-	-	-
	Bank Interest	212,184.72	43,465.68	255,650.40
	Suspense Account*	29,069.63	-	29,069.63
		223,550,684.94	(494,094.21)	223,056,590.73
Floating charge cost of realisations				
	Sub Contractors	(137,014.40)	-	(137,014.40)
	Motor & travel expenses	(1,856.26)	-	(1,856.26)
	Professional Fees	(60,544.12)	-	(60,544.12)
	Leased equipment / hire purchase	(192,712.74)	-	(192,712.74)
	Site clearance	(191,106.10)	-	(191,106.10)
	Repairs & Maintenance	(108,010.21)	-	(108,010.21)
	Agents' fees & disbursements	(512,795.50)	-	(512,795.50)
	Duress Payments	(291,271.93)	-	(291,271.93)

Security	(260,265.32)	-	(260,265.32)
Software licences, trademarks & IT	(598,884.82)	-	(598,884.82)
Office costs, Stationery & Postage	(14,847.82)	-	(14,847.82)
Legal Fees & disbursements	(2,666,194.56)	(1,018.14)	(2,667,212.70)
Employee deductions from earnings	(1,701.97)	-	(1,701.97)
Irrecoverable VAT	(13.00)	-	(13.00)
Storage Costs	(35,204.14)	-	(35,204.14)
Statutory advertising	(531.00)	-	(531.00)
Corporation tax	(14,061.37)	-	(14,061.37)
Office holders' fees	(5,900,000.00)	-	(5,900,000.00)
Rent	(615,481.60)	-	(615,481.60)
Utilities & Rates	(497,721.01)	-	(497,721.01)
Insurance	(295,697.02)	-	(295,697.02)
Wages & Salaries	(2,241,473.29)	-	(2,241,473.29)
PAYE/NIC and Pension Deductions	(1,156,122.56)	-	(1,156,122.56)
Employee expenses & related costs	(167,282.24)	-	(167,282.24)
Bank charges	(750.00)	-	(750.00)
ISA unclaimed dividend fee	(25.75)	-	(25.75)
Head office expenses	(3,822.50)	-	(3,822.50)
	(15,965,391.23)	(1,018.14)	(15,966,409.37)
Distributions			
Secured Creditors - TCs	(27,403,680.62)	-	(27,403,680.62)
Secured Creditors - ABLs	(178,300,793.68)	-	(178,300,793.68)
Preferential creditors (100p in the £ - paid 21 July 20)	(1,447,517.55)	-	(1,447,517.55)
Prescribed part - unsecured creditors (0.0987p in £ - paid 10 February 2022)	(573,216.89)	-	(573,216.89)
Payment to Insolvency Service - unclaimed dividends	(26,783.11)	-	(26,783.11)
	(207,751,991.85)	-	(207,751,991.85)
Floating charge balance	3,233,920.16	(495,112.35)	2,738,807.81
VAT control account	28,882.35	(157.04)	28,725.31
Funds held in interest bearing Barclays account	3,262,802.51	(495,269.39)	2,767,533.12

*Note that distributions made to the Tobacco Companies include fixed charge distributions of £3,400,618.30

**Statement
of affairs Plc**

	28 November 2017 to 27 November 2023	28 November 2023 to 27 March 2024	28 November 2017 to 27 March 2024
	£	£	£
Fixed Charge realisations	-	-	-
Fixed Charge cost of realisations	-	-	-
Fixed balance	-	-	-
Floating Charge realisations			
Bank Interest	1,469.07	-	1,469.07
Funding from Chargeholders	278,680.62	-	278,680.62
Settlement (5% allocation)	-	275,000.00	275,000.00
Refunds	86,535.03	-	86,535.03
Sundry realisations	5,633.03	-	5,633.03
	372,317.75	275,000.00	647,317.75
Floating Charge cost of realisations			
Insurance	(14,000.00)	-	(14,000.00)
Legal fees	(289,842.48)	(101,455.36)	(391,297.84)
	(303,842.48)	(101,455.36)	(405,297.84)
Floating charge balance excluding ABL funding	68,475.27	173,544.64	242,019.91
VAT control account	(13,227.63)	(20,291.07)	(33,518.70)
Funding from ABLs	89,797.55	-	89,797.55
Funds held in non interest bearing Barclays account	145,045.19	153,253.57	298,298.76

Consolidated notes to the R&Ps

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties.
2. As explained further above, our fees are based on a fixed fee. The receipts and payment account for PHML shows the amount paid to date.
3. There have been no payments made to us, our firm or our associates other than from the insolvent estate as shown in the receipts and payments account provided above.
4. On 21 July 2020, we paid a dividend to Preferential creditors at the rate of 100 pence in the £ from PHML.
5. On 10 February 2022, we paid a maximum prescribed dividend to unsecured creditors of PHML at the rate of 0.0987 pence in the £ from PHML.
6. Funds are held in an interest bearing account for PHML and following tax clearance, a non interest bearing account for Plc. Interest received previously in Plc is shown above.