



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 

0	0	1	0	2	3	8	4
---	---	---	---	---	---	---	---

Company name in full Pittards plc

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

### 2 Administrator's name

Full forename(s) Lucy

Surname Winterborne

### 3 Administrator's address

Building name/number Ernst & Young LLP

Street The Paragon

Counterslip

Post town Bristol

County/Region

Postcode B S 1 [ ] 6 B x [ ]

Country United Kingdom

### 4 Administrator's name ①

Full forename(s) Daniel Christopher

Surname Hurd

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

### 5 Administrator's address ②

Building name/number Ernst & Young LLP

Street One Colmore Square

Post town Birmingham

County/Region

Postcode B 4 [ ] 6 H Q [ ] [ ]

Country United Kingdom

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	<sup>d</sup> 0	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 4
To date	<sup>d</sup> 0	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 4

**7**

### Progress report

I attach a copy of the progress report

**8**

### Sign and date

Administrator's  
signature

Signature

X



X

Signature date

<sup>d</sup> 0	<sup>d</sup> 1	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 4
----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------



### 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 **Catriona Lynch**

Company name **Ernst & Young LLP**

Address **Atria One**

**144 Morrison Street**

Post town **Edinburgh**

County/Region **Midlothian**

Postcode **E H 3 8 E X**

Country **United Kingdom**

DX

Telephone **0131 777 2440**



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

**TO ALL KNOWN CREDITORS**

1 October 2024

Ref: TRS/LW/CL/Creditors

[pittardsadministration@uk.ey.com](mailto:pittardsadministration@uk.ey.com)

Dear Sir or Madam

**Pittards Plc (in Administration) ('the Company')  
High Court of Justice Business and Property Courts at Bristol Insolvency and  
Companies List (ChD), Number CR-2023-BRS-0092**

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016, to provide creditors with a report on the progress of the Administration. This report covers the period from 4 March 2024 to 3 September 2024 and should be read in conjunction with the Joint Administrators' Statement of Proposals ('the Proposals') dated 26 October 2023 and our previous progress report dated 28 March 2024, which covered the period 4 September 2023 to 3 March 2024.

The Company entered Administration on 4 September 2023 and Dan Hurd and I were appointed to act as Joint Administrators. The appointment was made by the Company's Directors under the provisions of paragraph 22(2) of Schedule B1 of the Insolvency Act 1986.

As licenced insolvency practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration.

Certain statutory information about the Company, the Administration and the Administrators is given at Appendix 1.

**Extension of Administration**

As is reported in greater detail below, there are outstanding matters to complete in the Administration, including the realisation of the Company's freehold property and making the necessary distributions to the secured creditor, Lloyds Banking Group ('LBG'). Accordingly, consent was sought from LBG and approval was sought from the preferential creditors to extend the Administration by 12 months, to end on 3 September 2025 to enable the Joint Administrators to conclude all relevant matters. I am pleased to confirm that this approval was provided and the necessary filing has been made to the Registrar of Companies and the Court.

To date, no creditors have expressed an interest in forming a creditors' committee.

## 1. Summary of progress since our last report

As detailed in our previous progress report, it was not possible to trade the Company in Administration which sadly necessitated the immediate redundancy of 126 employees following the appointment of the Joint administrators.

Consequently, the main activities undertaken in the period are the continued orderly wind-down of the Company's business, piecemeal realisation of its assets and the removal of residual stock and unsold raw materials from the Company's freehold property in order that it can be marketed for sale with vacant possession.

Six staff were initially retained to assist the Joint Administrators with the orderly wind down of the Company. As at 3 March 2024, three people were still employed by the Company.

During the period covered by this report, the remaining stock was sold, leading to the remaining three staff being made redundant by 2 May 2024. There are now no employees retained by the Company.

### ***Realisation of assets***

#### **Freehold property**

As previously reported, the Company's principal asset is its freehold property at Sherborne Road, Yeovil, Somerset ('the Site'). At the date of appointment, the Site had a net book value of £3.7m and is subject to a fixed charge held by LBG.

The Site will be marketed with vacant possession and, while it has taken longer to clear the site than was originally anticipated, we expect it to be marketed imminently. As a result, our initial timeline of six to nine months to conclude a sale of the site, as outlined in our previous report, has been exceeded.

During the period, the Joint Administrators have changed the property marketing agent from Avison Young LLP to Alder King LLP after revisiting the Site realisation strategy.

We have therefore revised our previous estimate, and now are now working on the assumption that a sale of the Site could be completed in early 2025. We will update creditors on progress in our next report.

Given the exposed nature of the Site, a small number of break-ins including some vandalism has occurred. This has led to the Joint Administrators taking preventative measures to improve the security of the Site which has led to additional time costs and property holding costs being incurred. This is reflected in our Receipts and Payments account at Appendix 2.

#### **Stock**

In the period covered by this report, a final £175k has been realised from sales of stock, which brings total realisations to £700k. The total sums achieved for the stock are lower than the Directors' Statement of Affairs estimated to realise figure of c.£1m. The stock was widely marketed and a commission arrangement was also provided to try to maximise realisations. The total commission payable on the stock realisations is £36k. It was agreed the commission would be paid to Accendo Ltd, where one of the retained employees is now working. No commission has been paid to date.

There will be no further realisations from stock and the value received reflects the appetite in both the UK and overseas markets in this type of product.

### **Book debts**

Debtor collections are ongoing, and we are pleased to advise that a further £46k has been realised since our last report to creditors. As has previously been reported, the Directors' Statement of Affairs estimated £0.9m of the ledger balance of £2.1m could be realised, however due to inter-company write-offs and disputes on accounts, the Joint Administrators concluded that this level of realisations will ultimately not be achievable.

Total realisations to date are £628k and the Joint Administrators' agents, Hilton Baird, continue to assist with the collection of the remaining book debts. However, as they near the end of their debt collection cycle, we do not anticipate any significant further realisations from the aged debtors ledger. We will update creditors further in our next report.

### **Plant & Machinery**

As detailed in our previous progress report, following our appointment, we engaged Lambert Smith Hampton ('LSH') to act as our agents to provide advice and assistance in relation to the valuation and sale of the Company's plant and machinery.

To date, £416k has been realised from the sale of plant and machinery, the majority of which was sold via an online auction and has now been removed from the Site by purchasers.

£411k of these funds are currently held by Lambert Smith Hampton ('LSH') and the balance of proceeds (accounting for LSH's realisation costs) will be remitted to the Administration shortly.

The remaining £5k was received during the period from the Joint Administrator's Solicitors, TLT, in relation to the sale of specific equipment, which formed part of the sale of intellectual property to Accendo Limited, as noted below.

LSH, as our retained agents, has engaged contractors to assist with the clearance of the site following the removal of the plant and machinery. It was initially anticipated that this would be completed by the end of April and costs would be in excess of £120k. However, due to statutory testing required on certain chemicals before they can be removed, the Site clearance has taken longer than expected. We anticipate this will be completed within the next couple of months. With the additional removal costs for chemicals, we now anticipate total Site clearance costs will be in excess of £200k. We will update creditors further in our next report.

No further realisations are expected from plant and machinery.

### **Sale of shares in subsidiary companies**

On 28 September 2023, the Joint Administrators completed a sale of the shares of the Company's subsidiary, Pittard Garnar Services Limited (the holding company of two of its Ethiopian subsidiaries) to Accendo Limited for £40k. These funds have now been received and therefore this matter has concluded. Accendo Limited has some common directors with the Company (Dr Alan Burgess and Reginald Hankey).

A sale of the shares in the remaining Ethiopian subsidiary, Pittards Global Sourcing Private Company Limited ("PGSPCL") is still ongoing. A conditional sales contract was exchanged with Accendo Limited on 19 June 2024, requiring pre-completion clearance from the Ethiopian tax authority. We expect to receive confirmation of tax clearance shortly. Realisations will be £10k from this share sale.

### **Cash on appointment**

During the period, cash held increased by £40k. Prior to the appointment of the Joint Administrators the Company had put funds on account with its solicitors, TLT. Following appointment and subsequent sale of assets, the remaining balance of funds was paid across to the Administration. We do not expect to realise any further pre-appointment cash.

### **Intellectual property**

As creditors were previously advised, a sale of intellectual property was completed on 15 December 2023 for £45k, including three of the Company's brands; Pittards, Daines & Hathaway and Hill & Friends. The purchaser of the intellectual property was Accendo Ltd, a party which has some common Directors with the Company (Alan Burgess and Reginald Hankey). The funds from this sale have been remitted to the Joint Administrators' and no further realisations are expected from intellectual property. Nominal amounts of £1 have also been realised in relation to Goodwill and Sellers Records.

### **Bank interest**

In the period, £10k of bank interest has been received, bringing total bank interest received to £16k.

## **2. Receipts and payments account**

A summary of our receipts and payments for the period from 4 March 2024 to 3 September 2024 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

## **3. Joint Administrators' remuneration**

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

Our remuneration was fixed on a time-cost basis by approval of the secured creditor, LBG, and a decision from the preferential creditors. The resolutions were signed by the secured creditor on 21 December 2023.

During the period covered by this report, namely 4 March 2024 to 3 September 2024, we have incurred time costs totalling £374,376 (total time costs to date being £2,616,891) in relation to dealing with the realisation of the Company's assets and all other statutory duties. However, the amount that will be available to the Administrators to draw as fees will be restricted by the level of fixed and floating charge realisations after deducting appropriate expenses. Based on current realisations and estimated future realisations the quantum of remuneration drawn will likely be significantly below the £2.6m of time costs

noted above. Of this sum, only £50,000 has been drawn as fees to date while property holding costs are still being incurred prior to the Site being sold.

At Appendix 5 to this report there is analysis and narrative explanation of the time spent and Appendix 6 details the Joint Administrators' charging policy for remuneration.

#### **4. Joint Administrators' expenses**

During the period covered by this report, we have incurred Category 1 and Category 2 disbursements totalling £2,538 plus VAT. There is an analysis of expenses incurred in this period and to date at Appendix 3 of this report.

#### **5. Pre-Administration costs**

As noted in our last report, the Joint Administrators had approval from the secured and preferential creditors for the payment of unpaid pre-Administration costs totalling £32,623 plus VAT. The payment of unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 of the Insolvency (England and Wales) Rules 2016, and not part of the proposals subject to approval under paragraph 53 of Schedule B1 of the Insolvency Act 1986. These fees have now been paid in full.

#### **6. Distributions to creditors**

##### ***Secured creditor***

LBG is the Company's secured creditor and had total indebtedness at 4 September 2024 of £11.2m before any termination charges.

Two items of plant and machinery were financed by LBG and the total debt outstanding against these was £256k. These items were sold at auction by LSH on 23 November 2023 and net realisations were £52k. These funds have been remitted directly to LBG and therefore are not reflected in the Joint Administrators' receipts and payments account.

It is currently estimated that LBG will suffer a significant shortfall against its debt.

##### ***Primary preferential creditors***

Claims from employees in respect of accrued but unpaid arrears of pay up to £800, accrued but unpaid holiday pay and certain pension benefits, rank preferentially and in priority to other preferential creditors (see below). These claims are therefore referred to as 'primary preferential creditors'.

The Joint Administrators estimate the amount of primary preferential creditors at the date of our appointment to be £340k and as previously reported, we currently believe there will be insufficient realisations to permit a dividend to this class of creditor.

##### ***Secondary preferential creditors***

Claims from HMRC, in relation to VAT, PAYE and employees' National Insurance Contributions rank preferentially, but secondary to the employee primary preferential creditors above. These claims are therefore referred to as 'secondary preferential creditors'.

We estimate the amount of secondary preferential claims at the date of our appointment to be £779k and are of the opinion that there will be insufficient realisations to permit a dividend to this class of creditor.

***Non-preferential, unsecured creditors***

The Joint Administrators continue to receive claims from non-preferential, unsecured creditors of the Company. It is estimated that non-preferential, unsecured claims will be in the region of £4m. There will be insufficient realisations to generate a prescribed part that would be available for distribution to unsecured creditors.

**7. Remaining work**

We will continue to deal with the Administration in line with the stated objectives outlined in the proposals. Future tasks will include, but may not be limited to, the following:

- ▶ Clearance and subsequent sale of the freehold property;
- ▶ Debtor collection
- ▶ Dealing with corporation tax and VAT matters, which includes filing statutory returns;
- ▶ Dealing with creditor enquiries from both former employees and trade creditors;
- ▶ Distributing realisations to the secured creditor of the Company;
- ▶ Ensuring all statutory reporting and compliance obligations are met;
- ▶ Finalising the Administration, including payment of all Administration liabilities; and
- ▶ Any other actions required to be undertaken by the Joint Administrators in order to fulfil the purpose of the Administration.

Please see Appendix 5 for a more detailed explanation of the work which is in progress or to be completed.

**Next report**

We will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

In the meantime, if you have any queries regarding the content of this report, please do not hesitate to contact us by email [pittardsadministration@uk.ey.com](mailto:pittardsadministration@uk.ey.com).

Yours faithfully  
for Pittards Plc (in Administration)



Lucy Winterborne  
Joint Administrator

Lucy Winterborne is licensed in the United Kingdom to act as an Insolvency Practitioner by The Insolvency Practitioners Association and Daniel Christopher Hurd is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants in England and Wales.

The affairs, business and property of the Company are being managed by the Joint Administrators, Lucy Winterborne and Daniel Christopher Hurd, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

### **Appendices on following pages:**

Appendix 1 – Information about the proceedings, the Company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Appendix 2 - Summary of Joint Administrators' receipts and payments incurred in the period 4 March 2024 to 3 September 2024

Appendix 3 - Summary of Joint Administrators' expenses incurred in the period 4 March 2024 to 3 September 2024

Appendix 4 - Joint Administrators' time costs for the period 4 March 2024 to 3 September 2024

Appendix 5 - Joint Administrators' time costs and explanation of the work done in the period 4 March 2024 to 3 September 2024

Appendix 6 - Statement of Joint Administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No.9

## Appendix 1

### Information about the proceedings, the Company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice, Business and Property Courts in Bristol, Insolvency & Companies List (ChD)
Court reference:	CR-2023-BRS-0092
Registered name of the Company	Pittards Plc (in Administration)
Registered office address of the Company:	The Paragon, Counterslip, Bristol, BS1 6BX
Registered number:	00102384
Country of incorporation (for a Company incorporated outside the United Kingdom):	N/A
Date of appointment of the Joint Administrators:	4 September 2023
Details of any changes of Administrator:	N/A
Full names of the Administrators:	Lucy Winterborne and Daniel Christopher Hurd
Office holder number(s):	21130 / 20030
Administrators' address(es):	Lucy Winterborne Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX
	Daniel Christopher Hurd Ernst & Young LLP No.1 Colmore Square Birmingham B4 6HQ
Email:	<a href="mailto:pittardsadministration@uk.ey.com">pittardsadministration@uk.ey.com</a>
Name of alternative person to contact with enquiries about the case:	Catriona Lynch

## Appendix 2

### Pittards Plc (in Administration)

#### Summary of Joint Administrators' receipts and payments incurred in the period 4 March 2024 to 3 September 2024

Statement of affairs	From 4 September 2023 to 3 March 2024	From 4 March 2024 to 3 September 2024	Total	
	£	£	£	
<b>ASSET SUBJECT TO A FIXED CHARGE</b>				
Intellectual Property	0.00	44,998.00	44,998.00	
Subsidiary sales	0.00	40,000.00	40,000.00	
Goodwill	0.00	1.00	1.00	
	0.00	84,999.00	84,999.00	
<b>ASSET SUBJECT TO A FLOATING CHARGE</b>				
Rental Income	13,000.00	0.00	13,000.00	
Sundry Income	36.24	94.72	130.96	
900,000.00	Debtors	581,924.54	45,840.56	627,765.10
	Bank Interest	6,336.42	9,857.58	16,194.00
1,000,000.00	Stock	524,956.99	174,965.00	699,921.99
	Plant and Machinery	0.00	5,000.00	5,000.00
	Sellers Records	0.00	1.00	1.00
	Cash on appointment	0.00	40,000.00	40,000.00
		1,126,254.19	275,758.86	1,402,013.05
<b>FIXED CHARGE EXPENSES</b>				
Property Holding Costs	(21,924.13)	(35,802.14)	(57,726.27)	
Marketing	(1,345.00)	0.00	(1,345.00)	
Insurance	(18,573.17)	0.00	(18,573.17)	
Utilities	0.00	(8,974.42)	(8,974.42)	
Legal Fees	(26,310.24)	(36,531.37)	(62,841.61)	
	(68,152.54)	(81,307.93)	(149,460.47)	
<b>FLOATING CHARGE EXPENSES</b>				
Health & Safety	(4,270.10)	0.00	(4,270.10)	
Public Notices	(94.00)	0.00	(94.00)	
Statement of Affairs costs	(2,000.00)	0.00	(2,000.00)	
Bank charges	(195.40)	25.40	(170.00)	
Motor Vehicle Repairs	(607.08)	0.00	(607.08)	
Fuel expense	0.00	(20.00)	(20.00)	
Electrical Works	0.00	(550.00)	(550.00)	
Equipment Hire	0.00	(640.00)	(640.00)	
Employers Pension	(2,948.28)	(203.57)	(3,151.85)	
Gross Wages	(158,996.21)	(19,953.59)	(178,949.80)	
Employers NIC	(16,390.31)	(2,466.15)	(18,856.46)	
Employee Benefits	(5,239.57)	5,533.46	293.89	
Insurance	(2,754.92)	0.00	(2,754.92)	
Legal Fees	(22,586.90)	(5,966.43)	(28,553.33)	
Other Professional Fees	0.00	(3,150.00)	(3,150.00)	

Debt Collection Expenses	(4,396.14)	(1,152.42)	(5,548.56)
Joint Administrators' fees	0.00	(82,623.00)	(82,623.00)
Telephone, telex, fax etc	(7,759.15)	(6,409.27)	(14,168.42)
Packaging Costs	(7,268.20)	(358.99)	(7,627.19)
Storage charges	0.00	(1,109.15)	(1,109.15)
Sundry Expenses	(1,007.70)	(254.88)	(1,262.58)
Utilities	(14,931.92)	(17,412.62)	(32,344.54)
	(251,445.88)	(136,711.21)	(388,157.09)
<b>UNSECURED CREDITORS</b>			
<u>(3,671,645.91)</u>	Unsecured creditors	0.00	0.00
<u>(1,771,645.91)</u>		<u>806,655.77</u>	<u>142,738.72</u>
			<u>949,394.49</u>
<b>REPRESENTED BY</b>			
Petty Cash	1,000.00	(666.10)	333.90
Flt VAT Receivable	11,257.35	22,744.71	34,002.06
RBS-GBP-32882482-Floating			
Current	780,515.56	43,231.09	823,746.65
Flt VAT Payable	(94,773.77)	(45,130.41)	(139,904.18)
PAYE/NIC Control Account	(7,940.27)	7,940.27	0.00
Flt VAT Control Account	110,624.62	99,596.74	210,221.36
Fixed VAT Receivable	9,850.87	13,743.83	23,594.70
Fixed VAT Payable	(2,600.00)	0.00	(2,600.00)
Pension Control Account	(1,278.59)	1,278.59	0.00
	<u>806,655.77</u>	<u>142,738.72</u>	<u>949,394.49</u>

## Notes

1. Receipts and payments are stated net of VAT.
2. Some of the costs incurred to date have been reclassified against fixed charge realisations.

## Appendix 3

### Pittards Plc (in Administration)

#### Summary of Joint Administrators' expenses incurred in the period 4 March 2024 to 3 September 2024

Type of Expense	Per Estimate dated 12 December 2023	Paid in Period 4 September 2023 - 3 March 2024		Paid in period 4 March 2024 - 3 September 2024	Outstanding amount or revised estimate	Total
		£	£			
Legal costs	128,000	48,897	42,498	36,605	128,000	
Agents' costs	181,000	4,396	4,302	172,301	181,000	
Insurance	76,000	21,328	Nil	54,672	76,000	
Employee costs	126,000	183,574	17,090	Nil	200,664	
Property costs	471,000	51,238	70,043	349,719	471,000	
Bank charges and interest	100	195	-	25	330	500
Statutory costs	21,000	94	1,109	19,797	21,000	
Corporation tax	5,000	Nil	Nil	5,000	5,000	
Statement of affairs fee	2,000	2,000	Nil	Nil	2,000	
Packaging costs	Nil	7,268	359	Nil	7,627	
Repair of motor vehicles and fuel	Nil	607	20	Nil	627	
<b>Category 1 disbursements (notes 2 and 3)</b>						
Specific penalty bond	420	420	355	65	840	
Accommodation and subsistence costs	12,650	11,810	291	59	12,160	
Travel costs (excluding mileage)	1,500	311	Nil	1,189	1,500	
Postage and printing	5,000	3,611	161	1,228	5,000	
Sundry expenses	1,000	Nil	Nil	1,000	1,000	
<b>Category 2 disbursements (notes 2 and 3)</b>						
Mileage	7,850	8,723	1,731	200	10,654	
<b>Totals</b>	<b>1,038,520</b>	<b>344,472</b>	<b>137,934</b>	<b>642,165</b>	<b>1,124,572</b>	

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
  - ▶ Category 1 expenses are payments to persons providing the service to which the expense relates and who are not an associate of the office holder
  - ▶ Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Disbursements fall into either Category 1 or Category 2.
- 4 Creditors will note that the 12 December 2023 estimate of total expenses has been exceeded. This is principally due to additional costs being incurred in relation to the retained employees still being on the payroll, due to stock and site clearance taking longer than originally anticipated. This has necessitated additional visits to the Site by the Joint Administrators' staff, which has also increased mileage and subsistence costs.

## Appendix 4

### Pittards Plc (in Administration)

#### Joint Administrators' time costs for the period 4 March 2024 to 3 September 2024

	Staff Grade							Total Hours	Total Cost £	Average Rate £
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	-	0.8	2.4	2.3	25.8	143.8	4.8	179.9	93,717.70	520.9
Creditors	-	-	-	-	1.8	3.8	-	5.6	3,375.00	602.7
Debtors	-	-	-	1.7	19.2	14.3	-	35.2	23,419.00	665.3
Employees	-	-	0.4	-	28.5	27.5	1.3	57.7	36,949.00	640.4
Environmental Issues	-	-	-	-	1.8	5.7	-	7.5	4,383.00	584.4
Other Assets	-	1.5	2.5	24.4	9.7	25.8	-	63.9	48,872.60	764.8
Other Matters	-	-	-	-	8.8	0.6	0.6	10.0	6,933.20	693.3
Property	-	8.5	-	25.1	8.5	15.2	-	57.3	50,113.70	874.6
Reporting	-	-	-	10.2	63.4	13.3	0.5	87.4	63,434.20	725.8
Statutory Duties	-	1.0	3.5	-	11.4	-	21.8	37.7	20,546.40	545.0
VAT & Taxation	-	-	1.2	3.8	17.9	6.4	2.8	32.1	22,631.90	705.0
<b>Total Hours</b>	<b>-</b>	<b>11.8</b>	<b>10.0</b>	<b>67.5</b>	<b>196.8</b>	<b>256.4</b>	<b>31.8</b>	<b>574.3</b>		
<b>Time Costs (£)</b>	<b>-</b>	<b>15,614.90</b>	<b>10,900.00</b>	<b>64,985.60</b>	<b>156,302.60</b>	<b>161,086.80</b>	<b>10,425.70</b>		<b>374,375.70</b>	
<b>Average Hourly Rate (£)</b>	<b>-</b>	<b>1,323.3</b>	<b>1,090.0</b>	<b>962.7</b>	<b>794.2</b>	<b>628.3</b>	<b>327.9</b>		<b>651.9</b>	

## Appendix 4

### Pittards Plc (in Administration)

#### Joint Administrators' time costs for the period 4 March 2024 to 3 September 2024 and a comparison with the fee estimate dated 12 December 2023

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Administration & Planning	546.2	305,311.00	559	179.9	93,717.70	521	827.0	443,690.2	537
Creditors	176.1	100,765.50	572	5.6	3,375.00	603	99.1	58,927.5	595
Debtors	378.7	235,909.00	623	35.2	23,419.00	665	293.6	175,591.0	598
Employees	460.9	332,471.50	721	57.7	36,949.00	640	496.3	353,901.0	713
Environmental Issues	6.2	4,365.50	704	7.5	4,383.00	584	21.4	13,138.5	614
Immediate Tasks	84.9	31,036.00	366	-	-	-	124.9	54,508.5	436
Investigation & CDDA	251.3	92,234.50	367	-	-	-	100.6	56,786.5	564
Job Acceptance & Strategy	74.3	31,977.00	430	-	-	-	19.9	11,666.0	586
Legal Issues	161.7	69,740.50	431	-	-	-	25.7	13,878.0	540
Members	42.4	17,028.50	402	-	-	-	2.4	2,123.5	885
Other Assets	689.2	384,693.50	558	63.9	48,872.60	765	935.2	681,976.6	729
Other Matters	291.0	98,485.50	338	10.0	6,933.20	693	150.8	75,568.2	501
Property	483.3	186,515.50	386	57.3	50,113.70	875	203.2	147,271.7	725
Public Relations Issues	1.5	1,425.00	950	-	-	-	1.5	1,635.0	1,090
Reporting	546.1	244,946.50	449	87.4	63,434.20	726	258.0	194,222.7	753
Retention of Title	132.2	52,655.00	398	-	-	-	66.2	39,545.0	597
Statutory Duties	346.7	230,013.50	663	37.7	20,546.40	545	343.5	178,157.4	519
Trading	111.4	53,051.00	476	-	-	-	113.5	53,865.0	475
VAT & Taxation	129.2	84,270.00	652	32.1	22,631.90	705	95.2	60,438.4	635
<b>Total</b>	<b>4,913.3</b>	<b>2,556,894.50</b>	<b>520</b>	<b>574.3</b>	<b>374,375.70</b>	<b>652</b>	<b>4,178.0</b>	<b>2,616,890.70</b>	<b>626</b>

## Appendix 5

### Pittards Plc (in Administration)

#### Joint Administrators' time costs – explanation of the work done in the period 4 March 2024 to 3 September 2024

The work undertaken can be categorised as either related to Statutory work or Asset Realisations. Statutory work is required by the Joint Administrators to fulfil their statutory duties pursuant to the Insolvency Act 1986 and Insolvency (England and Wales) Rules 2016. Asset realisation work is in respect of the Joint Administrators' actions to realise assets for the benefit of the creditors.

Basis of work	Category of work	Description of work to be completed	Work done / in progress / to be performed
Statutory	Accounting & treasury	<ul style="list-style-type: none"> <li>▶ Overall management of the case, statutory compliance diaries and time cost reporting.</li> <li>▶ Cashiering, treasury and accounting functions.</li> </ul>	<ul style="list-style-type: none"> <li>▶ In progress</li> <li>▶ In progress</li> </ul>
Statutory	Creditors	<ul style="list-style-type: none"> <li>▶ Receipt of and recording creditor claims.</li> <li>▶ Correspondence with creditors.</li> </ul>	<ul style="list-style-type: none"> <li>▶ In progress</li> <li>▶ In progress</li> </ul>
Asset realisation	Debtors	<ul style="list-style-type: none"> <li>▶ Dealing directly with certain customers over the realisation of book debts and collection of goods from the Company's premises.</li> <li>▶ Liaising with Hilton Baird regarding the collection of the Company's book debts.</li> </ul>	<ul style="list-style-type: none"> <li>▶ In progress</li> <li>▶ In progress</li> </ul>
Statutory	Employees	<ul style="list-style-type: none"> <li>▶ Assessing staffing requirements and making redundancies.</li> <li>▶ Assisting redundant employees with their claims to the Redundancy Payments Service or the Company.</li> <li>▶ Dealing with employee enquiries.</li> <li>▶ Making statutory submissions to the relevant government departments.</li> <li>▶ Administering the Company's payroll for the employees retained following appointment including taxation and other deductions.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Work done</li> <li>▶ Work done</li> <li>▶ In progress</li> <li>▶ Work done</li> <li>▶ Work done</li> </ul>
Statutory	Environmental issues	<ul style="list-style-type: none"> <li>▶ Assessing position regarding chemicals onsite and discharging of effluent, as well as liaising with licensing authorities.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Work done</li> </ul>
Statutory	Immediate Tasks	<ul style="list-style-type: none"> <li>▶ Completion of work streams requiring immediate attention following the appointment as required by statute.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Work done</li> </ul>
Statutory	Investigations & CDDA	<ul style="list-style-type: none"> <li>▶ Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders".</li> <li>▶ The Joint Administrators' report on the conduct of the directors under the</li> </ul>	<ul style="list-style-type: none"> <li>▶ Work done</li> <li>▶ Work done</li> </ul>

Statutory	Investigations & CDDA	Company Directors Disqualification Act 1986.	
Asset realisation	Job Acceptance & Strategy	<ul style="list-style-type: none"> <li>▶ Matters relating to the appointment and initial planning of the Administration strategy, including formulating and executing the strategy adopted.</li> <li>▶ Implementing the most appropriate exit route from Administration.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Work done</li> <li>▶ Work done</li> </ul>
Statutory	Legal Issues	<ul style="list-style-type: none"> <li>▶ Dealing with any ad hoc legal issues and liaising with TLT LLP on these matters.</li> </ul>	▶ In progress
Statutory	Members	<ul style="list-style-type: none"> <li>▶ Liaising with the Company's shareholders (as required).</li> </ul>	▶ Work done
Asset realisations	Other Assets	<ul style="list-style-type: none"> <li>▶ Assessing, quantifying and seeking to realise value from assets as at the date of appointment.</li> <li>▶ Negotiating inventory sales to third parties and managing collections from the Company's premises.</li> <li>▶ Liaising with Lambert Smith Hampton regarding the sale of the Company's plant and machinery.</li> <li>▶ Dealing with matters pertaining to the realisation of the Company's interest in its remaining Ethiopian subsidiary company</li> </ul>	<ul style="list-style-type: none"> <li>▶ In progress</li> <li>▶ Work done</li> <li>▶ Work done</li> <li>▶ Work done</li> </ul>
Statutory	Other Matters	<ul style="list-style-type: none"> <li>▶ Dealing with assets owned by third parties.</li> <li>▶ Recovery of the Company's physical books and records, and electronic records (including a back-up of the Company's servers and systems).</li> </ul>	<ul style="list-style-type: none"> <li>▶ Work done</li> <li>▶ Work done</li> </ul>
Asset realisation	Property	<ul style="list-style-type: none"> <li>▶ Reviewing documentation of the freehold property owned by the Company.</li> <li>▶ Liaising with Alder King LLP over the marketing and sale of the freehold property.</li> <li>▶ Dealing with the security of the freehold property site.</li> <li>▶ Managing and overseeing the clearance of the site for a vacant possession sale of the property.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Work done</li> <li>▶ In progress</li> <li>▶ In progress</li> <li>▶ In progress</li> </ul>
Statutory	Public relations issues	<ul style="list-style-type: none"> <li>▶ Agreeing and issuing statements to the press as required in pursuit of the Administration strategy.</li> </ul>	▶ Work done
Statutory	Reporting	<ul style="list-style-type: none"> <li>▶ Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report.</li> <li>▶ Reporting to Lloyds Banking Group as secured creditor.</li> </ul>	▶ In progress
Asset realisation	Retention of title	<ul style="list-style-type: none"> <li>▶ Assessment and settlement of claims for retention of title from the Company's suppliers (if applicable).</li> </ul>	▶ Work done

Statutory	Statutory Duties	<ul style="list-style-type: none"> <li>▶ Completion of statutory requirements of the Administration, including notifications to creditors and members, advertising the appointment, and sending to creditors and filing at Companies House.</li> </ul>	<ul style="list-style-type: none"> <li>▶ In progress</li> </ul>
Statutory	Trading	<ul style="list-style-type: none"> <li>▶ Formulating the strategy to ensure orderly wind down of the business.</li> <li>▶ Dealing with a number of suppliers required to support the business during the Administration.</li> <li>▶ Liaising with the Company's Health &amp; Safety specialist to ensure insurance and security is in place</li> </ul>	<ul style="list-style-type: none"> <li>▶ Work done</li> <li>▶ Work done</li> <li>▶ Work done</li> </ul>
Statutory	VAT & Taxation	<ul style="list-style-type: none"> <li>▶ Preparing corporation tax and VAT returns, with input from EY VAT and tax specialists.</li> <li>▶ Submitting relevant notifications to HMRC.</li> <li>▶ Preparing claims for VAT bad debt relief (if applicable).</li> <li>▶ Assessment of the VAT and tax treatments of transactions and agreements entered into during the Administration.</li> </ul>	<ul style="list-style-type: none"> <li>▶ In progress</li> <li>▶ In progress</li> <li>▶ In progress</li> <li>▶ In progress</li> </ul>

Total time costs during the Administration have exceeded the fee estimate dated 12 December 2023. This is due to stock sales and collection, plant and machinery collections and site clearance taking longer than expected. This has necessitated more on-site presence from the Administrators' staff. The following categories have exceeded the estimate on an individual activity level:

*Administration & Planning*

Additional time costs incurred in relation to overall management of the case, treasury and accounting functions and statutory compliance diaries.

*Employees*

Additional time costs incurred in administering the Company's payroll to retained and temporary staff and dealing with statutory submissions.

*Environmental issues*

Additional time costs incurred relating to dealing with the disposal of unsold raw materials, including chemicals.

*Immediate tasks*

Additional time costs incurred relating to the immediate actions requiring attention following the appointment in order to execute the strategy outlined in the Proposals.

*Other assets*

Additional time costs incurred relating to ensuring the sales of the Company's assets was achieved.

*Public relation issues*

Additional times costs incurred in dealing with external communications.

*Trading*

Additional time costs incurred relating to ensuring the sales of the Company's assets was achieved.

The amount that will be available to the Administrators to draw as fees will be restricted by the level of fixed and floating charge realisations after deducting appropriate expenses. Based on current realisations and estimated future realisations the quantum of remuneration drawn will likely be significantly below the £2.6m of time costs incurred to date.

## **Appendix 6**

### **Pittards Plc (in Administration)**

#### **Statement of Joint Administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No.9**

##### **Joint Administrators' charging policy for remuneration**

The Joint Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the Company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established specifically for this engagement. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time.

##### **Administrators' charging policy for expenses**

Statement of Insolvency Practice No. 9 divides expenses into two categories:

- ▶ Category 1 expenses are defined as specific expenditure relating to the Administration of the insolvent's affairs and referable to payment to an independent third party. Such expenses can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No. 9, it is our policy to disclose Category 1 expenses drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the expenses drawn.
- ▶ Category 2 expenses are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No. 9 provides that such expenses are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to seek approval for Category 2 expenses before they are drawn.

It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn.