

# Joint administrators' progress report from 28 November 2019 to 27 May 2020

*Palmer & Harvey McLane Limited*  
CR-2017-008976

*Palmer & Harvey McLane (Holdings) Limited*  
CR-2017-008968

*Palmer & Harvey (Holdings) Plc*  
CR-2017-008977

*P&H (1925) Limited*  
CR-2017-008978

*P & H Direct Van Sales Limited*  
CR-2017-008975

*P&H Sweetdirect Limited*  
CR-2017-008972

*P&H Snacksdirect Limited*  
CR-2017-008979

*All in administration*

In the High Court of Justice, Business and Property  
Courts of England and Wales, Insolvency and  
Companies List (ChD)

23 June 2020

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# Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in 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
BEIS	Department for Business, Energy & Industrial Strategy
Companies	Palmer & Harvey (Holdings) Plc "Plc" Palmer & Harvey McLane (Holdings) Limited "Holdings" Palmer & Harvey McLane Limited "PHML" P & H (1925) Limited "1925" P & H Direct Van Sales Limited "DVS" P&H Snacksdirect Limited "Snacksdirect" P&H Sweetdirect Limited "Sweetdirect"
EBTs	Employee benefit trusts
P&H / Palmer & Harvey Group	the Companies & P&H Direct Limited
Group	The Companies, P&H Direct Limited and WS Retail Limited and all other companies in the wider group
HMRC	HM Revenue & Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
PPF	Pension Protection Fund
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	PricewaterhouseCoopers LLP
RPS	Redundancy Payments Service, part of the Insolvency Service, which is an executive agency sponsored by BEIS, and which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
secured creditor	A creditor with security in respect of their debt, in accordance with Section 248 IA86
Security Agent	Barclays Bank Plc, a secured creditor
SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply.
SIP 2	Statement of Insolvency Practice 2: Investigations by office holders in administrations and insolvent liquidations and the submission of conduct reports by office holders. Effective from 6 April 2016.

SIP 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates
SIP 13	Statement of Insolvency Practice 13: Disposal of assets to connected parties in an insolvency process
Tobacco Companies / TCs	Imperial Brands Finance Plc and Gallaher Limited
unsecured creditors	Creditors who are neither secured nor preferential
Vans business or Vans	DVS, Snacksdirect and Sweetdirect collectively
Wholesale	The principal business of PHML

This report has been prepared by Mark James Tobias Banfield and Zelf Hussain as Joint Administrators of the Companies, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administrations, 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 persons 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 joint 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 joint administrators' previous reports issued to the Companies creditors, which can be found at [www.pwc.co.uk/palmerharvey](http://www.pwc.co.uk/palmerharvey).

*Mark James Tobias Banfield and Zelf Hussain have been appointed as joint 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 Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>*

*The Joint Administrators 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 Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.*

# Key messages

## Why we've sent you this report

We are writing to update you on the progress of the administration of the Companies in the six months since our last report dated 17 December 2019.

Creditors may wish to read this report in conjunction with our proposals or earlier progress report, all of which continue to be available on our website at [www.pwc.co.uk/palmerharvey](http://www.pwc.co.uk/palmerharvey). Please email Adam Thompson on [adam.x.thompson@pwc.com](mailto:adam.x.thompson@pwc.com), if you wish to request a hard copy of the report.

## How much creditors may receive

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

Company	Secured creditors (p in £)	Preferential creditors (p in £)	Unsecured creditors (p in £)
<b>PHML</b>			
This report:	ABLs 100p TCs 92-100p	100p (declared, to be paid)	Up to 1p
Last report:	ABLs 100p TCs 92-100p	100p	Up to 1p
<b>Holdings</b>			
This report:	ABLs 100p TCs 92-100p	N/A	Nil
Last report:	ABLs 100p TCs 92-100p	N/A	Nil
<b>Plc</b>			
This report:	ABLs 100p TCs 92-100p	N/A	Nil
Last report:	ABLs 100p TCs 92-100p	N/A	Nil
<b>1925</b>			
This report:	PPF 100p ABLs 100p TCs 92-100p	N/A	Nil
Last report:	PPF TBC ABLs 100p TCs 92-100p	N/A	Nil
<b>Snacksdirect</b>			
This report:	ABLs 100p TCs 92-100p	100p (paid)	Up to 1p
Last report:	ABLs 100p TCs 92-100p	100p (paid)	Up to 1p
<b>Sweetdirect</b>			
This report:	ABLs 100p TCs 92-100p	100p (paid)	Up to 1p
Last report:	ABLs 100p TCs 92-100p	100p (paid)	Up to 1p
<b>DVS</b>			
This report:	ABLs 100p TCs 92-100p	100p (paid)	Up to 1p
Last report:	ABLs 100p TCs 92-100p	100p (paid)	Up to 1p

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

### **Secured creditors**

As previously stated, it is uncertain whether the secured creditors will be fully repaid their lending and accrued interest out of their security over the Group's assets. On appointment, the total value of the secured lending was £253.5m. The amount owing across the Group to the secured continues to increase as a result of the ongoing interest accrual.

At the date of appointment, the debt due to the ABLs was £187.4m, secured by way of fixed and floating charges over the Group's assets. The ABLs held first ranking security (except in P&H (1925) Limited and following our appointment their debt has been repaid in full.

The Tobacco Companies held second ranking security over the Group's assets (subject to the security in 1925) and were owed £66.1m on appointment. As the ABLs' debt has been discharged in full, funds will be available for distribution to the Tobacco Companies. To date distributions totalling £61.8m have been made to the Tobacco Companies under the terms of their security, and we anticipate a return of 92-100% will be achieved. The timing of future distributions to the Tobacco Companies is currently 6-18 months.

The Group's defined benefit pension scheme holds first ranking security over certain assets in 1925. As such, any realisations from these assets would be due first to the pension scheme (once costs have been discharged). Since our previous report, we have reached an agreement in principle as to the quantum of the pension scheme's claim and hope to conclude this process shortly. This should result in the pension scheme's secured claim in 1925 being settled in full.

### **Preferential creditors**

The dividend prospects for preferential creditors in each Company is as follows:

- PHML – Dividend of 100p in £ declared on 27 April 2020 (see below on the timing of payment).
- Snacksdirect – Dividend of 100p in £ paid on 21 December 2018.
- Sweetdirect – Dividend of 100p in £ paid on 21 December 2018.
- DVS – Dividend of 100p in £ paid on 21 December 2018.
- Plc, Holdings and 1925 – There are no known preferential creditors.

PHML - Unfortunately, as a result of COVID-19 and the Government's placing restrictions to working arrangements, we have not yet been able to pay out the preferential distribution to employees of PHML. We will however do so as soon appropriate arrangements are in place to enable our staff to safely return to the office.

### **Unsecured creditors**

The estimated dividend prospects for unsecured creditors in each of Company is as follows:

- PHML - Prescribed part distribution of up to 1p in the £
- Snacksdirect – Prescribed part distribution of up to 1p in the £
- Sweetdirect – Prescribed part distribution of up to 1p in the £
- DVS – Prescribed part distribution of up to 1p in the £
- Plc, Holdings and 1925 – No dividends are anticipated.

### ***PHML***

There will be a prescribed part dividend to unsecured creditors. We will shortly commence the process of adjudicating and paying the dividend to the unsecured creditors of PHML. We estimate that this may take a further 6 - 9 months to complete.

### ***Snacksdirect, Sweetdirect and DVS***

We have completed the adjudication of the unsecured claims against DVS, Sweetdirect, and Snacksdirect received to date. We will shortly be writing to creditors to give notice of our intention to declare a first and final distribution to the unsecured creditors in each of these companies.

### ***Holdings, Plc and 1925***

There will not be any funds available to make a distribution to the unsecured creditors in these three companies.

## **What you need to do**

This reports if for your information and you do not need to do anything.

However, if you are a creditor of PHML, Snacksdirect, Sweetdirect or DVS and have not yet submitted your unsecured claim in the administrations, please send us your claim so that we can agree it. A claim form can be downloaded from our website at [www.pwc.co.uk/palmerandharvey](http://www.pwc.co.uk/palmerandharvey).

# Overview of what we've done to date

As explained in our earlier reports, our initial strategy was principally to mitigate the losses to the various classes of creditors, by:

- Securing and safeguarding large volumes of stock and facilitating its return to suppliers based on a commercial assessment of RoT claims;
- Securing the various sites and instructing agents to begin valuing and marketing the freehold properties;
- Supporting redundant employees with processing claims against the RPS and engaging with Job Centre Plus and alternative employers looking to hire former employees;
- Seeking a purchaser for the Vans business;
- Locating, securing and arranging for the return of leased vehicles and other third-party assets to their owners;
- Collecting debts owed by customers;
- Quickly assessing the likelihood of any premium value in the leasehold estate and returning leasehold properties to their landlords as soon as possible where no premium value was expected; and
- Selling any assets that were identified to be owned by the Companies, the proceeds of which would firstly be used to discharge the expenses of the administrations, with any amounts remaining being available to the creditors of the Companies in accordance with the statutory order of priority.

The cost of retaining sufficient employees, operational assets and infrastructure across the network (and for the time necessary) to implement the above strategy, together with our remuneration and other professional costs, was estimated to be significant and funding was known to be required. Therefore, immediately on appointment we entered into an agreement with the ABLs that would provide a loan of up to £13.65m, repayable from any floating charge assets (as an expense of the administrations) or from the realisation of any asset subject to the ABLs' fixed charges.

When we last reported, the key outstanding matters in the administration were as follows:

- Make a distribution to PHML's preferential creditors;
- Collect the remaining debtor balances owed;
- Realise the remaining assets within the administrations;
- Confirm the security position in 1925;
- Make further distributions to the secured creditors;
- Adjudicate unsecured claims received in PHML, DVS, Snacksdirect and Sweetdirect; and
- Make a distribution to unsecured creditors in PHML, DVS, Snacksdirect and Sweetdirect.

We provide an update of the progress made in the period in the next section of this report.

# Progress since we last reported

## Realisation of assets

### PHML - Debtors

Since our previous report, additional debtor receipts of c£700k have been collected, taking total debtor collections for both the nationals and independents customer ledgers to over c£213m. Please note, not all of this balance has been collected through the administration accounts and therefore a lower debtor realisation figure is shown on the receipts and payments account at Appendix A. The additional debtor receipts will be transferred to the administration in due course.

A review of the remaining debtor ledger has been undertaken and debts totalling c£600k continue to be pursued by the administrators. Where appropriate we continue to use legal advisors to assist with the recovery of the remaining debts.

### 1925 - Property

#### ***Dunfermline, land adjacent to Pitreavie Business Park***

During the period of this report we completed the sale of the land at Dunfermline for £70k plus VAT

#### ***Wasteland in Eastbourne***

This is the last property with any realisable value and we understand its marketability has improved in recent months. We are making arrangements to sell the land at auction and we anticipate that a sale will complete in the near future.

### Other realisations

#### ***Rates refunds & other refunds***

During the period further rates refunds were received by PHML totalling c£2.8k and c£5.6k was received by Plc in relation to a settlement of a pre-appointment injury claim.

#### ***Bank interest***

During the period covered by this report, bank interest totalling c£32k was received into the administrations. A breakdown by company can be found on the receipts and payments account at Appendix A.

## Pensions

During the period of this report, the main areas in which we have been engaged in relation to the defined benefit scheme are summarised below.

We have continued to liaise with the pension scheme trustee and the PPF regarding the value of their security over properties owned by 1925 and the associated debt owing to the scheme. We've now reached an agreement in principle as to the quantum of the claim to be admitted. We're in the process of documenting this and hope to have concluded this process shortly.

We arranged for an independent director to be appointed to the company which is the trustee of one of the EBTs (which strictly are not pension schemes) operated by the Palmer & Harvey Group. The trust does not form part of the administration estate. We understand that the EBT is now in the process of being wound up.

We have arranged for pension contributions to continue to be paid to the defined contribution pension schemes, in respect of employees retained in the post-administration period. We have arranged with the insurer of the death in service scheme for cover to remain in place for continuing employees. As all employees covered by the private medical insurance have now left service, this scheme has been discontinued.

## Employees

Following our previous report, a further redundancy has been made and there now remains just one employee who is continuing to assist with the ongoing debt collection.

## Connected party transactions

We have a duty (under SIP13) to disclose any disposal of assets in the administrations to a director or other connected party, regardless of the nature or value of the assets concerned. We can confirm that no such transactions have occurred, and none are expected in future.

## Extension of the administration

As creditors may recall, following the Administrators' application to the Court on 13 November 2019 an Order was granted extending the administrations of Snacksdirect, Sweetdirect, DVS, 1925, Plc and Holdings to 27 November 2020, and the administration of PHML to 27 November 2021.

## Other issues

During the period and in line with our statutory obligations, we prepared and circulated our fourth progress report, submitted the quarterly VAT returns and submitted the tax returns for the relevant periods.

## Changes of administrator

Due to an internal restructuring in PwC Ian David Green resigned as joint administrator of the Companies. To make sure that outstanding issues in the administration continue to be pursued, an application was made to the Court to remove Ian David Green and appoint Mark James Tobias Banfield as administrator. Mark James Tobias Banfield is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The Order was granted by the Court on 5 December 2019 and Mark James Tobias Banfield replaced Ian David Green as joint administrator with effect from 19 December 2019. Ian David Green was released from all liability in respect of his conduct as administrator with effect from 28 days after the notice of the Order was published in the London Gazette.

## Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and SIP 2.

## Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administrations from 28 November 2019 to 27 May 2020, together with the receipts and payments which were reported in previous reports.

## Our expenses

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

With the exception of DVS, Sweetdirect and Snacksdirect for which we have submitted tax clearance requests to HMRC, the statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

## Our fees

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

## Pre-administration costs

As previously reported, we have decided not to seek approval for payment of the unpaid pre-appointment costs detailed in our proposals.

## Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

You can also get a copy free of charge by emailing Adam Thompson on [adam.x.thompson@pwc.com](mailto:adam.x.thompson@pwc.com).

## What we still need to do

Before we can finalise our work in the administrations of the Companies, we still need to deal with the following outstanding tasks:

- Collect the remaining debtor balances owed;
- Realise the remaining assets within the administrations;
- Distribute funds to the preferential creditors of PHML;
- Make further distributions to the secured creditors;
- Adjudicate and finalise the agreed unsecured claims in PHML, DVS, Snacksdirect and Sweetdirect; and
- Make a distribution to unsecured creditors in PHML, DVS, Snacksdirect and Sweetdirect.

Once the above matters are completed, we will look to make the final distributions to the secured creditors. Other matters include compliance with our statutory duties as administrators, dealing with the Companies' VAT and tax affairs and other incidental tasks associated with the winding down and ultimate dissolution of the Companies.

## Next steps

We'll provide an update on this in our next report. We expect to send our next report to creditors at the end of the administration or in about six months, whichever is the sooner.

If you've got any questions, please email [adam.x.thompson@pwc.com](mailto:adam.x.thompson@pwc.com).

Yours faithfully

For and on behalf of the Companies



Zelf Hussain  
Joint administrator

*Zelf Hussain and Mark James Tobias Banfield have been appointed as joint administrators of Palmer & Harvey (Holdings) PLC; Palmer & Harvey McLane Limited; Palmer & Harvey McLane (Holdings) Limited; P&H (1925) Limited; P&H Direct Van Sales Limited; P&H Sweetdirect Limited and P&H Snacksdirect Limited, to manage their affairs, business and property as 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 joint administrators are bound by the Insolvency Code of Ethics which can be found at:*  
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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# Appendix A: Receipts and payments

**PHML**

Statement of affairs		28 November 2017 to 27 November 2019	28 November 2019 to 27 May 2020	28 November 2017 to 27 May 2020
<b>Fixed Charge realisations</b>				
	Debtors	-	-	-
1,945,000.00	Freehold property	3,400,000.00	-	3,400,000.00
	Bank interest	618.30	-	618.30
<b>Fixed Charge cost of realisations</b>		-	-	-
<b>Fixed balance</b>		<b>3,400,618.30</b>	<b>-</b>	<b>3,400,618.30</b>
<b>Fixed charge balance</b>		<b>3,400,618.30</b>	<b>-</b>	<b>3,400,618.30</b>
<b>Floating Charge realisations</b>				
1,989,000.00	Fixtures & Fittings, Office Equipment & Computers	245,831.99	-	245,831.99
237,099,000.00	Debtors	24,695,993.85	602,000.00	25,297,993.85
	Plant & Machinery	257,884.00	-	257,884.00
190,000.00	Motor Vehicles	1,154,275.68	-	1,154,275.68
	Stock	857,657.72	-	857,657.72
	Intellectual property	131,013.80	-	131,013.80
593,000.00	Refunds	790,639.98	9,610.40	800,250.38
359,000.00	Prepayments	-	-	-
	Bank Interest	72,092.49	17,025.78	89,118.27
	Suspense Account*	29,069.63	-	29,069.63
		<b>28,234,602.14</b>	<b>628,636.18</b>	<b>28,863,095.32</b>
<b>Floating Charge cost of realisations</b>				
	Sub Contractors	(137,014.40)	-	(137,014.40)
	Motor & travel expenses	(1,856.26)	-	(1,856.26)
	Professional Fees	(60,044.12)	-	(60,044.12)
	Leased equipment / hire purchase	(192,712.74)	-	(192,712.74)
	Site clearance	(217,083.34)	-	(217,083.34)
	Repairs & Maintenance	(142,296.65)	-	(142,296.65)
	Agents' fees & disbursements	(516,280.74)	-	(516,280.74)
	Duress Payments	(290,993.00)	(278.93)	(291,271.93)
	Security	(335,203.84)	(1,272.48)	(336,476.32)
	Software licenses, trademarks & IT	(598,884.82)	-	(598,884.82)
	Office costs, Stationery & Postage	(15,128.30)	(127.52)	(15,255.82)
	Legal Fees & disbursements	(2,638,785.94)	(37,264.80)	(2,676,050.74)
	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	(444.00)	-	(444.00)
	Corporation tax	-	(770.21)	(770.21)
	Office holders' fees	-	(3,000,000.00)	(3,000,000.00)
	Rent	(615,481.60)	-	(615,481.60)
	Utilities & Rates	(500,893.67)	-	(500,893.67)
	Insurance	(298,245.65)	(14,327.82)	(312,573.47)
	Wages & Salaries	(2,152,351.55)	(25,024.55)	(2,177,376.10)
	PAYE/NIC and Pension Deductions	(1,123,864.89)	(15,391.06)	(1,139,255.95)
	Employee expenses & related costs	(165,767.74)	-	(165,767.74)
	Bank charges	(690.00)	-	(690.00)
	Head office expenses	(3,822.50)	-	(3,822.50)
		<b>(10,044,764.86)</b>	<b>(3,094,457.37)</b>	<b>(13,139,222.23)</b>
Distribution to Secured Creditors		(22,625,000.00)	-	(22,625,000.00)
<b>Floating charge balance excluding ABL funding</b>		<b>(4,435,162.72)</b>	<b>(2,465,821.19)</b>	<b>(6,901,126.91)</b>
Funding from ABLs		9,457,860.60	-	9,457,860.60
VAT control account		(89,713.30)	(530,748.42)	(620,461.72)
<b>Funds held in interest bearing Barclays account</b>		<b>8,333,602.88</b>	<b>(2,996,569.61)</b>	<b>5,336,890.27</b>

*All items are stated net of VAT*

*Note\* funds in the suspense account will be reallocated once more information is received.*

## Holdings

Statement of affairs	28 November 2017 to 27 November 2019	28 November 2019 to 27 May 2020	28 November 2017 to 27 May 2020
<b>Fixed Charge realisations</b>	-	-	-
<b>Fixed Charge cost of realisations</b>	-	-	-
<b>Fixed balance</b>	-	-	-
<b>Floating Charge realisations</b>			
Bank interest	343.73	13.04	356.77
Refunds	116.25	-	116.25
	<b>459.98</b>	<b>13.04</b>	<b>473.02</b>
<b>Floating Charge cost of realisations</b>			
Inter-group funding	(318.30)	-	(318.30)
<b>Floating balance</b>	<b>141.68</b>	<b>13.04</b>	<b>154.72</b>
VAT control account	318.30	6,651.40	6,969.70
<b>Funds held in interest bearing Barclays account</b>	<b>459.98</b>	<b>6,664.44</b>	<b>7,124.42</b>
<i>All items are stated net of VAT</i>			

## Plc

Statement of affairs	28 November 2017 to 27 November 2019	28 November 2019 to 27 May 2020	28 November 2017 to 27 May 2020
<b>Fixed Charge realisations</b>	-	-	-
<b>Fixed Charge cost of realisations</b>	-	-	-
<b>Fixed balance</b>	-	-	-
<b>Floating Charge realisations</b>			
Refunds	86,535.03	-	86,535.03
Sundry realisations	-	5,633.03	5,633.03
Bank Interest	1,374.98	94.09	1,469.07
	<b>87,910.01</b>	<b>5,727.12</b>	<b>93,637.13</b>
<b>Floating Charge cost of realisations</b>			
Insurance	(14,000.00)	-	(14,000.00)
Legal fees	(33,257.00)	(8,704.58)	(41,961.58)
Third party funds	-	-	-
	<b>(47,257.00)</b>	<b>(8,704.58)</b>	<b>(55,961.58)</b>
<b>Floating charge balance excluding ABL funding</b>	<b>40,653.01</b>	<b>(2,977.46)</b>	<b>37,675.55</b>
VAT control account	(6,651.40)	(1,740.92)	(8,392.32)
Funding from ABLs	14,000.00	-	14,000.00
<b>Funds held in interest bearing Barclays account</b>	<b>48,001.61</b>	<b>(4,718.38)</b>	<b>43,283.23</b>
<i>All items are stated net of VAT</i>			

**1925**

<b>Statement of affairs</b>		<b>28 November 2017 to 27 November 2019</b>	<b>28 November 2019 to 27 May 2020</b>	<b>28 November 2017 to 27 May 2020</b>
<b>Fixed Charge realisations</b>				
1,614,000.00	Freehold property	4,411,666.66	70,000.00	4,481,666.66
1,006,000.00	Fixed charge cash	-		-
	Bank interest	24,221.11	15,636.66	39,857.77
67,000.00	Leasing land & buildings	-	-	-
		<u>4,435,887.77</u>	<u>85,636.66</u>	<u>4,521,524.43</u>
<b>Fixed Charge cost of realisations</b>				
	Agents' fees & disbursements	(109,205.37)	(84,207.69)	(193,413.06)
	Legal fees & disbursements	(131,319.25)	(112,510.50)	(243,829.75)
	Insurance	-	(48,641.33)	(48,641.33)
	Rent	(15,680.72)	-	(15,680.72)
		<u>(256,205.34)</u>	<u>(245,359.52)</u>	<u>(501,564.86)</u>
	<b>Fixed balance</b>	<u>4,179,682.43</u>	<u>(159,722.86)</u>	<u>4,019,959.57</u>
<b>Floating Charge realisations</b>				
	Refunds	41,160.19	-	41,160.19
		<u>41,160.19</u>	<u>-</u>	<u>41,160.19</u>
<b>Floating Charge cost of realisations</b>				
	Corporation tax	-	(3,910.57)	(3,910.57)
	Bank interest charges	-	(44.02)	(44.02)
	Agents' Fees & disbursements	(10,290.05)	-	(10,290.05)
		<u>(10,290.05)</u>	<u>(3,954.59)</u>	<u>(14,244.64)</u>
	<b>Floating balance</b>	<u>30,870.14</u>	<u>(3,954.59)</u>	<u>26,915.55</u>
	VAT control account	324,194.20	(344,891.10)	(20,696.90)
	<b>Funds held in interest bearing Barclays account</b>	<u>4,534,746.77</u>	<u>(508,568.55)</u>	<u>4,026,178.22</u>

*Note - Legal fees, Agent's fees and insurance costs totalling £158k have been recharged to PHML as these costs were met by incurred in relation to the freehold properties owned by 1925*

*All items are stated net of VAT*

Statement of affairs		28 November 2017 to 27 November 2019	28 November 2019 to 27 May 2020	28 November 2017 to 27 May 2020
<b>Fixed Charge realisations</b>		-		-
<b>Fixed Charge cost of realisations</b>		-		-
<b>Fixed balance</b>		-		-
<b>Floating Charge realisations</b>				
1,744,962.00	Cash at bank	-	-	-
	Bank interest	1,704.08	-	1,704.08
12,095.00	Stock	-	-	-
821,243.00	Book debts	1,438,317.28	-	1,438,317.28
	Allocation of contribution to costs from potential purchaser	67,937.61	-	67,937.61
	Third party funds	100.00	-	100.00
100.00	Motor vehicles	-	-	-
-	Refunds	1,140.36	-	1,140.36
		<b>1,509,199.33</b>	<b>-</b>	<b>1,509,199.33</b>
<b>Floating Charge cost of realisations</b>				
	Gross wages and salaries	(49,285.05)	-	(49,285.05)
	Office holders' fees	(485,050.00)	-	(485,050.00)
	Office holders' disbursements	(4,437.13)	(10.00)	(4,447.13)
	Bank charges	(12.50)	-	(12.50)
	Corporation tax	(110.49)	-	(110.49)
	Legal fees	(55,890.98)	-	(55,890.98)
	Rates	-	(652.02)	(652.02)
	Agents' Fees & Disbursements	-	-	-
		<b>(594,786.15)</b>	<b>(662.02)</b>	<b>(595,448.17)</b>
	<b>Floating balance</b>	<b>914,413.18</b>	<b>(662.02)</b>	<b>913,751.16</b>
	Funding from ABLs	49,285.05	-	49,285.05
	VAT control account	(108,847.12)	97,889.43	(10,957.69)
	Distribution to preferential creditors 100p in £ 21.12.18	(67,979.41)	-	(67,979.41)
	<b>Funds held in interest bearing Barclays account</b>	<b>786,871.70</b>	<b>97,227.41</b>	<b>884,099.11</b>
<i>All items are stated net of VAT</i>				

**Sweetdirect**

**Statement of affairs**

		28 November 2017 to 27 November 2019	28 November 2019 to 27 May 2020	28 November 2017 to 27 May 2020
	<b>Fixed Charge realisations</b>			
		-	-	-
	<b>Fixed Charge cost of realisations</b>			
		-	-	-
	<b>Fixed balance</b>	-	-	-
	<b>Floating Charge realisations</b>			
847,572.00	Cash at bank	-	-	-
	Allocation of contribution to costs from potential purchaser	62,449.03	-	62,449.03
	Bank interest	1,315.44	-	1,315.44
	Refunds	-	-	-
16,140.00	Stock	-	-	-
	Third party funds	3,738.00	-	3,738.00
615,932.00	Book debts	972,579.22	-	972,579.22
		<b>1,040,081.69</b>	<b>-</b>	<b>1,040,081.69</b>
	<b>Floating Charge cost of realisations</b>			
	Wages	(33,574.81)	-	(33,574.81)
	Office holders' fees	(325,401.00)	-	(325,401.00)
	Office holders' disbursements	(1,270.06)	-	(1,270.06)
	Corporation tax	(129.80)	-	(129.80)
	Legal fees & disbursements	(48,446.41)	-	(48,446.41)
		<b>(408,822.08)</b>	<b>-</b>	<b>(408,822.08)</b>
	<b>Floating balance</b>	<b>631,259.61</b>	<b>-</b>	<b>631,259.61</b>
	Funding from ABLs	33,574.81	-	33,574.81
	VAT control account	(75,023.49)	65,334.21	(9,689.28)
	Distribution to preferential creditors 100p in £ 21.12.18	(62,476.80)		(62,476.80)
	<b>Funds held in interest bearing Barclays account</b>	<b>527,334.13</b>	<b>65,334.21</b>	<b>592,668.34</b>
	<i>All items are stated net of VAT</i>			

**Snacksdirect****Statement of affairs**

	28 November 2017 to 27 November 2019	28 November 2019 to 27 May 2020	28 November 2017 to 27 May 2020
<b>Fixed Charge realisations</b>	-	-	-
<b>Fixed Charge cost of realisations</b>	-	-	-
<b>Fixed balance</b>	-	-	-
<b>Floating Charge realisations</b>			
2,427,263.00 Cash at bank	-	-	-
14,707.00 Vouchers	-	-	-
11,000.00 Tangible assets - other	-	-	-
50,000.00 Intangible assets - software	-	-	-
160,000.00 Motor Vehicles	188,350.00	-	188,350.00
14,088.00 Stock	1,000.00	-	1,000.00
553,190.00 Book debts	1,163,664.16	-	1,163,664.16
13,557.00 Refunds	101,354.05	-	101,354.05
Bank Interest	4,722.86	-	4,722.86
Funding from potential purchaser	169,613.36	-	169,613.36
Sale of IT equipment	90,000.00	-	90,000.00
	<b>1,718,704.43</b>	-	<b>1,718,704.43</b>
<b>Floating Charge cost of realisations</b>			
Rates & utilities	(11,709.41)	-	(11,709.41)
Repairs & Maintenance	(558.92)	-	(558.92)
Office holders' fees	(511,489.00)	-	(511,489.00)
Office holders' disbursements	(9,201.68)	-	(9,201.68)
Corporation tax	(665.43)	-	(665.43)
Employee Related Costs	(243.36)	-	(243.36)
Sundry Expenses	(403.92)	-	(403.92)
Agents' Fees	(123,328.03)	-	(123,328.03)
Legal fees & Expenses	(66,526.38)	-	(66,526.38)
Employee deductions from earnings	(192.02)	-	(192.02)
Irrecoverable VAT	(2,166.87)	-	(2,166.87)
Phone & IT services	(5,158.45)	-	(5,158.45)
Wages	(202,072.06)	-	(202,072.06)
Storage Costs	(5,333.52)	-	(5,333.52)
Rent	(46,401.81)	-	(46,401.81)
	<b>(985,450.86)</b>	-	<b>(985,450.86)</b>
<b>Floating balance</b>	<b>733,253.57</b>	-	<b>733,253.57</b>
VAT control account	(115,818.89)	104,294.97	(11,523.92)
Funding from ABLs	202,072.06	-	202,072.06
Distribution to preferential creditors 100p in £ 21.12.18	(169,637.23)	-	(169,637.23)
<b>Funds held in interest bearing Barclays account</b>	<b>649,869.51</b>	<b>104,294.97</b>	<b>754,164.48</b>
<i>All items are stated net of VAT</i>			

# Appendix B: Expenses

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

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date. Please note certain allocations will be made across the group in relation to cost incurred by certain Company's for the benefit of other estates. Where necessary the expense tables reference the estimated future allocations, and as such the figures shown in the variance column are subject to change.

<b>PHML</b>	<b>Brought forward from 27 November 2019</b>	<b>Incurred in the period under review</b>	<b>Cumulative</b>	<b>Estimated future</b>	<b>Anticipated total</b>	<b>Initial estimate</b>	<b>Variance</b>
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Bank charges	690.00	-	690.00	90.00	780.00	600.00	180.00
Office holders fees (on a fixed fee basis)	-	3,000,000.00	3,000,000.00	2,989,406.00	5,989,406.00	5,989,406.00	-
Office holders expenses	58,907.90	11,141.85	70,049.75	12,000.00	82,049.75	49,515.48	32,534.27
Legals	2,638,785.94	37,264.80	2,676,050.74	(158,907.00)	2,517,143.74	2,230,370.00	286,773.74
Agents - asset realisations	516,280.74	-	516,280.74	(79,207.09)	437,073.65	421,930.38	15,143.27
Rent	615,481.60	-	615,481.60	-	615,481.60	582,637.69	32,843.91
Gross salaries	3,276,216.44	40,415.61	3,316,632.05	11,784.00	3,328,416.05	3,452,987.03	(124,570.98)
Employee expenses	165,767.74	-	165,767.74	-	165,767.74	53,154.33	112,613.41
Subcontractors	137,014.40	-	137,014.40	-	137,014.40	148,253.80	(11,239.40)
Petty cash	3,822.50	-	3,822.50	-	3,822.50	1,250.00	2,572.50
Motor and travel expenses	1,856.26	-	1,856.26	-	1,856.26	3,028.58	(1,172.32)
Lease/Hire payments	192,712.74	-	192,712.74	-	192,712.74	160,619.58	32,093.16
IT costs	598,737.82	-	598,737.82	-	598,737.82	221,829.76	376,908.06
Utilities and rates	500,893.67	-	500,893.67	7,500.00	508,393.67	735,447.58	(227,053.91)
Insurance	298,245.65	14,327.82	312,573.47	(135,156.91)	177,416.56	305,551.19	(128,134.63)
Repairs and maintenance	142,296.65	-	142,296.65	(110,096.87)	32,199.78	129,046.82	(96,847.04)
Site clearance	217,083.34	-	217,083.34	(110,096.87)	106,986.47	212,759.69	(105,773.22)
Duress payments	290,993.00	278.93	291,271.93	-	291,271.93	222,048.00	69,223.93
Postage and stationary	15,128.30	127.52	15,255.82	-	15,255.82	14,076.28	1,179.54
Advertising	444.00	-	444.00	-	444.00	444.00	-
Storage costs	35,204.14	-	35,204.14	-	35,204.14	27,353.14	7,851.00
Security	335,203.84	1,272.48	336,476.32	-	336,476.32	319,415.58	17,060.74
Professional fees	60,044.12	-	60,044.12	-	60,044.12	49,431.18	10,612.94
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	-
<b>Total</b>	<b>10,194,976.54</b>	<b>3,104,829.01</b>	<b>13,299,805.55</b>	<b>2,427,315.26</b>	<b>15,727,120.81</b>	<b>15,424,321.84</b>	<b>302,798.97</b>

<b>Holdings</b>	Brought forward from 27 November 2019	Incurred in the period under review	Cumulative	Estimated future	Anticipated total	Initial estimate	Variance
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Bank charges	-	-	-	15.00	15.00	15.00	-
Office holders fees (on a fixed fee basis)	-	-	-	28,679.00	28,679.00	28,679.00	-
Office holders expenses	2,986.91	10.00	2,996.91	200.00	3,196.91	2,960.64	236.27
Legals	-	-	-	23,000.00	23,000.00	23,000.00	-
Pre administration costs	4,464.90	-	4,464.90	-	4,464.90	4,464.90	-
<b>Total</b>	<b>7,451.81</b>	<b>10.00</b>	<b>7,461.81</b>	<b>51,894.00</b>	<b>59,355.81</b>	<b>59,119.54</b>	<b>236.27</b>

<b>Plc</b>	Brought forward from 27 November 2019	Incurred in the period under review	Cumulative	Estimated future	Anticipated total	Initial estimate	Variance
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Bank charges	-	-	-	203.00	203.00	203.00	-
Office holders fees (on a fixed fee basis)	-	-	-	28,679.00	28,679.00	28,679.00	-
Office holders expenses	770.65	10.00	780.65	200.00	980.65	744.38	236.27
Legals	33,257.00	8,704.58	41,961.58	-	41,961.58	23,000.00	18,961.58
Insurance	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	-
<b>Total</b>	<b>52,492.55</b>	<b>8,714.58</b>	<b>61,207.13</b>	<b>29,082.00</b>	<b>90,289.13</b>	<b>71,091.28</b>	<b>19,197.85</b>

<b>1925</b>	Brought forward from 27 November 2019	Incurred in the period under review	Cumulative	Estimated future	Anticipated total	Initial estimate	Variance
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Bank charges	-	44.02	44.02	15.00	59.02	15.00	44.02
Office holders fees	-	-	-	TBC	TBC	TBC	-
Office holders expenses	537.19	-	537.19	380.32	917.51	500.00	417.51
Insurance	-	48,641.33	48,641.33	-	48,641.33	48,000.00	-
Corporation tax	-	3,910.57	3,910.57	6,000.00	9,910.57		
Legals	131,319.25	112,510.50	243,829.75	95,869.00	339,698.75	23,000.00	316,698.75
Agents fees & disbursements	119,495.42	26,207.09	145,702.51	(10,600.00)	135,102.51	91,500.00	43,602.51
Security & site maintenance	-	58,000.00	58,000.00	-	58,000.00	58,000.00	-
Rent	15,680.72	-	15,680.72	-	15,680.72	-	-
Pre administration costs	2,480.50		2,480.50	-	2,480.50	2,480.50	-
<b>Total</b>	<b>269,513.08</b>	<b>249,313.51</b>	<b>518,826.59</b>	<b>91,664.32</b>	<b>TBC</b>	<b>TBC</b>	<b>TBC</b>

<b>DVS</b>	Brought forward from 27 November 2019	Incurred in the period under review	Cumulative	Estimated future	Anticipated total	Initial estimate	Variance
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Bank charges	12.50	-	12.50	25.00	37.50	15.00	22.50
Office holders fees (on a fixed fee basis)	485,050.00	-	485,050.00	-	485,050.00	485,050.00	-
Office holders expenses	4,867.98	10.00	4,877.98	250.00	5,127.98	4,015.00	1,112.98
Advertising	-	-	-	77.00	77.00	75.00	2.00
Corporation tax	110.49	-	110.49	-	110.49	-	110.49
Insurance	-	-	-	31,671.86	31,671.86	-	31,671.86
Legals	55,890.98	-	55,890.98	61,214.00	117,104.98	41,000.00	76,104.98
Agents - Debt collection	-	-	-	36,000.00	36,000.00	36,000.00	-
Agents - asset realisations	-	-	-	-	-	1,402.53	(1,402.53)
Gross salaries	49,285.05	-	49,285.05	-	49,285.05	49,285.05	-
Rent and rates	-	652.02	652.02	-	652.02	13,333.50	(12,681.48)
Security	-	-	-	73,397.91	73,397.91	26,941.20	46,456.71
Utilities	-	-	-	-	-	4,500.00	(4,500.00)
Other commitments	-	-	-	-	-	3,149.70	(3,149.70)
Lease/Hire payments	-	-	-	-	-	456.30	(456.30)
Pre administration costs	7,577.93	-	7,577.93	-	7,577.93	7,577.93	-
<b>Total</b>	<b>602,794.93</b>	<b>662.02</b>	<b>603,456.95</b>	<b>202,635.77</b>	<b>806,092.72</b>	<b>672,801.21</b>	<b>133,291.51</b>

<b>Sweetdirect</b>	Brought forward from 27 November 2019	Incurred in the period under review	Cumulative	Estimated future	Anticipated total	Initial estimate	Variance
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Bank charges	-	-	-	15.00	15.00	15.00	-
Office holders fees (on a fixed fee basis)	325,401.00	-	325,401.00	-	325,401.00	325,401.00	-
Office holders expenses	1,428.32	10.00	1,438.32	250.00	1,688.32	743.88	944.44
Advertising	-	-	-	77.00	77.00	75.00	2.00
Corporation tax	129.80	-	129.80	-	129.80	-	129.80
Insurance	-	-	-	31,671.86	31,671.86	-	31,671.86
Legals	48,446.41	-	48,446.41	61,214.00	109,660.41	41,000.00	68,660.41
Agents - debt collection	-	-	-	36,000.00	36,000.00	48,000.00	(12,000.00)
Agents - asset realisations	-	-	-	-	-	250.00	(250.00)
Gross salaries	33,574.81	-	33,574.81	-	33,574.81	33,574.81	-
Rent and rates	-	-	-	-	-	13,333.50	(13,333.50)
Security	-	-	-	73,397.91	73,397.91	26,941.20	46,456.71
Utilities	-	-	-	-	-	4,500.00	(4,500.00)
Other commitments	-	-	-	-	-	3,149.70	(3,149.70)
Lease/Hire payments	-	-	-	-	-	456.30	(456.30)
Pre administration costs	5,097.43	-	5,097.43	-	5,097.43	5,097.43	-
<b>Total</b>	<b>380,502.96</b>	<b>10.00</b>	<b>414,087.77</b>	<b>202,625.77</b>	<b>616,713.54</b>	<b>502,537.82</b>	<b>114,175.72</b>

<b>Snacksdirect</b>	<b>Brought forward from 27 November 2019</b>	<b>Incurred in the period under review</b>	<b>Cumulative</b>	<b>Estimated future</b>	<b>Anticipated total</b>	<b>Initial estimate</b>	<b>Variance</b>
	<b>(£)</b>	<b>(£)</b>	<b>(£)</b>	<b>(£)</b>	<b>(£)</b>	<b>(£)</b>	<b>(£)</b>
Bank charges	-	-	-	-	-	15.00	(15.00)
Office holders fees (on a fixed fee basis)	511,489.00	-	511,489.00	-	511,489.00	511,489.00	-
Office holders expenses	9,759.19	10.00	9,769.19	800.00	10,569.19	6,783.00	3,786.19
Insurance	-	-	-	31,671.86	31,671.86	-	31,671.86
Advertising	-	-	-	77.00	77.00	75.00	2.00
Corporation tax	665.43	-	665.43	-	665.43	-	665.43
Legals	66,526.38	-	66,526.38	61,214.00	127,740.38	58,466.00	69,274.38
Agents - Debt collection*	120,613.71	-	120,613.71	(72,000.00)	48,613.71	48,240.00	373.71
Agents - asset realisations	2,714.32	-	2,714.32	-	2,714.32	1,811.79	902.53
Gross salaries and employee related costs	202,315.42	-	202,315.42		202,315.42	202,513.44	(198.02)
Storage	5,333.52	2,627.68	7,961.20	2,800.00	10,761.20	11,092.41	(331.21)
Rent and rates	46,401.81	-	46,401.81	-	46,401.81	51,238.84	(4,837.03)
IT and telephone	5,158.45	-	5,158.45	-	5,158.45	24,054.34	(18,895.89)
Security	558.92	-	558.92	73,397.91	73,956.83	31,431.40	42,525.43
Utilities	11,141.57	-	11,141.57	-	11,141.57	5,250.00	5,891.57
Other commitments	567.84	-	567.84	-	567.84	3,674.65	(3,106.81)
Lease/Hire payments	-	-	-	-	-	532.35	(532.35)
Pre administration costs	7,999.61	-	7,999.61	-	7,999.61	7,999.61	-
<b>Total</b>	<b>991,245.17</b>	<b>2,637.68</b>	<b>993,882.85</b>	<b>97,960.77</b>	<b>1,091,843.62</b>	<b>964,666.83</b>	<b>127,176.79</b>

# Appendix C: Remuneration update

Our fees in respect of all Companies except 1925 were previously approved on a fixed fee basis as set out in our remuneration report for each company (which can be located on the website [www.pwc.co.uk/palmerandharvey](http://www.pwc.co.uk/palmerandharvey)) by the secured and (where applicable) the preferential creditors.

Company name	Fees approved (£)	Fees Drawn (£)
Palmer & Harvey McLane Limited	5,989,406	3,000,000
Palmer & Harvey McLane (Holdings) Limited	28,679	-
Palmer & Harvey (Holdings) Plc	28,679	-
P & H Direct Van Sales Limited	485,050	485,050
P&H Sweetdirect Limited	325,401	325,401
P&H Snacksdirect Limited	511,489	511,489

During the period of this report, we sought and received approval of our fees from preferential creditors of PHML. We have not yet sought fee approval in relation to 1925 and intend to do this shortly.

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

## Payments to associates

We have not made any payments to associates in the period covered by this report.

## Our work in the period

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Strategy & planning	<ul style="list-style-type: none"> <li>Six monthly manager and appointee case progression reviews</li> <li>Internal meetings &amp; updates</li> </ul>	To ensure case progression and monitoring costs	Ensures orderly progression of case and cost management
Creditors	<ul style="list-style-type: none"> <li>Liaising with creditors to provide updates</li> <li>Responding to queries</li> <li>Adjudicating claims received from unsecured creditors of Snacksdirect, Sweetdirect and DVS</li> <li>Writing to creditors of Snacksdirect, Sweetdirect and DVS to request further information in support of their claims</li> </ul>	To keep the creditors informed	Work done in anticipation of returning funds to creditors
Assets	<ul style="list-style-type: none"> <li>Collecting book debts</li> <li>Recovering refunds due into the administrations</li> <li>Liaising with agents on progress for asset sales</li> <li>Obtaining valuations of assets from agents</li> <li>Securing and insuring the properties</li> <li>Seeking advice on security over certain assets in 1925</li> </ul>	To ensure returns to the creditors are maximised	Realises funds for the benefit of creditors

	<ul style="list-style-type: none"> <li>• Liaising with lawyers regarding completion of property sales in 1925</li> </ul>		
Accounting & treasury	<ul style="list-style-type: none"> <li>• Accounting for payments and receipts from the administration account</li> <li>• Bank reconciliations</li> <li>• Performing journals for cash movements within the P&amp;H Group</li> </ul>	To manage the bank account	Ensures proper management of the funds held
Statutory & compliance	<ul style="list-style-type: none"> <li>• Filing documents</li> <li>• Preparing and circulating the fourth progress report to creditors</li> </ul>	To comply with statutory obligations	Required by statute / regulation
Employees & Pensions	<ul style="list-style-type: none"> <li>• Responding to queries from employees</li> <li>• Calculating the preferential claims of PHML employees</li> <li>• Writing to preferential creditors of PHML to seek their agreement to their level of claim in the administration</li> <li>• Calculating the distribution to preferential creditors of PHML</li> <li>• Writing to preferential creditors of PHML to confirm the distribution amounts and delays caused by covid-19</li> <li>• Adjudicating unsecured employee claims ahead of prescribed part dividend in Snacksdirect, Sweetdirect and DVS</li> <li>• Payment of pension contributions</li> <li>• Review of options in relation to the EBT</li> </ul>	To keep employees informed	Required by statute
Tax & VAT	<ul style="list-style-type: none"> <li>• Preparing and submitting the tax returns for PHML, 1925, Holdings and plc</li> <li>• Preparing and submitting quarterly VAT returns</li> </ul>	To comply with statutory obligations, pay tax and recover VAT which maximises realisations to creditors	Required by statute and ensures the maximum recovery of input VAT and appropriate payment of corporation tax, for the benefit of creditors

## Our future work

We still need to do the following work to achieve the purpose of administration.

Area of work	Work we need to do	Whether or not the work will provide a financial benefit to creditors
Strategy & planning	<ul style="list-style-type: none"> <li>• Six monthly manager and appointee case progression reviews</li> </ul>	Incidental to proper management of the liquidation
Creditors	<ul style="list-style-type: none"> <li>• Liaising with creditors</li> <li>• Responding to queries from creditors</li> <li>• Agreeing creditor claims</li> <li>• Dividend calculations</li> <li>• Unsecured claims adjudication in PHML</li> <li>• Unsecured dividend payments in PHML, Snacksdirect, Sweetdirect and DVS</li> </ul>	Ensuring orderly return of funds to creditors
Assets	<ul style="list-style-type: none"> <li>• Collecting remaining book debts</li> <li>• Recovering refunds due into the administrations</li> <li>• Liaising with agents on progress for the final property sale</li> <li>• Obtaining valuations of assets from agents</li> <li>• Securing and insuring the remaining properties</li> <li>• Liaising with lawyers regarding completion of remaining property sale</li> </ul>	Realises funds for the benefit of creditors

<i>Accounting &amp; treasury</i>	<ul style="list-style-type: none"> <li>• Bank reconciliations</li> <li>• Accounting for payments and receipts into funds held the case bank account</li> <li>• Closure of bank accounts</li> <li>• Dealing with unbanked dividend cheques</li> </ul>	Ensures proper management of the
<i>Statutory &amp; compliance</i>	<ul style="list-style-type: none"> <li>• Preparing and submitting six monthly progress reports to creditors</li> <li>• Complying with statutory filing requirements</li> <li>• Preparing and circulating final report(s)</li> </ul>	Required by statute
<i>Employees &amp; Pensions</i>	<ul style="list-style-type: none"> <li>• Responding to queries from employees</li> <li>• Liaising with the pension scheme in relation to property sales</li> <li>• Payment of pension contributions</li> </ul>	Required by statute
<i>Tax &amp; VAT</i>	<ul style="list-style-type: none"> <li>• Submitting VAT reclaims</li> <li>• Completing tax returns</li> <li>• Obtaining HMRC clearance</li> </ul>	Required by statute and ensures the maximum recovery of input VAT, for the benefit of creditors
<i>Closure</i>	<ul style="list-style-type: none"> <li>• Obtaining clearances for closure</li> <li>• Closure procedures</li> </ul>	Required by statute, ensures all administration matters have been dealt with

## Disbursements

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

Our expenses policy allows for all properly incurred expenses to be recharged to the administration. The following disbursements arose in the period of this report.

The following disbursements arose in the period of this report.

### PHML

Category	Policy	Costs incurred £
2	Photocopying - at up to 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	1,603.00
1	Accommodation and sustenance	406.67
1	Postage	2,106.57
1	Rail, taxi, car parking & travel fares	141.15
1	Storage	6,874.46
1	Bordereau	10.00
<b>Total</b>		<b>11,141.85</b>

### Holdings

Category	Policy	Costs incurred £
1	Bordereau	10.00
<b>Total</b>		<b>10.00</b>

### Plc

Category	Policy	Costs incurred £
1	Bordereau	10.00
<b>Total</b>		<b>10.00</b>

### DVS

Category	Policy	Costs incurred £
1	Bordereau	10.00
<b>Total</b>		<b>10.00</b>

### Sweetsdirect

Category	Policy	Costs incurred £
1	Bordereau	10.00
<b>Total</b>		<b>10.00</b>

### Snacksdirect

Category	Policy	Costs incurred £
1	Storage	2,627.68
1	Bordereau	10.00
<b>Total</b>		<b>2,637.68</b>

## Our relationships

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

## Details of subcontracted work

We have not subcontracted any work in the period covered by this report.

## Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
<b>Legal services, including:</b> <ul style="list-style-type: none"><li>Contract renewal and debtor dispute assistance; and</li><li>Advice on ROT claims.</li></ul>	<ul style="list-style-type: none"><li>Dentons UK and Middle East LLP</li><li>DLA Piper UK LLP</li><li>Ashurts LLP</li><li>Hogan Lovells LLP</li></ul>	Industry knowledge Previous company knowledge	Time costs and disbursements
<b>Chattel agents and valuers</b>	<ul style="list-style-type: none"><li>Hilco Valuation Services</li><li>The Fleet Auction Group</li></ul>	Industry knowledge	% of realisations
<b>Property agents, services including:</b> <ul style="list-style-type: none"><li>Security</li><li>Waste collection / skip hire</li></ul>	<ul style="list-style-type: none"><li>Moorcroft Vacant Property Management</li><li>ACM Environmental Plc</li><li>Triton Securities and Facilities Management Limited</li><li>CAPA UK</li></ul>	Industry knowledge	Time costs and disbursements % realisations
<b>Agents, services including:</b> <ul style="list-style-type: none"><li>Rates refunds</li><li>Debt collection</li></ul>	<ul style="list-style-type: none"><li>Hilton-Baird Collection Serviced Limited</li></ul>	Industry knowledge	% realisations
<b>Subcontractors and others</b> <ul style="list-style-type: none"><li>Assisting with the collection of debtors</li></ul>	<ul style="list-style-type: none"><li>PG &amp; JE Limited</li><li>JRC Consultancy Services</li></ul>	Industry knowledge	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.

# Appendix D: Other information

## Information applicable to all of the Companies

<b>Court details for the administration:</b>	In the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)
<b>Trading name:</b>	Palmer & Harvey, P&H, P&H Snacksdirect, P&H Sweetdirect
<b>Registered address:</b>	Current: Central Square, 8 <sup>th</sup> Floor, 29 Wellington Street, Leeds, LS1 4DL Former: P&H House, Davigdor Road, Hove, East Sussex, BN3 1RE
<b>Date of the joint administrators' appointment:</b>	28 November 2017
<b>Joint administrators' names, addresses and contact details:</b>	Zelf Hussain and Mark James Tobias Banfield, 7 More London Riverside, London, SE1 2RT Contact: Adam Thompson - Tel 0113 289 4983, email - Adam.x.thompson@pwc.com
<b>Appointer's/applicant's name and address:</b>	The directors of the Companies P&H House, Davigdor Road, Hove, East Sussex, BN3 1RE
<b>Objective being pursued by the Administrators:</b>	Objective (b) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or failing that, objective (c) realising the company's assets to pay a dividend to secured or preferential creditors
<b>Division of the joint administrators' responsibilities:</b>	The joint administrators may exercise any of the powers conferred on them by IA 1986 jointly or individually
<b>Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on Insolvency Proceedings (recast) :</b>	The Regulation applies to this administration and the proceedings are main proceedings

## Company specific information

	PHML	Holdings	Plc	1925	DVS	Sweetdirect	Snacksdirect
<b>Court references:</b>	CR-2017-008976	CR-2017-008968	CR-2017-008977	CR-2017-008978	CR-2017-008975	CR-2017-008972	CR-2017-008979
<b>Registered number:</b>	01874153	02274812	06470058	00207555	08003983	06705682	01852968