# BF1 Realisations Limited (formerly Belfield Furnishings Limited)

# – in administration

Joint Administrators' Final Progress report from 11 February 2026 to 10 August 2026

Date: 10 August 2026

High Court of Justice, Business & Property Courts in Leeds
Insolvency and Companies List (ChD)

Case number: CR-2025-LDS-000128

Company number: 04416650

# Table of contents

# Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that are specific to this appointment and report:

| | |
|---|---|
| **Administrators / Joint Administrators / we / us / our / Office-holder(s)** | Sarah O'Toole and Edward Williams |
| **Belfield / Company** | BF1 Realisations Limited (formerly Belfield Furnishings Limited) - in administration (trading name: Belfield) |
| **Belfield Group / the Group / the Companies** | BH1 Realisations Limited (formerly Belfield Holdings Limited) - formerly in administration (Dissolved on 29 April 2026)<br>BG1 Realisations Limited (formerly Belfield Group Limited) - formerly in administration (Dissolved on 29 April 2026)<br>WFD1 Realisations Limited (formerly Westbridge Furniture Design Limited) - formerly in administration (Dissolved on 13 May 2026)<br>BF1 Realisations Limited (formerly Belfield Furnishings Limited (trading as Belfield Leisure)) - in administration<br>TT1 Realisations Limited (formerly Tetrad Limited) - formerly in administration (Dissolved on 16 May 2026)<br>CPN1 Realisations Limited (formerly Clinchplain Limited) - formerly in administration (Dissolved on 13 May 2026) |
| **BGL** | BG1 Realisations Limited (formerly Belfield Group Limited) - in administration (Dissolved on 29 April 2026) |
| **BHL** | BH1 Realisations Limited (formerly Belfield Holdings Limited) - formally in administration (Dissolved on 29 April 2026) |
| **CID** | Confidential invoice discounting |
| **Clinchplain** | CPN1 Realisations Limited (formerly Clinchplain Limited) - formally in administration (Dissolved on 13 May 2026) |
| **Clydesdale Bank / Virgin Money** | Clydesdale Bank plc (trading as Virgin Money) |
| **Date of the administration appointment** | 11 February 2025 |
| **FY24** | Financial year ended 2024 |
| **Hilco** | Hilco Appraisal Limited (trading as Hilco Valuation Services) |
| **Interpath** | Interpath Ltd |
| **Interpath Administrators** | Chris Pole and Will Wright |
| **Leasehold properties** | Occupied as at appointment:<br>Unit 59, Greenfield Business Park, Greenfield ("WB2")<br>Land and buildings on the North East side of Hallam Fields Road, Ilkeston, DE7 4AZ ("Hallam Fields")<br><br>Vacated but contractually leased:<br>Unit 41/41A, First Avenue, Deeside Industrial Park, Deeside, CH5 2UA ("WB3") |
| **LTO** | Licence to Occupy |
| **Northedge** | Northedge Capital LLP |
| **Period** | 11 February 2026 to 10 August 2026 |
| **Purchaser** | Craft Group Holdings Limited (now TBG Furniture Limited), |

| | |
|---|---|
| | Craft (Westbridge) Limited (now Westbridge Furniture Limited – in administration as of 23 March 2026)<br>Craft (Belfield) Limited, (now Belfield Leisure Limited – in administration as of 23 March 2026)<br>Craft (Tetrad) Limited (now Tetrad Furniture Limited)<br>Craft (Clinchplain) Limited (now Clinchplain Foam and Fibre Limited)<br>All entities are affiliated with Blandford Capital LLP |
| **Registered office** | PricewaterhouseCoopers LLP 8th Floor, Central Square, 29 Wellington Street, Leeds, West Yorkshire, LS1 4DL |
| **SPA** | The agreement for the sale and purchase of the businesses and assets of the Group dated 11 February 2025 and made between the Group, the Administrators and the Purchasers |
| **Tetrad** | TT1 Realisations Limited (formerly Tetrad Limited) - formerly in administration |
| **Westbridge** | WFD1 Realisations Limited (formerly Westbridge Furniture Design Limited) - formerly in administration |

The following table shows generic abbreviations and insolvency terms that may be used in this report:

| | |
|---|---|
| **CVA** | Company voluntary arrangement under Part 1 IA86 |
| **CVL** | Creditors' voluntary liquidation |
| **DBT** | Department for Business and Trade |
| **Firm/PwC** | PricewaterhouseCoopers LLP |
| **HMRC** | HM Revenue and Customs |
| **IA86** | Insolvency Act 1986 |
| **IR16** | Insolvency (England and Wales) Rules 2016 |
| **Insolvency code of ethics** | The code of ethics aims to help insolvency practitioners meet their professional and ethical obligations. A copy can be found at [https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics](https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics) |
| **Ordinary preferential creditors** | Creditors with claims defined in IA86 as ordinary preferential debts: These include claims for:<br>• unpaid remuneration earned in the four months before the relevant date of the insolvency up to a maximum of £800, an unlimited amount of accrued holiday pay, unpaid pension contributions in certain circumstances |
| **Preferential creditors** | Creditors who are classified as Ordinary preferential creditors or Secondary preferential creditors, as defined below and who rank above unsecured creditors |
| **Prescribed Part (pp)** | 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. It is paid out of 'net property' i.e. floating charge realisations after both costs and after setting enough aside to pay preferential creditors in full. It only has to be made available where the floating charge was |

| | |
|---|---|
| | created on or after 15 September 2003. The amount of the Prescribed part is;<br>● 50% of net property up to £10k (i.e. the pp will be up to £5k); plus (if applicable)<br>● 20% of net property above £10k (i.e. the pp will be £5k plus 20% of the net property that exceeds £10k)<br>The pp is subject to a maximum of £600k where the floating charge(s) is / are created before 6 April 2020. The maximum is £800k where the charge(s) is / are created on or after 6 April 2020 (provided there isn't a charge created before 6 April 2020 that ranks equally or in priority to it, in which case the maximum remains at £600k) |
| **Regulations** | Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021 |
| **Restructuring plan** | A compromise or arrangement under Part 26A Companies Act 2006 |
| **ROT claims** | Claims to retention of title over goods supplied to the Company but not paid for before the Administrators' appointment |
| **RPS** | Redundancy Payments Service, part of the Insolvency Service, which is an executive agency sponsored by DBT, 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 |
| **Secondary preferential creditors** | Creditors with claims defined in IA86 as secondary preferential debts to be paid after ordinary preferential debts, if there are sufficient funds These include claims for:<br>● certain HMRC debts owed at the date of insolvency, consisting of VAT and relevant amounts deducted by the Company from payments due to another taxpayer and due to be paid over to HMRC (e.g. PAYE, employee NICs and Construction Industry Scheme deductions). Penalties and interest do not form part of HMRC's preferential claim |
| **Secured creditors** | A creditor with security in respect of their debt, in accordance with section 248 IA86 |
| **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 |
| **SIP 9** | Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates from an estate |
| **SIP 13** | Statement of Insolvency Practice 13: Disposal of assets to connected parties in an insolvency process |

| | |
|---|---|
| **SIP 16** | Statement of Insolvency Practice 16: Pre-packaged sales in administrations |
| **TUPE** | Transfer of Undertakings (Protection of Employment) Regulations 2006 |
| **Unsecured creditors** | Creditors who are neither secured nor preferential, ranking behind secured creditors and all preferential classes of creditors |

This report has been prepared by the Office holders solely to comply with their statutory duty to report to creditors on the progress of the insolvency, 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 Company.

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

Any person choosing to rely on this report does so at their own risk. To the fullest extent permitted by law, we do not assume any liability in respect of this report to any such person.

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

We are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. We are bound by the Insolvency code of ethics which can be found at: https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics

We 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 our instructions. Personal data will be kept secure and processed only for matters relating to our appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting us.

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# Key messages

## Why we've sent you this report

We're pleased to let you know that our work in the administration of the Company's affairs is now complete and so we set out below our final report.

You can still view our earlier reports on our website at www.pwc.co.uk/belfield. Please get in touch with a member of the team on 0113 289 4000 or at uk_belfield_creditors@pwc.com if you need the password to access the reports.

## How much creditors have received

The following table summarises the final outcome for creditors:

| What secured creditors are owed (applicable to the Belfield Group): | | £ |
|---|---|---|
| Virgin Money: | | 6,532,285 |
| Northedge: | | 1,938,329 |
| **What the secured creditors have recovered (from the Belfield Group in total):** | **% Recovery** | **Timing** |
| Virgin Money: | 3.5% | Paid |
| Northedge: | 0.0% | n/a |

| Class of creditor | Paid (p in £) | Previous estimate (p in £) |
|---|---|---|
| **For ordinary preferential creditors** | Nil | Nil |
| **For secondary preferential creditors:** | Nil | Nil |
| **For unsecured creditors:** | Nil | Nil |

### Secured creditors

The Company's secured lenders in order of priority based upon an intercreditor deed are (1) Virgin Money and (2) Northedge. Virgin Money and Northedge benefit from debentures and cross guarantees from all entities within the Group.

The secured creditors were not repaid fully in respect of their lending over their security over the Company assets.

Virgin Money

The Company's first-ranking secured creditor, Virgin Money, provided overdraft, term loan and CID facilities to the Group which were all subject to debentures and cross guarantees. The outstanding amount of c.£6.5m represents the total amount due to Virgin Money in relation to both overdraft and term loan facilities as at the date of the administration appointments of the Group companies. As a condition of the pre-packaged sale, the Purchaser acquired the majority of the Group's trade debtors for headline consideration of £8.3m applied in full settlement of the CID facility debt. Virgin Money received a total of c.£230k from fixed charge realisations across the Group as detailed in the table below:

| Company | Amount (£) |
|---|---|
| BHL | 20,654.00 |

| | |
|---|---|
| BGL | 21,274.00 |
| Westbridge | 47,001.00 |
| Belfield | 47,001.00 |
| Tetrad | 47,001.00 |
| Clinchplain | 47,001.26 |
| **Total*** | **229,932.26** |

**Paid to Virgin Money*

Northedge

The Group also granted second-ranking security to Northedge in relation to loan notes totalling £1,938,329 including accrued interest which were subject to debentures and cross guarantees, but which are subordinated to Virgin Money pursuant to an intercreditor deed. Given the significant shortfall in amounts owed to Virgin Money, there were no amounts available for distribution to Northedge.

### Ordinary preferential creditors (mainly employees)

As mentioned in our previous reports, we thought that the level of ordinary preferential claims would be £15,658. These claims arose due to outstanding wages and salaries owed to employees who did not transfer as part of the pre-packaged sale and were made redundant immediately upon the administration appointment. These claims were submitted to the RPS. There were no claims for holiday pay as all employees that were on notice of redundancy were asked to use any accrued holiday as part of their gardening leave during their notice period.

Due to no floating charge surplus, there were no funds available to make a distribution to ordinary preferential creditors.

### Secondary preferential creditors (HMRC)

There were no funds available to make a distribution to secondary preferential creditors.

### Unsecured creditors

There were no funds available for distribution to unsecured creditors.

## What you need to do

This report is for your information and you don't need to do anything.

## What happens next

The administration ends on 10 August 2026. In line with our Proposals approved by creditors on 28 February 2025, we have filed a notice of move from administration to dissolution. The Company will be dissolved three months after the notice has been registered by the Registrar of Companies.

The realisation of all assets has concluded and, where available, distribution to creditors completed. Accordingly, we consider dissolution to be the most appropriate exit route to bring the administration to a close.

As resolved by the secured creditors, we will be discharged from liability in respect of any of our actions as Joint Administrators 14 days after the Joint Administrators cease to be Joint Administrators of the Company.

# Overview of our work

## Why we were appointed

The Group was established in 2002 and was headquartered in Ilkeston, Derbyshire. The Group operated as a leading UK manufacturer of premium upholstered furniture and soft furnishings. Trading activities were carried out by the four operating subsidiaries being the Company, Westbridge, Tetrad and Clinchplain, with BGL and BHL being non-trading holding entities within the Group structure responsible primarily for Group-wide administrative functions, governance and external financing and guarantees.

We were appointed as Joint Administrators because the Group was experiencing severe financial distress resulting from a combination of adverse market conditions and internal challenges. The Group's financial performance had been significantly impacted by a market-wide slowdown driven by post-pandemic reductions in demand, higher interest rates affecting the housing market, and broader pressures on consumer spending. In addition, the Group suffered a significant setback when a key customer, accounting for approximately 21% of Group revenue in FY24, exited the large furniture market.

Despite implementing substantial cost-saving measures, including site closures, headcount reductions and operational efficiencies, the Group continued to face a material funding shortfall. Efforts to secure further financial support from stakeholders were unsuccessful, and an accelerated mergers and acquisitions process failed to attract any solvent offers due to the Group's high debt levels.

As a result, administration of each of the companies within the Group was deemed the most appropriate course of action to protect creditor interests and preserve value.

A detailed account of the background of the Group and why we were appointed Joint Administrators, along with a detailed summary of activity, can be found in the Proposals which are available for viewing at www.pwc.co.uk/belfield.

## Asset realisation

### Sale of business and assets

Following our initial review, we determined that the most appropriate strategy was to pursue an accelerated sale process, which resulted in a pre-packaged sale of the majority of the business and assets of the Group shortly after our appointment on 11 February 2025 to the Purchaser. This approach was adopted due to the Group's severe liquidity constraints, imminent funding shortfall and increasing creditor pressure, which made continued trading or a solvent sale unfeasible.

The sale consideration comprised £1million across the Group together with the settlement of amounts outstanding under the CID facility, with the debtor book purchased for £8,294,110 in order to facilitate that settlement. The sale excluded the assets and employees of the home and retail divisions, which had closed prior to our appointment.

We have not repeated the full details of the transaction in this report, and creditors are referred to the Joint Administrators' Proposals, including the SIP 16 disclosure at Appendix C.

A summary of the allocation of the £1,000,000 consideration is below:

| | **BHL** | **BGL** | **Westbridge** | **Belfield** | **Tetrad** | **Clinchplain** | **Total** |
|---|---|---|---|---|---|---|---|
| **Asset** | £ | £ | £ | £ | £ | £ | £ |
| The Business Name | 1 | 1 | 1 | 1 | 1 | 1 | **6** |
| The Business Rights | 1 | 1 | 1 | 1 | 1 | 1 | **6** |
| The Customer Contracts | 0 | 0 | 1 | 1 | 1 | 1 | **4** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| The Goodwill | 24,995 | 24,995 | 50,000 | 50,000 | 50,000 | 50,000 | **249,990** |
| The Intellectual Property | 1 | 1 | 1 | 1 | 1 | 1 | **6** |
| The Plant | 0 | 0 | 158,993 | 152,994 | 48,994 | 112,994 | **473,975** |
| The Option | 0 | 0 | 1 | 0 | 0 | 0 | **1** |
| The Transferred Records | 1 | 1 | 1 | 1 | 1 | 1 | **6** |
| The Software | 1 | 1 | 1 | 1 | 1 | 1 | **6** |
| The Stock | 0 | 0 | 144,000 | 75,000 | 52,000 | 5,000 | **276,000** |
| **Total** | **25,000** | **25,000** | **353,000** | **278,000** | **151,000** | **168,000** | **1,000,000** |

***CID facilities***

Following our appointment, Virgin Money agreed to reassign the trade debtors back to the Group, with the exception of approximately £400,000 relating to the 'home' division, on the condition that the outstanding CID facility debt was settled from the sale proceeds.

Virgin Money was to collect the 'home' division amounts directly to reduce its overall shortfall and, accordingly, no realisations have arisen for the administration estate.

As mentioned above, the Purchaser subsequently acquired the Group's debtor book as at 11 February 2025 for £8,294,110, which reflected the level of funding previously advanced under the CID facility. These proceeds were applied in full settlement of the CID facility debt.

These additional amounts are not reflected in the table above and are as follows:

| | Westbridge | Belfield | Tetrad | Clinchplain | Total |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Amount** | 3,703,814 | 3,433,940 | 986,641 | 169,714 | 8,294,110 |

***Employees***

Of the 875 UK employees in the Group, 835 transferred to the Purchaser under TUPE as part of the sale. The remaining 40 employees, primarily from the excluded divisions (26 in the Company and 14 in Westbridge), were made redundant and were supported in submitting claims to the RPS.

## Property and leasehold interests

At the date of appointment, the Company held leasehold interests in WB2 and Hallam Fields, both of which were occupied and subject to an LTO granted to the Purchaser as part of the sale agreement.

During the previous reporting period, the lease in respect of WB2 was formally assigned to the Purchaser. We also confirmed that the LTO in respect of Hallam Fields was extended a number of times with the expected final extension being granted to 31 March 2026. On 23 March 2026, we received notification that certain companies within the Purchaser group had entered administration with administrators from Interpath appointed. This included Craft (Belfield) Limited, now Belfield Leisure Limited, which was the party to the LTO. We entered into immediate discussions with the Interpath Administrators and agreed that the LTO would be extended to 31 May 2026. On 18 May 2026, the Interpath Administrators confirmed that they no longer required use of Hallam Fields and terminated the LTO in line with its term. Immediately following the vacation, a surrender was offered to the landlord, albeit this has yet to be formally accepted.

During the course of the Company's administration, we received licence fees in full from the Purchaser, comprising reimbursement of rent and insurance payable under the lease, together with a £13,500 contribution towards associated costs including public liability insurance and professional fees incurred in connection with the LTO extensions.

The Company also held a leasehold interest in WB3 which had been vacated prior to appointment. In conjunction with Hilco's advice, it was determined that any value in the remaining assets at that property would be significantly outweighed by the associated holding costs and professional fees, and accordingly a surrender was offered to the landlord effective from the date of our appointment, albeit was not accepted by the landlord.

# Other issues

### Goods subject to ROT

These were excluded from the sale and any ROT claims were dealt with by the Purchaser. The administration team liaised with the Purchaser to ensure that records were updated in respect of settled ROT claims and that these were fully reflected in the Joint Administrators' records

### Prepayments

The Company may have made prepayments in respect of insurance and property-related costs. We reviewed the available records and made enquiries to determine whether any recoveries could be made. However, on the basis that these amounts largely comprised internal accounting entries or related to goods or services for which refunds were not applicable, no realisations were identified.

### Bank interest

Bank interest received in the account in the Period was £48.38, bringing the cumulative interest received to £8,781.21.

### Contract novations

Contributions of £1,750 were received towards the Joint Administrators' costs incurred in facilitating the contract novations for the Purchaser.

# Connected party transactions

At the time of the transaction, it was understood that there was no connection between the Group and the Purchaser. However, it subsequently transpired that the directors of the Group were appointed as directors of the Purchaser's group later on the day of completion. As a result, the Purchaser could be considered a connected person for the purposes of the Regulations.

In the interests of transparency, and to ensure compliance in the event that the transaction fell within the scope of the Regulations, we commissioned an independent Evaluator's Report. Details of this were provided to creditors in our first progress report dated 10 September 2025, which remains available on our website.

# Creditors

As no distributions have been made to creditors other than Virgin Money, no formal claims agreement process was undertaken. Accordingly, our activities during the Period have been limited to responding to routine creditor enquiries and complying with statutory reporting requirements.

# Tax and VAT

***Corporation Tax***

We fulfilled our duties as proper officers for tax during the administration and filed corporation tax returns for all relevant accounting periods.

A corporation tax liability of £525.41 arose in respect of the final return for the period from 12 February 2025 to 2 December 2025 and was paid during the previous reporting period.

No objections have been received from HMRC with regard to the conclusion of the administration.

***VAT***

During the course of the administration, we filed regular VAT returns and paid or received VAT as applicable.

We made an application to HMRC in January 2026 to deregister the Company for VAT, and the Company was deregistered with effect from 31 December 2025. However, as the Company continued to make taxable supplies for several further months, we subsequently asked HMRC to re-register the Company for VAT. The Company was therefore re-registered for VAT with effect from 1 January 2026. A final VAT return was submitted on 5 August 2026 and the deregistration form was again submitted to HMRC

## Approval of our Proposals

We issued to creditors our Proposals dated 18 February 2025 for achieving the purpose of administration.

We said in our Proposals that we thought the Company did not have enough assets to pay a dividend to unsecured creditors other than from the Prescribed Part.

This meant that we did not have to seek a decision from creditors regarding the approval of our Proposals and our Proposals would be treated as approved if creditors did not request a decision in the required manner. As creditors did not request a decision be sought, our proposals were treated as approved on 28 February 2025.

We attach a summary of our Proposals at Appendix E.

## Extension to the period of the administration

During the course of administration, we sought and obtained the consent of Virgin Money and Northedge to extend the administration by a further six months to 10 August 2026.

The extension was requested to allow sufficient time to conclude matters relating to the remaining leasehold property subject to an LTO with the Purchaser.

## Investigations and actions

One of our duties was to look at the actions of anybody who has been a director of the Company within the three years preceding our appointment. We submitted our findings to the DBT within three months of our appointment.

Nothing has come to our attention during the Period under review, or throughout the administration, 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 final receipts and payments in the administration for the Period and cumulatively.

## Our expenses

We set out in Appendix B a statement of the final expenses that we incurred to the date covered by this report.

## Pre-administration costs

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

## Our fees

We set out in Appendix D an update on our remuneration which covers our fees and other related matters.

## 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 IR16. This information can also be found in the guide to fees at:

https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx

You can also get a copy free of charge by telephoning Vanessa Jennings on 0113 289 4000.

# What we still need to do

All matters in the administration of the Company are now concluded.

If you have any questions, please get in touch with Vanessa Jennings on 0113 289 4000.

Yours faithfully
For and on behalf of the Company

Sarah O'Toole
Joint Administrator

*Sarah O'Toole and Edward Williams have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents and without personal liability. The Joint Administrators 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.*

# Appendix A: Receipts and payments

| Statement of Affairs £ | | 11 February 2025 to 10 February 2026 £ | 11 February 2026 to 10 August 2026 £ | Total £ |
|---|---|---|---|---|
| | **Fixed charge receipts** | | | |
| 50,000.00 | Goodwill | 50,000.00 | - | 50,000.00 |
| | Intellectual Property | 1.00 | - | 1.00 |
| | Bank interest - gross | 32.67 | - | 32.67 |
| 3,433,940.00 | CID facilities | 3,433,940.00 | - | 3,433,940.00 |
| | **Total** | **3,483,973.67** | **-** | **3,483,973.67** |
| | **Fixed charge payments** | | | |
| | CID facilities | (3,433,940.00) | - | (3,433,940.00) |
| | Fixed charge realisation fee | (3,000.00) | - | (3,000.00) |
| | Insurance | (32.67) | - | (32.67) |
| | **Total** | **(3,436,972.67)** | **-** | **(3,436,972.67)** |
| | **Fixed charge distribution to secured creditor** | **(47,001.00)** | **-** | **(47,001.00)** |
| | **Net fixed charge realisations** | **-** | **-** | **-** |
| | **Floating charge receipts** | | | |
| | The Business Name | 1.00 | - | 1.00 |
| | The Business Rights | 1.00 | - | 1.00 |
| | Customer Contracts | 1.00 | - | 1.00 |
| 152,993.00 | The Plant | 152,994.00 | - | 152,994.00 |
| | Transferred Records | 1.00 | - | 1.00 |
| | The Software | 1.00 | - | 1.00 |
| 75,000.00 | Stock | 75,000.00 | - | 75,000.00 |
| | Bank interest - gross | 8,732.83 | 48.38 | 8,781.21 |
| | Contract novations | 1,750.00 | - | 1,750.00 |
| | Funding from the Purchaser | 10,000.00 | 3,500.00 | 13,500.00 |
| | **Total** | **248,481.83** | **3,548.38** | **252,030.21** |
| | **Floating charge payments** | | | |
| | Professional fees | (1,112.00) | - | (1,112.00) |
| | Statutory advertising | (52.00) | - | (52.00) |
| | Pre-appointment office holders' fees | (104,250.00) | - | (104,250.00) |
| | Pre-appointment agents' fees | (3,000.00) | - | (3,000.00) |
| | Pre-appointment legal fees & disbursements | (32,974.00) | - | (32,974.00) |
| | Post-appointment office holders' fees | - | (99,462.28) | (99,462.28) |
| | Post-appointment office holders' expenses | - | (1,647.10) | (1,647.10) |
| | Contract novations fee | | (1,750.00) | (1,750.00) |
| | Post-appointment legal fees & expenses | (5,350.00) | (1,500.00) | (6,850.00) |
| | Corporation tax | (525.41) | - | (525.41) |
| | Insurance | (79.33) | (112.00) | (191.33) |
| | Irrecoverable VAT | - | (216.09) | (216.09) |

| | | | |
|---|---|---|---|
| **Total** | **(147,342.74)** | **(104,687.47)** | **(252,030.21)** |
| **Net floating charge realisations** | **101,139.09** | **(101,139.09)** | **-** |
| **VAT control account** | **(1,049.02)** | **1,049.02** | **-** |
| **Balance held in Licence to Occupy - bank account** | **58,355.42** | **-** | **-** |
| **Balance held in general bank account** | **77,924.65** | **-** | **-** |
| **Total Balance** | **136,280.07** | **-** | **-** |

| **Licence to Occupy - Receipts and Payments Account** | **11 February 2025 to 10 February 2026 £** | **11 February 2026 to 10 August 2026 £** | **Total £** |
|---|---|---|---|
| **RECEIPTS** | | | |
| Licence Fees | 674,290.76 | 81,823.20 | 756,113.96 |
| Insurance | 162,130.67 | 8,312.08 | 170,442.75 |
| **PAYMENTS** | | | |
| Rent | (641,288.19) | (114,751.20) | (756,039.39) |
| Insurance | (158,943.24) | (11,574.08) | (170,517.32) |
| **BALANCE** | **36,190.00** | **(36,190.00)** | **-** |

### Notes to the Receipts and Payments account

1. Amounts shown above are net of VAT. All VAT has been accounted for.
2. Expenses have been allocated between the fixed and floating charge accounts in accordance with the value of asset realisations recovered for each class.
3. Bank interest has been allocated between the fixed and floating charge accounts in accordance with the value of asset realisations recovered for each class.
4. The secured creditors approved our office holders' fees on a fixed fee basis of £99,756.49, plus a fee of £1,750.00 of which the approved basis of our remuneration for the contract novations work was 100% of the cost contributions received from the Purchaser in respect of the Administrators' time.
5. Virgin Money also approved a fixed charge realisation fee for dealing with the sale of the Company's fixed charge assets. These fees were paid from funds that would otherwise have been distributed to Virgin Money, as the first-ranking secured creditor, under its fixed charge.

# Appendix B: Expenses

Expenses are amounts properly payable by us as Administrators but exclude our fees and distributions to creditors. These include disbursements which are expenses met by and reimbursed to an Office holder in connection with an insolvency appointment.

Expenses fall into two categories:

| Expense | SIP9 definition |
|---|---|
| **Category 1** | Payments to persons providing the service to which the expense relates who are not an associate of the Office holder. |
| **Category 2** | Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates). |

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the secured creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses, albeit we did not need to seek approval for any Category 2 expenses.

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

The following table provides a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

| Category | Cost incurred by | Basis of cost | Costs incurred (£) |
|---|---|---|---|
| 2 | PwC | ***Photocopying -*** *up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.* | - |
| 1 | PwC | *Postage* | 74.73 |
| 1 | PwC | *Bonding* | - |
| | | ***Total for the period*** | **74.73** |
| | | ***Brought forward from previous report**** | **1,872.10** |
| | | ***Total*** | **1,946.83** |

**Please note that the brought forward figure is higher than previously reported (£1,477.00) due to missed postage costs.*

The table below provides details of all the expenses incurred in the administration.

| Nature of expenses | Brought forward from preceding period | Incurred in the Period | Cumulative | Initial estimate | Variance |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| **Fixed charge** | | | | | |
| Joint Administrators' post-appointment disbursements | 33.00 | - | 33.00 | 33.00 | - |
| Insurance | 32.67 | - | 32.67 | - | 32.67 |
| **Total fixed charge expenses** | **65.67** | **-** | **65.67** | **33.00** | **32.67** |
| **Floating charge** | | | | | |
| Professional fees | 1,112.00 | - | 1,112.00 | 1,112.00 | - |
| Statutory advertising | 52.00 | - | 52.00 | 52.00 | - |
| Insurance | 112.00 | 112.00 | 224.00 | 191.33 | 32.67 |
| Post-appointment legal costs | 5,350.00 | 1,500.00 | 6,850.00 | 2,350.00 | 4,500.00 |
| Joint Administrators' post-appointment disbursements | 1,872.10 | 74.73 | 1,946.83 | 1,577.00 | 369.83 |
| **Total floating charge expenses** | **8,498.10** | **1,686.73** | **10,184.83** | **5,282.33** | **4,902.50** |
| **Total expenses** | **8,563.77** | **1,686.73** | **10,250.50** | **5,315.33** | **4,935.17** |

**Notes to the expenses tables**

1. Fees and distributions are not required to be included.
2. The table should be read in conjunction with the receipts and payments accounts at Appendix A, which shows expenses actually paid during the Period and the total paid to date.
3. The brought forward figure for the Joint Administrators’ post-appointment disbursements has been updated due to missed postage costs.
4. Our expenses exceeded the estimate provided to all creditors before the basis of our fees was fixed. This is principally because additional legal fees have been incurred as a result of further work required in connection with the extensions to the LTO. We have addressed this from funding by the Purchaser.

## Details of subcontracted work

We have not instructed any subcontractors during the course of the administration.

## Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the Period.

## Legal and other professional firms

We instructed the following professionals on this case.

Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties are based on standard commercial terms.

| Service provided | Name of firm | Reason selected | Basis of fees |
|---|---|---|---|

| | | | |
|---|---|---|---|
| **Legal services, including:**<br>Assisting with the transaction and the sale of the Companies' assets;<br>Post-completion assistance;<br>Assisting with the validity of appointment advice;<br>Assisting with the change of legal names at Companies House; and<br>Responding to ad-hoc queries as they arise in the administrations.<br>LTO agreements and LTO extensions | Addleshaw Goddard LLP | Industry knowledge | Time costs and disbursements (paid): £6,850.00 net |
| **Professional services:**<br>Independent Evaluator's report | Compass Evaluator Reports Limited | Industry knowledge | Fixed fee (paid): £1,112.00 net |

We require all third party professionals to submit either a time costs analyses and narrative or a schedule of realisations achieved in support of invoices rendered. We undertake the following steps to review professional firm's costs:

1. Did the Joint Administrators issue the instructions listed in the invoice?
2. Was the work performed as instructed?
3. Was the work undertaken in line with the Joint Administrators' expectations, in respect of quality and the amount of time taken?
4. Are the rates which have been applied reasonable?

Overall, the fees charged were satisfactory and reasonable relative to the work performed.

# Appendix C: Pre-administration costs

The following costs incurred before our appointment with a view to the Company going into administration were approved for payment on 4 August 2025:

| Nature of costs | Amount (£) |
| --- | --- |
| Fees charged by the Administrators-in-waiting | 104,250 |
| Expenses incurred by the Administrators-in-waiting: | |
| *Pre-appointment legal services - Addleshaw Goddard LLP* | 32,890 |
| *Pre-appointment legal disbursements - Addleshaw Goddard LLP* | 84 |
| *Pre-appointment asset valuation fees - Hilco Appraisal Limited* | 3,000 |
| **Total** | **140,224** |

We decided not to seek approval for payment of the remaining unpaid pre-appointment costs detailed in our Proposals.

# Appendix D: Remuneration update

Our fees were approved on a percentage of realisations and fixed fee basis by the secured creditors, as set out in our Remuneration Report dated 15 December 2025; a copy of which can be found on: www.pwc.co.uk/belfield

We've drawn fees in line with the approvals given, as shown in the enclosed receipts and payments accounts at Appendix A, and as below.

Virgin Money also approved a fixed charge realisation fee for dealing with the sale of the Company's fixed charge assets. These fees were paid from funds that would otherwise have been distributed to Virgin Money, as the first-ranking secured creditor, under its fixed charge. Amounts drawn can be seen in our receipts and payments account at Appendix A.

**Percentage basis**

Following completion of the sale, we assisted the Purchaser with certain post-sale matters which were of limited or no benefit to the administration estates. This work primarily related to reviewing and agreeing the novation of contracts into the appropriate Purchaser entities to ensure continuity of services, together with extensions to certain LTO arrangements.

To ensure that the administration estate was not disadvantaged by this work, it was agreed with the Purchaser that it would meet the cost of the Administrators' time incurred in dealing with these matters. Accordingly, the approved basis of our remuneration for this work was 100% of the cost contributions received from the Purchaser in respect of the Administrators' time.

The approved percentage is 100%. We show in Appendix A our receipts and payments account for the period 11 February 2026 to 10 August 2026. It shows that realisations to date are £1,750, so the resulting fee is £1,750.

**Fixed fee basis**

Our approved fixed fee is £99,756.49. This fixed fee covers all work undertaken in the conduct of the administration other than the Purchaser-funded post-sale matters described above.

## Our relationships

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

## 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

| Work undertaken | Why the work was necessary | What, if any, financial benefit the work provided to creditors OR whether it was required by statute |
|---|---|---|
| **Accounting and treasury** | | |
| ● Perform bank reconciliation and account management tasks.<br>● Handle receipts, payments, and journals, including VAT and other non-cash journal adjustments.<br>● Switched bank accounts to non-interest bearing and updated records accordingly.<br>● LTO invoice processing for payment. | ● To ensure accurate financial records and proper management of estate funds | ● To ensure orderly management and progression of the case and comply with statutory obligations |
| **Assets** | | |
| ● Reconciled LTO amounts paid/owed by the Purchaser and managed ongoing queries.<br>● Review of the LTO agreement and related considerations.<br>● Discussions regarding notice of termination, vacation of leases and drafting of surrender documentation.<br>● Discussions with the new landlord following the sale of the properties, including clarification of amounts payable and invoicing arrangements.<br>● Preparation and issue of monthly LTO invoices, credit notes, and payment of rent invoices, including reconciliation of landlord figures against LTO invoice figures.<br>● Arrangement for return of keys to the landlord. | ● To maximise realisations for the benefit of creditors and ensure assets were dealt with appropriately | ● To recover assets for the benefit of creditors and facilitate the best possible outcome for stakeholders |
| **Creditors** | | |
| ● Managed creditor queries. | ● To keep creditors informed and facilitate the claims process | ● To comply with statutory obligations and ensure transparency in the administration process |
| **Statutory and compliance** | | |

| | | |
|---|---|---|
| • Progress report filing at Companies House and on the case website.<br>• Drafting, reviewing and updating progress report and final progress report.<br>• Case progression activities.<br>• Review of compliance matters.<br>• Review of receipts and payments accounts and expenses statements.<br>• Update of estimated time costs to closure, recovery rates, and fee approval figures. | • To comply with statutory and regulatory obligations | • To comply with statutory obligations and ensure proper conduct of the administration |
| **Strategy and Planning** | | |
| • Review and approval of billing form and invoice for post-appointment fees and expenses.<br>• Update cashflow.<br>• Conducted case reviews and case progression meetings. | • To ensure orderly management and progression of the case and to achieve the best outcome for creditors | • To ensure orderly management and progression of the case and comply with statutory obligations |
| **Tax and VAT** | | |
| • Drafting, reviewing and approval of VAT calculations and VAT returns.<br>• VAT reconciliation for LTO/non-LTO account.<br>• VAT re-registration and deregistration strategy and documentation. | • To ensure compliance with tax legislation and maximise potential recoveries | • To comply with statutory obligations and potentially increase realisations for creditors |
| **Closure Procedure** | | |
| • Preparation, completion and review of outstanding matters.<br>• Completion of pre-closure checklist and closure steps.<br>• Final case review.<br>• Closing down bank accounts and internal systems. | • To ensure all closure matters are dealt with. | • Required by statue.<br>• To ensure orderly case progression. |

# Appendix E: Summary of our Proposals

On 11 February 2025, the Company, together with the wider Group, entered administration and we were appointed as Joint Administrators of all six entities within the Group.

**Objective of the administration**

The Joint Administrators pursued objective (b) of the statutory purpose of administration, as it was not reasonably practicable to rescue the Company as going concern and a sale of the majority of the business and assets of the Group was expected to achieve a better result for creditors than an immediate winding-up. The pre-packaged sale completed on appointment enabled the statutory purpose to be achieved and delivered the best available outcome for creditors as a whole on an entity-by-entity basis.

**Business and asset sale**

The pre-packaged sale of the majority of the Group's business and assets to the Purchaser was for total consideration of £1,000,000, of which £278,000 was allocated to the Company, together with the settlement of amounts outstanding under the Virgin Money CID facility through the Purchaser's acquisition of the debtor book. The sale excluded assets and employees relating to the previously closed home and retail divisions.

The Joint Administrators also addressed the Group's leasehold positions, facilitating assignments requested by the Purchaser for key sites and offering surrenders where there was no value net of holding costs. Independent valuations prepared by Hilco supported the consideration achieved when compared to in situ and ex situ values. Full SIP 16 disclosure of the pre-packaged sale is set out in Appendix C of the Proposals.

**Employees**

At the date of appointment, the Group employed 875 employees in the UK and 143 employees in Romania. On completion of the pre-packaged sale, 835 UK employees transferred to the Purchaser under TUPE, preserving employment and mitigating preferential and unsecured claims. In respect of the Company specifically, there were 254 employees, of whom 228 transferred to the Purchaser. The remaining approximately 40 UK employees were associated with divisions excluded from the sale or had left pre-appointment and were supported in making claims to the RPS, as appropriate.

**How the Companies' business and affairs were financed during the administrations**

No trading operations were conducted during the administration. The Company, as was the Group, was funded primarily through asset realisations allocated under the SPA, together with accrued bank interest.

**Secured Creditors**

Based on the information available at the time of the Proposals, the Joint Administrators estimated that Virgin Money would recover approximately 4% across the Group. No recoveries were anticipated for Northedge due to Virgin Money's shortfall and the operation of the intercreditor arrangements.

**Preferential and Unsecured creditors**

In respect of the Company, HMRC was identified as a secondary preferential creditor with an estimated claim of £1,511,000. The Company also had first-ranking preferential claims from 26 employees totalling £15,658. We did not expect there to be any funds available to make a distribution to any class of preferential creditors.

We did not anticipate that a Prescribed Part fund would be available for the benefit of unsecured creditors, as we did not believe that the Company would have net floating charge realisations after taking into account insolvency expenses.

**Exit route**

In the absence of any expected distribution to unsecured creditors, the anticipated exit route was for the Joint Administrators to file notices to end the administrations and allow the Companies to be dissolved three months thereafter. If matters arose that were more appropriately dealt with in liquidation, the Joint Administrators anticipated seeking a court order to convert to CVL. In the unlikely event that sufficient surplus realisations were achieved to permit a dividend to unsecured creditors above any Prescribed Part, the Joint Administrators anticipated moving to CVL to facilitate such distributions.

**Connected parties**

Although no connection was identified at the time the Proposals were issued, it subsequently became apparent that certain directors were appointed to the Purchaser's group on the day of completion of the pre-packaged sale. As a result, the Purchaser may be considered a connected person for the purposes of the relevant Regulations.