

**WFD1 Realisations Limited
(formerly Westbridge
Furniture Designs Limited),
CPN1 Realisations Limited
(formerly Clinchplain
Limited) and TT1
Realisations Limited
(formerly Tetrad Limited)**

– all in administration

**Joint Administrators' Final
Progress Report from 11 August
2025 to 10 February 2026**

Date: 10 February 2026

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

Case number: CR2025-LDS000131, CR2025-LDS000129,
CR2025-LDS000127

Company numbers: 05149939, 02299734, 00936239



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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	BF1 Realisations Limited (formerly Belfield Furnishings Limited) - in administration
Belfield Group / the Group	BH1 Realisations Limited (formerly Belfield Holdings Limited) - in administration BG1 Realisations Limited (formerly Belfield Group Limited) - in administration WFD1 Realisations Limited (formerly Westbridge Furniture Designs Limited) - in administration BF1 Realisations Limited (formerly Belfield Furnishings Limited (t/a Belfield Leisure)) - in administration TT1 Realisations Limited (formerly Tetrad Limited) - in administration CPN1 Realisations Limited (formerly Clinchplain Limited) - in administration
BGL	BG1 Realisations Limited (formerly Belfield Group Limited) - in administration
BHL	BH1 Realisations Limited (formerly Belfield Holdings Limited) - in administration
CID	Confidential invoice discounting
Clinchplain	CPN1 Realisations Limited (formerly Clinchplain Limited) - in administration
Clydesdale Bank / Virgin Money	Clydesdale Bank plc (t/a Virgin Money)
Companies	WFD1 Realisations Limited (formerly Westbridge Furniture Designs Limited) - in administration TT1 Realisations Limited (formerly Tetrad Limited) - in administration CPN1 Realisations Limited (formerly Clinchplain Limited) - in administration
Date of the administration appointments	11 February 2025
DBoW	Development Bank of Wales
Hilco	Hilco Appraisal Limited (t/a Hilco Valuation Services)
Leasehold properties	<p>Occupied as at appointment: Unit 59, Greenfield Business Park, Greenfield ("WB2") Hartford Mill, Swan Street, Preston, Lancashire ("Hartford Mill") Britannia House, 57 Churchill Way, Lomeshaye Industrial Estate, Nelson, Lancashire BB9 6RT ("Britannia House") Land and buildings on the North East side of Hallam Fields Road, Ilkeston, DE7 4AZ ("Hallam Fields")</p> <p>Vacated but contractually leased: Unit 41/41A, First Avenue, Deeside Industrial Park, Deeside, CH5 2UA ("WB3")</p>

	Part of the ground floor of the building, Whittle Road, Meir, ST3 7QA (“Stoke”)
LTO	Licence to Occupy
M&A	Mergers and Acquisitions
Northedge	Northedge Capital LLP
PAYE	Pay as you earn tax
Period	11 August 2025 to 10 February 2026
Proposals	Joint Administrators' proposals for achieving the purpose of administration, dated 18 February 2025
Purchaser	Craft Group Holdings Limited, Craft (Westbridge) Limited, Craft (Belfield) Limited, Craft (Tetrad) Limited and Craft (Clinchplain) Limited. All entities are affiliated with Blandford Capital LLP
PwC	PricewaterhouseCoopers 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 Purchaser
Tetrad	TT1 Realisations Limited (formerly Tetrad Limited) - In administration
Westbridge	WFD1 Realisations Limited (formerly Westbridge Furniture Designs Limited) - 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
Ordinary preferential creditors	Creditors with claims defined in IA86 as ordinary preferential debts: These include claims for: <ul style="list-style-type: none"> 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, and who rank above unsecured creditors
Prescribed Part / PP	<p>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;</p> <ul style="list-style-type: none"> • 50% of net property up to £10k (i.e. the PP will be up to £5k); plus (if applicable) • 20% of net property above £10k (i.e. the PP will be £5k plus 20% of the net property that exceeds £10k) <p>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)</p>
Regulations	Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021
Restructuring plan	A compromise or arrangement under Part 26A Companies Act 2006
ROT / ROT claims	Claims to retention of title over goods supplied 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	<p>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:</p> <ul style="list-style-type: none"> • 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 creditor(s)	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 of 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 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.

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

Key messages

Why we've sent you this report

We're pleased to let you know that our work in the administration of the Companies' 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 use the contact details below if you need the password to access any documents on the above website or have any other questions in connection with this report or the administrations generally:

uk_westbridge_creditors@pwc.com
uk_tetrad_creditors@pwc.com
uk_clinchplain_creditors@pwc.com

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
DBoW:		332,981

What the Secured creditors have recovered (from the Belfield Group in total):	% Recovery	Forecast timing
Virgin Money:	3.5%	Paid
Northedge:	0.0%	n/a
DBoW:	0.0%	n/a

Class of creditor	Final outcome (p in £)	Previous estimate (p in £)
For ordinary preferential creditors	Nil	n/a
For secondary preferential creditors:	Nil	n/a
For unsecured creditors:	Nil	n/a

Secured creditors

The Group's secured lenders in order of priority based upon an intercreditor deed is (1) Virgin Money (2) Northedge and (3) DBoW. Virgin Money and Northedge benefit from debentures and cross guarantees from all entities within the Group, whereas DBoW has debentures and cross guarantees from Westbridge and BGL only.

The secured creditors will not be fully repaid in respect of their lending over their security over the Group's assets.

Virgin Money

The Group'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 amounts due to Virgin Money in relation to both overdraft and term loan facilities as at the date of the administration appointments. 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 has 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

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 are no amounts available for distribution to Northedge.

DBoW

Westbridge and BGL also granted security to DBoW in relation to a term loan totalling £332,981 including accrued interest. This amount is subject to debentures and cross guarantees, but is also subordinated pursuant to an intercreditor deed. Given the significant shortfall in amounts owed to Virgin Money, there will be no amounts available for distribution to DBoW.

Ordinary preferential creditors (mainly employees)

Based on current information, we think that the level of ordinary preferential claims will be £707 in Westbridge only. 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 appointments, and 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.

However, there were no funds available to make a distribution to ordinary preferential creditors.

Secondary preferential creditors (HMRC)

We received proof of debts from HMRC and their secondary preferential claims are as follows:

Company	Secondary preferential claims (£)
Westbridge*	3,007,869
Tetrad*	1,032,105
Clinchplain	284,118
Total	4,324,092

*values revised from the amounts stated in our first progress report due to updated claims received from HMRC

There are no floating charge surpluses in any of the Companies and, as a result, no distribution has been made to HMRC.

Unsecured creditors

As previously reported, there are 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 administrations are due to end on 10 February 2026. In line with our proposals approved by creditors, on 10 February 2026 we filed for each of the Companies the relevant notice of move from administration to dissolution. The Companies will be

dissolved three months after the notices have been registered by the Registrar of Companies. The exit route of dissolution is considered appropriate as all asset realisations have now been completed and distributions have been made solely to fixed charge creditors. There are no funds available for unsecured creditors and, accordingly, there is no justification for a move to creditors' voluntary liquidation.

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 Companies.

Overview of our work

Why we were appointed

You may remember that when we were appointed, the position was as follows:

The Group was established in 2002 and 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, Westbridge, Belfield, 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 M&A process failed to attract any solvent offers due to the Group's high debt levels.

At the time of our appointment, the Group was facing, amongst other matters:

- severe liquidity pressure and a material funding shortfall;
- withdrawal of further financial support from stakeholders;
- increasing creditor pressure, including the threat of winding-up petitions; and
- an inability to continue trading or achieve a solvent sale.

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 Companies and why we were appointed 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

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. 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.

As explained in our earlier reports, shortly after our appointment on 11 February 2025, the Joint Administrators completed a pre-packaged sale of the majority of the business and assets of the Belfield Group to the Purchaser. The sale consideration comprised £1 million 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 D.

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

Asset	BHL	BGL	Westbridge	Belfield	Tetrad	Clinchplain	Total
	£	£	£	£	£	£	£
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

Option

Under the terms of the sale, the Purchaser was granted an option to acquire Westbridge's shares in the Romanian subsidiary, Westbridge Production SRL, for consideration of £1 within a two-month period. The option was exercised on 14 April 2025.

CID facilities

In addition to the £1,000,000 consideration, the Group had historically assigned all rights to its trade debtor book to Virgin Money pursuant to a CID facility in respect of Belfield, Westbridge, Tetrad and Clinchplain.

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 (further details of which are provided later in this report), on the condition that the outstanding CID facility debt was settled from the sale proceeds.

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 but are included in the receipts and payments accounts 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, 835 transferred to the Purchaser under TUPE as part of the sale. The remaining 40 employees, primarily from the excluded divisions (26 in Belfield and 14 in Westbridge), were made redundant and were supported in submitting claims to the RPS.

All asset realisations were completed during the first reporting period.

Property and leasehold interests

As at the date of the Joint Administrators' appointment, the Group held leasehold interests in six properties. Four of these properties remained in use at the date of appointment and were subject to LTOs granted to the Purchaser, with the intention that the Purchaser would seek to agree an assignment or similar arrangement with the respective landlords, as appropriate.

The four properties were:

- Belfield: WB2 and Hallam Fields

- Tetrad: Hartford Mill
- Clinchplain: Britannia House

During the LTO periods, we collected rent and other property-related costs from the Purchasers in order to pass these amounts on to the landlords for the period of occupation. These receipts and payments are shown at Appendix A.

In the Period, the lease in respect of Tetrad's Hartford Mill property has been surrendered and all associated work required to complete the surrender has been finalised. In addition, the leases for Belfield's WB2 property and Clinchplain's Britannia House have been assigned to the Purchaser. The LTO in respect of Hallam Fields has been extended to 31 March 2026. This lease sits within Belfield and does not impact the closure of the Companies' Administrations.

Two further properties (Belfield: WB3 and Westbridge: Stoke) had largely been vacated prior to our appointment, with only a small number of low-value assets remaining. Following advice from Hilco that any realisable value would be outweighed by the associated holding and realisation costs, we offered surrenders to the respective landlords with effect from the date of our appointment. We can confirm that the Stoke lease was surrendered and WB3 lease was forfeited by the landlord with our consent.

Overall, the property workstream proved more complex and time-consuming than initially anticipated. It involved extensive correspondence, negotiations, reconciliations, statutory compliance work and coordination with landlords, their agents, the Purchaser and professional advisers. This was necessary to ensure the proper administration of the estates, manage ongoing risks and avoid unnecessary costs.

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 were anticipated to creditors other than the fixed charge holder, no claims agreement process was undertaken. Our activity was limited to responding to routine creditor enquiries and complying with statutory reporting requirements.

Other issues

Home and retail divisions

The sale excluded all assets and employees associated with the home and retail divisions, as both divisions had been closed prior to our appointment. Although approximately £400,000 of trade debtors relating to the home division remained within Belfield's records, these debts had been assigned to Virgin Money under the CID facility. Virgin Money is collecting these amounts directly to reduce its overall shortfall and, accordingly, no realisations have arisen for the administration estates.

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 Group 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 accounts relating to Westbridge totalled £1,483.01, bringing the cumulative interest received during the administration to £6,339.66.

Bank interest received in the accounts for Tetrad totalled £1,394.51, resulting in cumulative interest of £3,305.64 for the administration.

For Clinchplain, bank interest received across the accounts totalled £695.73, bringing cumulative interest received during the administration to £3,015.54.

Contract novations

Contributions of £875 in respect of Westbridge and £1,750 in respect of Tetrad were received towards the Joint Administrators' costs incurred in facilitating the contract novations for the Purchaser.

Tax compliance

We fulfilled our duties as proper officers for tax during the administrations and filed VAT and corporations tax returns for all relevant accounting periods. HMRC raised no queries on our returns.

Corporation Tax

We requested and reviewed the limited tax information available to assess whether any tax refunds were due. However, as HMRC is a significant secondary preferential creditor, any refunds identified would likely be offset against HMRC's claim and therefore would not result in any realisations for the estates.

We prepared and submitted the post-appointment corporation tax returns for the following periods, in respect of which no tax liabilities arose:

- the day 1 return for the period ended 11 February 2025, reflecting the sale; and
- the period from 12 February 2025 to 2 December 2025, being the final return.

VAT

Since our appointment, we spent a significant amount of time managing VAT compliance across the Companies throughout the administrations. This included preparing and submitting all required VAT returns, liaising with HMRC, and undertaking detailed VAT reconciliations across the estates. Where LTOs were in place, this involved reconciling VAT between the LTO bank accounts and the main estate bank accounts to ensure that VAT was correctly accounted for and allocated to the appropriate entities. Westbridge did not hold any leasehold property interests subject to LTO arrangements.

We also carried out VAT deregistration procedures where appropriate. Westbridge was deregistered from 31 July 2025, and Tetrad and Clinchplain were deregistered from 30 November 2025. A final VAT reconciliation and true-up was completed once all remaining VAT returns had been filed and the VAT accounts finalised, ensuring that each entity's VAT position was brought to an accurate closing balance.

During the administration, interest of £23.50 was received from HMRC in respect of a prior VAT repayment relating to Clinchplain.

Approval of our Proposals

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

We said in our Proposals that we thought the Companies do not have enough assets to pay a dividend to unsecured creditors.

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 D.

Investigations and actions

In accordance with our statutory duties, we reviewed the conduct of individuals who acted as directors of the Companies in the three years preceding our appointment. Our findings were submitted to the DBT within the required statutory timeframe.

Nothing came to our attention during the administrations to suggest that we needed to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and SIP 2.

Our final receipts and payments accounts

We set out in Appendix A our final receipts and payments accounts in the administrations for the Period and cumulatively.

Our expenses

We set out in Appendix B a statement of the final expenses that we incurred for the Period and cumulatively.

Our fees

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

Creditors' rights

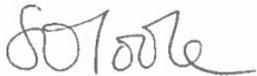
Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also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

<https://www.icaew.com/regulation/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>

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

Yours faithfully

For and on behalf of the Companies

A handwritten signature in black ink, appearing to read 'S O'Toole', written in a cursive style.

Sarah O'Toole
Joint Administrator

Clinchplain

Statement of Affairs £	11 February 2025 to 10 August 2025 £	11 August 2025 to 10 February 2026 £	Total from 11 February 25 to 10 February 2026 £	
Fixed charge receipts				
50,000.00	Goodwill	50,000.00	-	50,000.00
	Intellectual property	1.00	-	1.00
169,714.00	CID facilities	169,714.00	-	169,714.00
	Total	219,715.00	-	219,715.00
Fixed charge payments				
	CID facilities	(169,714.00)	-	(169,714.00)
	Fixed charge realisation fee	-	(3,000.00)	(3,000.00)
	Total	(169,714.00)	(3,000.00)	(172,714.00)
	Fixed charge distribution to secured creditor	(47,001.00)	-	(47,001.00)
	Net fixed charge realisations	3,000.00	(3,000.00)	-
Floating charge receipts				
	The Business Name	1.00	-	1.00
	The Business Rights	1.00	-	1.00
	Customer Contracts	1.00	-	1.00
112,993.00	The Plant	112,994.00	-	112,994.00
	Transferred Records	1.00	-	1.00
	The Software	1.00	-	1.00
5,000.00	Stock	5,000.00	-	5,000.00
	Bank interest - gross	2,319.81	695.70	3,015.51
	Total	120,318.81	695.70	121,014.51
Floating charge payments				
	Professional Fees	(672.00)	-	(672.00)
	Pre-appointment office holders' fees	-	(63,000.00)	(63,000.00)
	Pre-appointment agents' fees	-	(3,000.00)	(3,000.00)
	Pre-appointment legal fees & disbursements	-	(19,960.00)	(19,960.00)
	Post-appointment office holders' fees	-	(31,262.13)	(31,262.13)
	Post-appointment office holders' expenses	-	(356.00)	(356.00)
	Legal fees & expenses	-	(2,350.00)	(2,350.00)
	Corporation tax / Income tax	-	(135.56)	(135.56)
	Statutory advertising	(52.00)	-	(52.00)
	Insurance	(112.00)	(112.00)	(224.00)
	Irrecoverable VAT	-	(2.82)	(2.82)
	Total	(836.00)	(120,178.51)	(121,014.51)
	Net floating charge realisations	119,482.81	(119,482.81)	-
	VAT control account	(14,116.75)	14,116.75	-
	Balance from Licence to Occupy account	10,706.33	(10,706.33)	-
	Balance of funds	119,072.39	(119,072.39)	-

Licence to Occupy - receipts and payments Account

Licence to Occupy - Receipts and Payments Account	11 February 2025 to 10 August 2025 £	11 August 2025 to 10 February 2026 £	Total from 11 February 25 to 10 February 2026 £
Receipts			-
Licence Fees	87,717.31	40,207.72	127,925.03
Refund of overpayments	-	(891.73)	(891.73)
Insurance	613.48	5,764.92	6,378.40
Payments			-
Rent	(74,557.06)	(53,333.32)	(127,890.38)
Insurance	(3,067.40)	(2,453.92)	(5,521.32)
Balance	10,706.33	(10,706.33)	-

Tetrad

Statement of Affairs £	11 February 2025 to 10 August 2025 £	11 August 2025 to 10 February 2026 £	Total from 11 February 25 to 10 February 2026 £	
Fixed charge receipts				
50,000.00	Goodwill	50,000.00	-	50,000.00
	Intellectual Property	1.00	-	1.00
	Bank interest	32.67	33.91	66.58
986,641.00	CID facilities	986,641.00	-	986,641.00
	Total	1,036,674.67	33.91	1,036,708.58
Fixed charge payments				
	CID facilities	(986,641.00)	-	(986,641.00)
	Insurance	-	(66.58)	(66.58)
	Fixed charge realisation fee	-	(3,000.00)	(3,000.00)
	Total	(986,641.00)	(3,066.58)	(989,707.58)
	Fixed charge distribution to Secured Creditor	(47,001.00)	-	(47,001.00)
	Net fixed charge realisations	3,032.67	(3,032.67)	0.00
Floating charge receipts				
	The Business Name	1.00	-	1.00
	The Business Rights	1.00	-	1.00
	Customer Contracts	1.00	-	1.00
48,993.00	The Plant	48,994.00	-	48,994.00
	Transferred Records	1.00	-	1.00
	The Software	1.00	-	1.00
52,000.00	Stock	52,000.00	-	52,000.00
	Stock	4,586.10	-	4,586.10
	Contract Novation	-	1,750.00	1,750.00
	Bank Interest Gross	1,878.46	1,360.60	3,239.06
	Total	107,463.56	3,110.60	110,574.16
Floating charge payments				
	Professional Fees	(604.00)	-	(604.00)
	Pre-appointment office holders' fees	-	(56,625.00)	(56,625.00)
	Pre-appointment agents' fees	-	(3,000.00)	(3,000.00)
	Post-appointment office holders' fees (time costs)	-	(25,113.02)	(25,113.02)
	Post-appointment office holders' fees (% of realisations)	-	(1,750.00)	(1,750.00)
	Post-appointment office holders' expenses	-	(551.00)	(551.00)
	Legal fees & Expenses	-	(4,350.00)	(4,350.00)
	Pre-appointment legal fees & disbursements	-	(17,949.00)	(17,949.00)
	Corporation tax / Income tax	-	(422.73)	(422.73)
	Statutory advertising	(52.00)	-	(52.00)
	Insurance	(112.00)	(45.42)	(157.42)
	Total	(768.00)	(109,806.17)	(110,574.17)
	Net floating charge realisations	106,695.56	(106,695.57)	(0.00)
	VAT control account	5,486.81	(5,486.81)	-
	Balance from Licence to Occupy account	178,797.81	(178,797.80)	0.00
	Balance of funds	294,012.85	(294,012.85)	0.00

Licence to Occupy - Receipts and Payments Account

Licence to Occupy - Receipts and Payments Account	11 February 2025 to 10 August 2025 £	11 August 2025 to 10 February 2026 £	Total from 11 February 25 to 10 February 2026 £
Receipts			
Licence Fees	178,678.94	19,673.07	198,352.01
Overpayments	118.87	(118.87)	-
Payments			
Rent	-	(198,352.00)	(198,352.00)
Balance	178,797.81	(178,797.80)	0.00

Notes to the receipts and payments accounts

1. On Clinchplain, the net amount retained in the LTO account is also shown in the main receipts and payments account and has been used to settle some final costs.
2. Since our last progress report, the accounts have been fully reconciled and any adjustments made accordingly.
3. Expenses have been allocated between the fixed and floating charge accounts in accordance with the value of assets realisations recovered for each class.
4. Bank interest has been allocated between the fixed and floating charge accounts in accordance with the value of assets realisations recovered for each class. Funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties.
5. Where applicable, a VAT 426 claim has been submitted to HMRC to recover input VAT incurred. A deed of assignment has also been executed in part settlement of our fees. For ease of presentation, the relevant receipts and payments accounts reflect this assignment as though settlement has already occurred.
6. As explained further in Appendix C, our fees are based on a combination of basis (Tetrad and Westbridge) and as a set amount (Clinchplain). The receipts and payments accounts show the amounts paid in the period and total to date.
7. Virgin Money also approved a fixed charge realisation fee for dealing with the sale of the Companies' 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 the 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.

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 tables provide 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.

Westbridge

Category	Cost incurred by	Basis of cost	Costs incurred (£)
2	PwC	<i>Photocopying - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.</i>	-
1	PwC	<i>Postage</i>	-
1	PwC	<i>Bonding</i>	-
Total for the period			-
Brought Forward from last reporting period			979.00
Cumulative			979.00

Clinchplain

Category	Cost incurred by	Basis of cost	Costs incurred (£)
2	PwC	<i>Photocopying - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.</i>	-
1	PwC	<i>Postage</i>	-
1	PwC	<i>Bonding</i>	-
Total for the period			-
Brought Forward from last reporting period			541.00
Cumulative			541.00

Tetrad

Category	Cost incurred by	Basis of cost	Costs incurred (£)
2	PwC	<i>Photocopying - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.</i>	-
1	PwC	<i>Postage</i>	-
1	PwC	<i>Bonding</i>	-
Total for the period			-
Brought Forward from last reporting period			1,004.00
Cumulative			1,004.00

We did not seek approval to draw the Category 2 expenses and they therefore remain unpaid.

The tables below provide details of all the expenses incurred in the administrations:

Westbridge

Nature of Expenses	Brought forward from preceding period (£)	Incurred in the period under review (£)	Cumulative (£)	Initial estimate (£)	Variance (£)
Fixed charge					
Joint Administrators' post-appt disbursements	33.00	-	33.00	32.67	0.33
Fixed charge realisation fee	-	3,000.00	3,000.00	3,000.00	-
Total fixed charge expenses	33.00	3,000.00	3,033.00	3,032.67	0.33
Floating charge					
Professional fees	1,412.00	-	1,412.00	1,412.00	-
Insurance	112.00	-	112.00	112.00	-
Post-appointment legal costs	12,007.16	-	12,007.16	12,007.16	-
Joint Administrators' post-appointment disbursements	946.00	-	946.00	1,046.33	(100.33)
Irrecoverable VAT	-	282.40	282.40	-	282.40
Total floating charge expenses	14,477.16	282.40	14,759.56	14,577.49	182.07
Total expenses	14,510.16	3,282.40	17,792.56	17,610.16	182.40

Clinchplain

Nature of Expenses	Brought forward from preceding period (£)	Incurred in the period under review (£)	Cumulative (£)	Initial estimate (£)	Variance (£)
Fixed charge					
Fixed charge realisation fee	-	3,000.00	3,000	3000.00	-
Total fixed charge expenses	-	3,000.00	3,000	3000.00	-
Floating charge					
Professional Fees	604.00	-	604.00	672.00	(68.00)
Statutory advertising	52.00	-	52.00	52.00	-
Insurance	224.00	-	224.00	224.00	-
Post-appointment legal costs	2,350.00	-	2,350.00	2,350.00	-
Joint Administrators' post-appointment disbursements	541.00	-	541.00	641.00	(100.00)
Total floating charge expenses	3,771.00	-	3,771.00	3,939.00	(168.00)
Total expenses	3,771.00	3,000.00	6,771.00	6,939.00	(168.00)

Tetrad

Nature of Expenses	Brought forward from preceding period (£)	Incurred in the period under review (£)	Cumulative (£)	Initial estimate (£)	Variance (£)
Fixed charge					
Joint Administrators' post-appt disbursements	33.00	-	33.00	-	33.00
Insurance	-	66.58	66.58	66.58	-
Fixed charge realisation fee	-	3,000.00	3,000	3,000.00	-
Total fixed charge expenses	33.00	3,067	3,099.58	3,067	33.00
Floating charge					
Professional Fees	604.00	-	604.00	604.00	-
Statutory advertising	52.00	-	52.00	52.00	-
Insurance	112.00	112.00	224.00	157.42	66.58
Post-appointment legal costs	4,350.00	-	4,350.00	4,350.00	-
Joint Administrators' post-appointment disbursements	971.00	-	971.00	1,104.00	(133.00)
Total floating charge expenses	6,089.00	112.00	6,201.00	6,267.42	(66.42)
Total expenses	6,122.00	3,178.58	9,300.58	9,334.00	(33.42)

Notes to the expenses tables

1. The tables exclude any tax liabilities payable as expenses of the administrations.
2. The tables 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. In our first progress report to creditors, the expenses tables included pre-appointment administrators' and legal costs, which have since been correctly excluded from the above in line with our remuneration report. In addition, the remuneration report included pre-appointment agents' costs within the expenses estimate. These costs have now been removed from the expenses tables above and the initial estimates revised accordingly. However, we have now added the fixed charge realisation fees for completeness, which equated to the same amount provided as agents' fees in each case (£3,000).
4. Our actual expenses have not materially changed compared to the estimate provided to all creditors before the basis of our fees was fixed.
5. In respect of Westbridge, our expenses have exceeded the estimate provided to all creditors before the basis as no provision had been made for irrecoverable VAT.

Details of subcontracted work

We have not instructed any subcontractors during the Period.

Payments to associates

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

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm	Reason selected	Basis of fees
Legal services, including: Assisting with the transaction and the sale of the Companies' assets; Post-completion assistance; Assisting with the validity of appointment advice; Assisting with the change of legal names at Companies House; and Responding to ad-hoc queries as they arise in the administrations.	Addleshaw Goddard LLP	Industry knowledge	Time costs and disbursements (paid): <ul style="list-style-type: none">• Westbridge - £10,950 plus £1,057.16 of disbursements• Clinchplain - £2,350• Tetrad - £4,350
Professional services: Independent Evaluator's report	Compass Evaluator Reports Limited	Industry knowledge	Fixed fee (paid): <ul style="list-style-type: none">• Westbridge - £1,412• Clinchplain - £672• Tetrad - £604

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: 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 on 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 Companies' 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 estates were 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, with such contributions credited to Westbridge and Tetrad.

The approved percentage is 100%. As shown in the receipts and payments account at Appendix A, cost contributions of £875 were received in Westbridge and £1,750 in Tetrad, and fees have been accrued in the same amounts.

Fixed fee basis

Our fixed fee is as shown in the table below:

Company	Proposed fixed fee (£)	Fees actually taken (£)
Westbridge	125,000.00	117,640.10
Clinchplain	31,916.59	31,262.13
Tetrad	27,000.00	25,113.02
Total	272,000	174,015.25

We set out in Appendix B and later in this appendix details of our work, disbursements, subcontracted work and payments to associates.

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.

Our work in the Period

Whilst this is not an exhaustive list, in the below table we provide more detail on the key areas of work done in the Companies.

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		
<ul style="list-style-type: none"> • Perform bank reconciliations and account management tasks. • Handle receipts, payments, and journals, including VAT and other non-cash journal adjustments. • Conduct sanction screening and verify/process payments in the banking platform. • Manage bank transfers, supporting documentation, and approval submissions. • Liaise with the internal team for reconciliation calls and correspond with Barclays on account updates. • Switched bank accounts to non-interest bearing and updated records accordingly. 	<ul style="list-style-type: none"> • To ensure accurate financial records and proper management of estate funds 	<ul style="list-style-type: none"> • To ensure orderly management and progression of the case and comply with statutory obligations
Assets		
<ul style="list-style-type: none"> • Reconciled LTO amounts paid/owed by the Purchaser and managed ongoing financial queries. • Managed LTO assignments, extensions, and maintained supporting filenotes. • Updated LTO trackers and confirmed rent and novation invoices. • Handled lease surrender processes including forfeiture matters, insurance renewals, and cancellations. • Reviewed insurance cover and managed contract novations, including preparing and issuing invoices. 	<ul style="list-style-type: none"> • To maximise realisations for the benefit of creditors and ensure assets were dealt with appropriately 	<ul style="list-style-type: none"> • To recover assets for the benefit of creditors and facilitate the best possible outcome for stakeholders
Creditors		
<ul style="list-style-type: none"> • Managed creditor queries. • Website upload of progress reports. • Review and approval of correspondence to HMRC regarding pre-appointment VAT/duty liabilities and PAYE liabilities. • Review of HMRC's proof of debt and response to HMRC queries. • Review and response to employment tribunal correspondence. • HMRC query handling regarding COVID scheme. 	<ul style="list-style-type: none"> • To keep creditors informed and facilitate the claims process 	<ul style="list-style-type: none"> • To comply with statutory obligations and ensure transparency in the administration process
Employee and Pensions		

- Handling new correspondence from HMRC regarding furlough.
- Raising pension-related queries to the PwC pension team.

- To ensure employee rights were protected and statutory obligations were met

- To comply with statutory obligations and mitigate preferential and unsecured claims

Statutory and compliance

- Progress report filing at Companies House and on the case website.
- Review and updating of 6-monthly progress reports.
- Case progression activities including action tracking.
- Review of compliance matters.
- Case progression calls with team members.
- Review of receipts and payments accounts and expenses statements.
- Update of estimated time costs to closure, recovery rates, and fee approval figures.
- Drafting of and delivery of the Administrators' Remuneration Report.
- Requesting, and obtaining, approval of fixed fees from the secured creditors.

- 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 forms for pre and post-appointment costs.
- Review and approval of draft fee invoices
- Update estimated outcome statements and cashflows.
- Review of recovery rates.
- 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

- Review and approval of VAT filenotes and VAT 100s.
- VAT reconciliation for LTO/non-LTO accounts.
- VAT deregistration matters.
- Outstanding VAT returns follow-up and refund updates.
- Calls with VAT team regarding closure strategy
- Responding to HMRC queries.
- Corporation Tax updates and post-appointment tax return work.
- Providing the tax team with information for final tax returns.
- VAT 426s and assignment documents.

- To ensure compliance with tax legislation and maximise potential recoveries

- To comply with statutory obligations and potentially increase realisations for creditors

Closure Procedure

- Review of case list and preparation of outstanding matters.
- Update of pre-closure checklist and closure steps.
- Progressing closure of case and final reviews.
- Closing down internal systems.

- To ensure all closure matters are dealt with.

- Required by statute.
- To ensure orderly case progression.

Our previous work

As this progress report is the first to be issued following the approval of the basis of our fees, below are details of work carried out by the Administrators in the previous period.

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		
<ul style="list-style-type: none"> Carrying out bank reconciliations and managing receipts, payments, and journals; Liaised with banks regarding post-appointment account openings for all entities; Sorted and reconciled receipts of pre-appointment cash; and Corresponded with banks regarding sweep requests and account allocations. 	<ul style="list-style-type: none"> To ensure accurate financial records and proper management of estate funds 	<ul style="list-style-type: none"> To ensure orderly management and progression of the case and comply with statutory obligations
Assets		
<ul style="list-style-type: none"> Confirmed and documented cash sweep receipts; Drafted and sent correspondence to directors of subsidiaries regarding asset realisation (BHL & BGL); Reviewed insurance policy documents and approved payments; Chased client information on fixed assets and tax details; Updated asset sale positions and followed up on asset sales; Completing sale to the Purchaser; Liaising with the evaluator to seek their opinion on the whether the Purchasers could be considered as “connected persons” Dealing with post sale matters and assisting Purchaser; and Managing the LTO accounts, requesting funds and reconciling the position. 	<ul style="list-style-type: none"> To maximise realisations for the benefit of creditors and ensure assets were dealt with appropriately 	<ul style="list-style-type: none"> To recover assets for the benefit of creditors and facilitate the best possible outcome for stakeholders
Creditors		
<ul style="list-style-type: none"> Setting up a dedicated website for delivery of initial and ongoing communications and reports; Receiving and following up creditor enquiries via telephone, email and post; Reviewing and preparing correspondence to creditors and their representatives; Liaising with HMRC regarding their claim; 	<ul style="list-style-type: none"> To keep creditors informed and facilitate the claims process 	<ul style="list-style-type: none"> To comply with statutory obligations and ensure transparency in the administration process

- Notifying Secured creditors of appointment; and
- Distributing funds to the Secured creditor under their fixed charge.

Employees and Pensions

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • Transfer of 835 employees to the Purchaser under TUPE; • Liaised with internal employee specialists and prepared employee communications; • Reviewed and liaised with the pension team for pension-related matters; and • Reviewed auto-enrolment positions and correspondence with Pension Protection Fund regarding scheme wind-ups. | <ul style="list-style-type: none"> • To ensure employee rights were protected and statutory obligations were met | <ul style="list-style-type: none"> • To comply with statutory obligations and mitigate preferential and unsecured claims |
|---|---|---|

Investigations

- | | | |
|---|--|--|
| <ul style="list-style-type: none"> • Reviewed books and records information from company directors; • Identified potential de-facto directors and reviewed related letters; • Reviewed directors' questionnaires; • Preparation and review of SIP 2 filenote; • Summarised antecedent transactions and reviewed pre-appointment cash transactions; • Drafted responses to de facto director queries and completed CDDA reviews; and • Drafted intercompany assignment antecedent transaction reviews for all entities. | <ul style="list-style-type: none"> • To investigate the conduct of directors and identify potential recoveries for the benefit of creditors. • To comply with statutory investigation requirements | <ul style="list-style-type: none"> • To comply with statutory obligations and maximise potential recoveries for creditors |
|---|--|--|

Statutory and compliance

- | | | |
|--|---|--|
| <ul style="list-style-type: none"> • Issued initial notifications and attended to statutory duties; • Corresponded with directors regarding the production of statements of affairs; • Drafting and reviewing a statement of Proposals to creditors including preparing receipts and payments accounts and statutory information; • Circulating notice of the Proposals to creditors, members and the Registrar of Companies; • Preparing decision notice and associated documentation; • Prepared and filed statutory documents and declarations; • Maintained compliance with the Insolvency Code of Ethics; • Updated Aryza and created file notes for administrations checks; • Held meetings and calls to discuss progress, tasks, and strategy; and • Reviewed books, records, and data information. | <ul style="list-style-type: none"> • To comply with statutory and regulatory obligations | <ul style="list-style-type: none"> • To comply with statutory obligations and ensure proper conduct of the administration |
|--|---|--|

Strategy and Planning

- Held frequent meetings with management and directors regarding administration planning;
 - Coordinated with legal advisors and secured creditors regarding sale and security releases;
 - Drafting, reviewing and finalising budgets;
 - Time cost analysis and weekly check-in calls; and
 - Updating progression tracker and allocating tasks.
- 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

- Liaised with HMRC regarding tax liabilities and potential refunds;
 - Reviewed and discussed tax positions and memos;
 - Confirmed VAT strategies with the VAT team;
 - Reviewed VAT group removal and de-registration confirmations; and
 - Summarised and discussed tax matters with management.
- To ensure compliance with tax legislation and maximise potential recoveries
- To comply with statutory obligations and potentially increase realisations for creditors
-

Appendix D: Summary of our Proposals for the Companies

This appendix provides a summary of the Joint Administrators' Proposals dated 18 February 2025.

Objective of the administrations

The Joint Administrators pursued objective (b) of the statutory purpose of administration, as it was not reasonably practicable to rescue the Companies as going concerns and a sale of the business and assets 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, 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. 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 administrations. The Companies were 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 or DBoW due to Virgin Money's shortfall and the operation of the intercreditor arrangements.

Preferential and unsecured creditors

The Joint Administrators did not expect funds to be available for any class of preferential or unsecured creditors, save for any Prescribed Part in an unlikely scenario. At the time of the Proposals, it was anticipated that there would be no dividend for ordinary preferential, secondary preferential or unsecured creditors. Limited ordinary preferential claims (for example, residual wage claims for non-transferring employees) were identified but were not expected to receive a distribution from estate realisations.

Exit route

In the absence of any expected distribution to unsecured creditors (beyond any Prescribed Part in an unlikely scenario), 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

As noted elsewhere in this report, 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.