

# **Folkestone Fixings Limited – in administration**

**Joint Administrators' Final Progress  
report from 20 September 2024 to 19  
March 2026**

**Date: 19 March 2026**

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

**Case number: CR-2024-LDS-000911**

**Company number: 05668753**



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# Abbreviations and definitions

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

<b>Joint Administrators /Administrators/we/us/our/Office-holder(s)</b>	Jane Steer, Timothy Andrew Higgins and Mark James Tobias Banfield, as Joint Administrators
<b>Date of the administration appointment</b>	20 September 2024
<b>Company or FFX</b>	Folkestone Fixings Limited
<b>GLAS/Security Agent/Principal Secured Creditor</b>	GLAS Trust Corporation Limited
<b>Group</b>	The group of companies, made up of: Trupanon Topco Limited - now dissolved Trupanon Bidco Limited - now dissolved FFX Group Limited - now dissolved Folkestone Fixings Limited FFX Limited - now dissolved FFX Tools Limited - now dissolved RIKA DIY Limited - now dissolved RIKA Tools Limited - now dissolved RIKA Trade Limited - now dissolved
<b>John Pye</b>	John Pye & Sons Ltd, trading as John Pye Auctions
<b>JPA</b>	J&P Associates Ltd
<b>Junior Secured Creditor</b>	WAAM
<b>LtO</b>	Licence to Occupy
<b>The Period</b>	20 September 2025 to 19 March 2026
<b>Proposals</b>	Joint Administrators' proposals for achieving the purpose of administration dated 15 November 2024
<b>Senior Secured Creditor</b>	Virgin
<b>SPB</b>	Squire Patton Boggs (UK) LLP
<b>the Purchaser</b>	ITS - Industrial Tool supplies (London) Limited
<b>Virgin</b>	Clydesdale Bank plc trading as Virgin Money, Senior Secured Creditor
<b>WAAM</b>	Westbrooke Alternative Asset Management UK Ltd, Junior Secured Creditor

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

<b>CVA</b>	Company voluntary arrangement under Part 1 IA86
<b>CVL</b>	Creditors' voluntary liquidation
<b>DBT</b>	Department for Business and Trade
<b>Firm/PwC</b>	PricewaterhouseCoopers LLP
<b>HMRC</b>	HM Revenue and Customs
<b>IA86</b>	Insolvency Act 1986
<b>IR16</b>	Insolvency (England and Wales) Rules 2016

<b>Insolvency code of ethics</b>	The code of ethics aims to help insolvency practitioners meet their professional and ethical obligations. A copy can be found at <a href="https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics">https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics</a>
<b>NOA</b>	Notice of appointment of administrators by company or Directors
<b>Ordinary preferential creditors</b>	Creditors with claims defined in IA86 as Ordinary preferential debts: These include claims for: <ul style="list-style-type: none"> <li>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</li> </ul>
<b>Preferential creditors</b>	Creditors who are classified as Ordinary preferential creditors or Secondary preferential creditors, as defined below and who rank above unsecured creditors
<b>Prescribed Part (PP)</b>	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; <ul style="list-style-type: none"> <li>50% of net property up to £10k (i.e. the PP will be up to £5k); plus (if applicable)</li> <li>20% of net property above £10k (i.e. the PP will be £5k plus 20% of the net property that exceeds £10k)</li> </ul> <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>
<b>Regulations</b>	Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021
<b>Restructuring plan</b>	A compromise or arrangement under Part 26A Companies Act 2006
<b>ROT claims</b>	Claims to retention of title over goods supplied to the Company but not paid for before the Administrators' appointment
<b>RPS</b>	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
<b>Sch B1 IA86</b>	Schedule B1 to the Insolvency Act 1986

<b>Secondary preferential creditors</b>	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: <ul style="list-style-type: none"> <li>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</li> </ul>
<b>Secured creditor(s)</b>	A creditor with security in respect of their debt, in accordance with section 248 IA86
<b>SIP</b>	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
<b>SIP 2</b>	Statement of Insolvency Practice 2: Investigations by office-holders in Administrations and insolvent Liquidations and the submission of conduct reports by office-holders
<b>SIP 9</b>	Statement of Insolvency Practice 9: Payments to insolvency office-holders and their associates from an estate
<b>SIP 13</b>	Statement of Insolvency Practice 13: Disposal of assets to connected parties in an insolvency process
<b>SIP 16</b>	Statement of Insolvency Practice 16: Pre-packaged sales in administrations
<b>TUPE</b>	Transfer of Undertakings (Protection of Employment) Regulations 2006
<b>Unsecured Creditors</b>	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 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.

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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/ffx](http://www.pwc.co.uk/ffx). Please get in touch with Catherine Elliott at [catherine.elliott@pwc.com](mailto:catherine.elliott@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:

Class of creditor	Final outcome	Previous estimate
<b>Secured creditors:</b>		
Virgin	85%	Up to 85%
WAAM	Nil	Nil
<b>Ordinary preferential creditors</b>	100p/£ (paid)	100p/£ (paid)
<b>Secondary preferential creditors</b>	88.9p/£ (paid)	Up to 88%
<b>Unsecured creditors</b>	Nil	Nil

### Secured creditors

GLAS, in its capacity as security agent for the secured creditors under the facilities agreement, is the Principal Secured Creditor. GLAS is the only registered lender to the Company and is responsible for distributing any recoveries to the secured creditors in accordance with the terms of the senior facilities agreement. Their lending is secured by a debenture dated 3 February 2021. This security gave GLAS as security agent fixed and floating charges over all of the Company's assets.

The Senior Secured Creditor will not be repaid in full. Virgin's lending to the Company as at the date of administration was £7.3 million. We made a distribution to Virgin via GLAS as security agent in the sum of £292,995.04 from the fixed charge realisations and there will be no further amounts paid.

In addition to this recovery, a large element of the return to Virgin has been realised through an application of set-off against balances held at the date of the Joint Administrators' appointment. At the date of appointment, the Company's pre-appointment bank account held with Virgin had a balance of £5.0m. Virgin subsequently advised that they were exercising the rights granted to them under the facility agreement with the Group to offset most of the balance from their outstanding indebtedness. As can be seen in our receipts and payments account at Appendix A, we ultimately received £120,000 from the Company's pre-appointment bank account held with Virgin.

There will be no further distributions to the secured creditors.

### Ordinary preferential creditors

As reported previously, we paid the ordinary preferential creditors in full on 11 August 2025 and as such there is no further payment to be made in the administration.

Prior to closing the administration, any remaining unbanked dividend cheques were paid to the Insolvency Service. Any creditor who has not received their dividend should contact the Insolvency Service at [CustomerServices.EAS@insolvency.gov.uk](mailto:CustomerServices.EAS@insolvency.gov.uk) to request payment of their dividend.

### **Secondary preferential creditors (HMRC)**

The directors' statement of affairs showed secondary preferential claims of £1,210,473. The final level of admitted secondary preferential claims was £1,296,726.54.

We declared an interim secondary preferential creditors of £1.2m on 10 October 2025 and a final dividend of £99,866.70 on 12 March 2026. There will be no further payment made to the secondary preferential creditor as there are no further funds available in the estate.

### **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 administration ends on 19 March 2026. In line with our proposals approved by creditors, we will file a notice of move from administration to dissolution on 19 March 2026. The Company will be dissolved three months after the notice has been registered by the Registrar of Companies.

This is in line with our proposals and is the most appropriate exit route in the circumstances, as all assets have been realised and the available funds have been distributed to creditors. There are no remaining matters requiring the Joint Administrators to remain in office.

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

# Overview of our work

## Why we were appointed

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

The Company had been set up to operate as a builders' merchant supplying fixings, tools and related equipment to trade and retail customers. Over time, the business expanded to include online sales through the [ffx.co.uk](http://ffx.co.uk) website as well as retail operations from outlets in Ashford and Folkestone in the South East of England.

We were appointed because the Company experienced a deterioration in trading conditions following a period of strong performance during the COVID-19 pandemic. A shift in consumer buying behaviour, increased competition from physical retailers discounting excess stock and wider inflationary pressures adversely affected trading performance. Cash flow forecasts indicated a funding shortfall by the end of the third quarter of 2024 and, despite efforts by management and stakeholders to address the situation and pursue a sale of the business and assets, no viable solution could be identified.

The Company was facing:

- Withdrawal and reduction of supplier credit terms following concerns regarding the Company's financial position;
- Significant ROT claims asserted by suppliers in respect of stock; and
- Increasing creditor pressure, which limited the Company's ability to continue trading and reduced the timeframe available to pursue a sale of the business and assets

The Company's trading position continued to deteriorate, with sales declining significantly due to reduced stock availability and increasing creditor pressure. Having exhausted the available options to stabilise the business, the directors concluded that the Company was insolvent and that an administration was required in order to protect the Company's assets and enable the Joint Administrators to continue and conclude discussions with remaining interested parties following their appointment. Accordingly, a NOA was filed on 20 September 2024, appointing Jane Steer, Tim Higgins and Toby Banfield of PwC as Joint Administrators.

## Asset realisation

After an initial review, we decided that the most appropriate strategy was to immediately cease trading the business from both the online and retail outlets and pursue an orderly wind-down of the Company's estate. Immediately on our appointment, we secured and took control of the Company's assets, which included

- Stock: the remaining stock had a book value of £8.2 million and an estimated realisable value of £2.0 million.
- Book debts: outstanding debts due to the Company had a net book value of £2.1 million and an estimated realisable value of £1.2 million.
- Intellectual property and goodwill: including the Company's websites, brands and other assets.
- Plant and machinery: primarily consisting of moveable plant and machinery, fixtures and fittings, and other miscellaneous assets with a net book value of £1.2 million and an estimated realisable value of £0.2 million.
- Leasehold properties: the Company operated across four locations subject to eight leases, including a head office, a distribution centre, and two retail stores.

As explained in our earlier reports, shortly after our appointment we completed sales of certain stock, intellectual property and goodwill assets to third parties. The remaining stock and fixed assets were subsequently realised through a combination of auction sales and on-site disposals.

A significant proportion of the Company's stock was subject to ROT claims. We liaised with suppliers to review and validate these claims and facilitated the collection of stock where appropriate. Where stock subject to ROT had been sold prior to validation of the claim, the relevant supplier was paid in respect of its claim.

Suppliers were also requested to contribute towards the costs incurred by the administration estate in facilitating the identification and collection of ROT stock, including picking, packing and warehouse management. Contributions totalling £28,000 were received. All known ROT claims have now been addressed and ROT matters are concluded.

The directors' Statement of Affairs reported trade debtors with a net book value of £2.4m and an estimated realisable value of £1.2m. Following our appointment we undertook a review of the sales ledger and determined the outstanding balance to be approximately £2.1m. To maximise recoveries we initially retained a member of the Company's credit control team to assist with collections before engaging JPA to pursue more complex balances.

Cash held in the Company's pre-appointment bank account with Virgin was largely subject to set-off against the Company's indebtedness under the facility agreement. Following this set-off, £120,000 was received into the administration estate. Further, petty cash totaling £3,531 was recovered from the Company's various sites and secured for the benefit of the estate.

In addition, a number of small miscellaneous receipts were received, including refunds and recoveries of certain prepayments.

As noted in our previous progress reports, the majority of the Company's assets were realised earlier in the administration. During the Period, the remaining matters relating to asset realisations were concluded as set out below:

### **Stock**

Stock previously identified at a third-party storage facility, which had not been known at the time of our earlier reports, was inspected and valued by an independent agent and subsequently collected for sale. This resulted in a realisation of £7,500 for the administration estate.

In addition, a discrepancy raised by a customer in respect of certain non-ROT stock purchased from the administration was investigated and resolved. Following a reconciliation of the relevant documentation and discussions with the customer, the matter was concluded with no further collections or refunds required.

### **Trade debtors**

A final reconciliation of the debtor ledger identified discrepancies between recoveries reported by the debt collection agent and cash remitted to the administration estate. Following a review of the supporting documentation and discussions with the agent, a further £47,171 was recovered and paid into the estate. Debtor recoveries are now complete.

### **Other recoveries**

During the period, additional recoveries were received into the administration estate including:

- £4,250 in respect of a business rates refund;
- £3,282 relating to an insurance refund; and
- £2,739 arising from a PAYE overpayment identified following reconciliation of the Company's post-appointment payroll records with HMRC.

Overall realisations in the administration included approximately £1.27m from stock, £864k from debtor collections, £330k from intellectual property and goodwill, £98k from fixed assets and £120k from cash balances, together with a number of smaller miscellaneous receipts including refunds and recoveries of certain prepayments. Further details of the realisation of the Company's assets are set out in our previous progress reports.

We have now finished realising the Company's assets.

## **Connected party transactions**

There have been no connected party transactions in the period covered by this report.

## **Creditors**

During the Period we adjudicated and agreed HMRC's claim as a secondary preferential creditor and continued to deal with *ad hoc* creditor enquiries.

In the Period, an interim dividend of £1.2m was paid to secondary preferential creditors. Following the completion of asset realisations, a final dividend of £99.9k was subsequently paid to secondary preferential creditors.

All creditor matters have now been concluded.

## **Other issues**

### **Property**

The Company operated from four leased properties. Following our appointment we occupied the premises for a short period to facilitate the realisation of the Company's assets and the controlled wind-down of the business.

Once the administration operations had concluded, surrenders were offered to the relevant landlords. One surrender was formally agreed. Public liability insurance cover has been maintained in respect of these properties and these will be in place until the end of the administration where leases remain.

Any rent liabilities arising during the Joint Administrators' period of occupation were agreed and settled in prior periods. In the Period, we also paid agents on a commercial basis in accordance with the agreement reached with the landlord.

Full details in respect of this workstream are contained in our earlier progress reports.

### **Employees**

On appointment, 142 of the Company's 170 employees were made redundant, with 28 employees retained for a short period to assist with the orderly wind-down of the business and asset realisations.

Virgin agreed to release funds from the pre-administration bank account to cover employee wages for the period from 1 September 2024 to the date of our appointment, resulting in employees being paid in full for their arrears of wages. Employees retained during the administration period were paid from the administration estate.

As the administration progressed and roles were no longer required, further redundancies were made, with the final redundancies occurring on 15 November 2024.

Former employees were provided with information enabling them to submit claims to the RPS.

### **Books and records**

In accordance with our statutory duties, the Company's books and records were secured following our appointment and have been retained in accordance with statutory requirements.

### **Leased equipment**

The Company had certain assets subject to hire purchase and leasing arrangements. Following our appointment the relevant owners were contacted and the assets were subsequently collected by them.

## **Tax clearance**

We fulfilled our duties as proper officers for tax during the administration and filed VAT and corporation tax returns for all relevant accounting periods and accounted for PAYE/NI. HMRC raised no queries on our returns.

### **Tax**

Following a review of the Company's corporation tax position, a tax computation was prepared for the administration period and submitted to HMRC. This resulted in a corporation tax liability of £8,317.94, which has been paid. Following the subsequent sale of stock referred to earlier in this report, we submitted a further notification to HMRC to account for the additional income.

Corporation tax returns for all relevant accounting periods during the administration were submitted and the final position agreed with HMRC. HMRC has raised no queries in relation to the submitted returns or our recent correspondence and the Company's corporation tax affairs are now concluded.

### **VAT**

As noted in our last report, we were awaiting confirmation from HMRC regarding the Company's VAT deregistration. This matter has now been resolved and a request has been submitted to deregister the Company from VAT with effect from 31 December 2025.

Quarterly VAT returns were prepared and submitted to HMRC throughout the administration and all outstanding returns have now been filed. A VAT426 form has been submitted to recover any remaining VAT due to the estate.

The VAT relating to our final fees, together with a small residual VAT receivable balance, will be assigned to PwC in part payment of our final fee note. No further VAT matters remain outstanding.

## **Approval of our proposals**

We issued to creditors our proposals dated 15 November 2024 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 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 29 November 2024.

We attach a summary of our proposals at Appendix E.

## **Investigations and actions**

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

## **Our final 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.

We have detailed within the report whether it has resulted in any realisations or not, together with payments made.

## **Our expenses**

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

## **Our fees**

We set out in Appendix D an update on our remuneration which covers our fees, disbursements 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 Catherine Elliott on 0113 289 4000.

Yours faithfully  
For and on behalf of the Company



Tim Higgins  
Joint Administrator

# Appendix A: Receipts and payments

Statement of Affairs	From 20/09/2024 To 19/09/2025	From 20/09/2025 To 19/03/2026	Cumulative 20/09/2024 to 10/03/2026
£			£
<b>FIXED ASSETS</b>			
- Intellectual Property Rights & Goodwill	329,997.00	-	329,997.00
200,000.00 Fixed Assets	-	-	-
- Contracts	1.00	-	1.00
- Seller's records	2.00	-	2.00
<u>200,000.00</u>	<u>330,000.00</u>	<u>-</u>	<u>330,000.00</u>
<b>FIXED CHARGE COST OF REALISATIONS</b>			
Office holders fees	(37,004.96)		(37,004.96)
	<u>(37,004.96)</u>		<u>(37,004.96)</u>
<b>FIXED CHARGE DISTRIBUTION</b>			
Chargeholder	(292,995.04)	-	(292,995.04)
	<u>(292,995.04)</u>	<u>-</u>	<u>(292,995.04)</u>
<b>ASSET REALISATIONS</b>			
- Bank Interest Gross	61,380.28	38.78	61,419.06
1,245,199.00 Book debts	817,279.48	47,170.76	864,450.24
5,025,693.00 Cash at Bank - Receipt from pre-appointment account (Virgin)	120,000.00	-	120,000.00
- Fixtures & Fittings	1,551.33	-	1,551.33
- Funding contribution (payroll)	315,163.33	-	315,163.33
5,000.00 Hire Purchase	-	-	-
- Miscellaneous assets	14,962.00	-	14,962.00
- Vehicles	9,100.00	-	9,100.00
42,500.00 Other debtors	38,699.55	-	38,699.55
- Petty cash	3,531.37	-	3,531.37
- Plant & Machinery	81,962.00	-	81,962.00
100,000.00 Prepayments	1,887.62	-	1,887.62
500,000.00 Rebates	-	-	-
- ROT cost contribution	27,825.00	-	27,825.00
2,000,000.00 Stock	1,265,707.55	7,500.00	1,273,207.55
Sundry debts & refunds	647.04	7,723.64	8,370.68
<u>8,918,392.00</u>	<u>2,760,528.70</u>	<u>61,601.03</u>	<u>2,822,129.73</u>

**COST OF REALISATIONS**

Agent's disbursements - John Pye	(22,210.66)	(3,347.00)	(25,557.66)
Agents' Fees - Property & Assets	(51,831.23)	(4,750.73)	(56,581.96)
Agent's Fees - Debt collection	(30,888.22)	(7,075.61)	(37,963.83)
Duress payment	(504.40)	-	(504.40)
Employee Expenses	(2,130.51)	-	(2,130.51)
Forklift	(6,798.26)	-	(6,798.26)
Insurance	(8,980.00)	(136.70)	(9,116.70)
IT Costs	(23,910.82)	-	(23,910.82)
Legal fees & Expenses	(60,104.00)	-	(60,104.00)
Office-holder fees (set fee)	-	(402,995.04)	(402,995.04)
Office-holder expenses	-	(21,409.36)	(21,409.36)
PAYE/NIC and Pension Deductions	(165,000.63)	2,739.68	(162,260.95)
Professional Fees	(3,643.00)	-	(3,643.00)
Pre appointment expenses	(16,342.04)	(5,626.00)	(21,968.04)
Property / Asset expenses	(2,038.41)	-	(2,038.41)
Purchases	(9,112.63)	-	(9,112.63)
Rent	(71,114.76)	-	(71,114.76)
Statutory advertising	(203.00)	-	(203.00)
Storage Costs	(8,694.34)	(610.18)	(9,304.52)
Telephone & Fax	(154.34)	-	(154.34)
Utilities & Rates	(39,859.88)	-	(39,859.88)
Corporation Tax/Income Tax	(8,317.94)	-	(8,317.94)
Wages & Salaries	(438,070.63)	-	(438,070.63)
ISA fee	-	(25.75)	(25.75)
	<hr/>	<hr/>	<hr/>
	(969,909.70)	(443,236.69)	(1,413,146.39)

**PREFERENTIAL CREDITORS**

Employee Wage arrears & Holiday pay	(109,249.51)	132.87	(109,116.64)
HMRC	-	(1,299,866.70)	(1,299,866.70)
	<hr/>	<hr/>	<hr/>
	<b>1,681,369.49</b>	<b>(1,681,369.49)</b>	-

**REPRESENTED BY**

Barclays Bank Plc	1,650,151.44	(1,650,151.44)	-
VAT Control Account	31,218.05	(31,218.05)	-
	<hr/>	<hr/>	<hr/>
	<b>1,681,369.49</b>	<b>(1,681,369.49)</b>	-

## Notes to the R&P

1. On 10 October 2025, we paid a secondary preferential dividend at the rate of 82.09p/£.
2. On 12 March 2026, we paid a final secondary preferential dividend at the rate of 6.83p/£.
3. The bank account was taking off interest-bearing in the last reporting period. In the Period, we have received £38.78 in respect of interest on VAT repayments received. This is shown in bank interest in the receipts and payments account.
4. Amounts shown exclude VAT.
5. As explained further in Appendix D, our fees are based on a set fee. The receipts and payments account shows the amount paid in the period and total to date.
6. In addition, as we realised assets subject to fixed charge, we sought and obtained approval from Virgin and GLAS to draw £37,000 plus VAT as the cost of realising those assets. This is shown separately in the receipts and payments account.
7. In Appendix B, we explain what work has been sub-contracted out (that would otherwise have been done by us) The amounts paid for those services during the Period were £3,115.73 and in total are £42,503.97 and are included in "Agents fees - property and assets" and "Wages and Salaries" above.
8. Included within our expenses is £901.31 paid in total, in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B. No expenses were paid in any of the prior periods.

# 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
<b>Category 1</b>	Payments to persons providing the service to which the expense relates who are not an associate of the Office-holder.
<b>Category 2</b>	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 and preferential 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 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	Costs incurred by	Basis of cost	Costs incurred (£)
2	PwC	<b>Photocopying/printing</b> - Up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	0.11
1	PwC	Postage	54.80
		<b>Brought forward from prior reporting period *</b>	<b>22,969.09</b>
		<b>Cumulative total</b>	<b>23,024.00</b>

\* The brought forward figure is higher than shown in our previous progress report by £315.21. This is due to the timing of how disbursements are allocated to our finance systems.

The expense policy set out above has been approved by the preferential creditors with consent from the secured creditor.

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

	Brought forward from preceding period (£)	Incurred 20 September 25 to 19 March 26 (£)	Cumulative (£)	Estimated future expenses (£)	Anticipated total (£)	Initial estimate (£)	Variance (£)
Professional Fees	3,643.00	-	3,643.00	-	3,643.00	2,718.00	(925.00)
Administrators disbursements	2,269.09	54.91	2,324.00	-	2,324.00	22,000.00	19,676.00
Forklift rental costs	6,798.26	-	6,798.26	-	6,798.26	6,789.26	(9.00)
Duress Payments	504.40	-	504.40	-	504.40	504.40	-
Agents' Fees - Property & Assets	67,860.21	4,750.73	72,610.94	-	72,610.94	51,518.17	(21,092.77)
Agents' disbursements	22,210.66	3,347.00	25,557.66	-	25,557.66	22,210.66	(3,347.00)
Legal fees & Expenses	60,104.00	-	60,104.00	-	60,104.00	59,945.00	(159.00)
IT Costs	23,910.82	-	23,910.82	-	23,910.82	23,910.82	-
Telephone & Fax	154.34	-	154.34	-	154.34	154.34	-
Debt Collection Fees	30,888.23	7,075.61	37,963.84	-	37,963.84	26,854.58	(11,109.26)
Insolvency Service	Nil	25.75	25.75	-	25.75	250.00	224.25
Storage Costs	8,694.34	610.18	9,304.52	-	9,304.52	6,965.49	(2,339.03)
Statutory advertising	203.00	-	203.00	-	203.00	249.00	46.00
Rent	71,114.76	-	71,114.76	-	71,114.76	82,094.51	10,979.75
Purchases/ROT settlements	9,112.63	-	9,112.63	-	9,112.63	9,112.63	-
Utilities & Rates	39,859.88	-	39,859.88	-	39,859.88	64,113.01	24,253.13
Property / Asset expenses	2,038.41	-	2,038.41	-	2,038.41	2,038.41	-
Insurance	8,980.00	136.70	9,116.70	-	9,116.70	8,699.00	(417.70)
Corporation tax	8,317.94	-	8,317.94	-	8,317.94	-	(8,317.94)
Wages & Salaries	438,070.63	-	438,070.63	-	438,070.63	438,070.63	-
PAYE/NIC and Pension Deductions	165,000.83	(2,739.68)	162,261.15	-	162,261.15	164,914.90	2,653.75
Employee/Subcontractor Costs & Expenses	2,130.51	-	2,130.51	-	2,130.51	2,130.51	-
<b>Total</b>	<b>971,865.94</b>	<b>13,261.20</b>	<b>985,127.14</b>	<b>-</b>	<b>985,127.14</b>	<b>995,243.32</b>	<b>10,116.18</b>

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid since our last progress report and the total paid to date.

Our expenses have exceeded the estimate provided to all creditors before the basis of our fees was fixed. This is primarily due to the following:

- a corporation tax liability arising during the administration as a result of asset realisations, which was not anticipated when the original estimate was prepared;
- higher than anticipated IT costs required to maintain access to the Company's systems; and
- agents' disbursements associated with the realisation of additional stock assets and the debtor recovery workstream.

These increases were partially offset by lower costs in several other areas, including utilities and rates and debt collection fees.

## 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. Relevant parties have been chosen due to their specific area of expertise or technical knowledge [or any other reason] and payments to those parties based on standard commercial terms.

## Details of subcontracted work

The work denoted by an asterisk (\*) in the table below, which we or our staff would normally do, has been done by subcontractors. We have subcontracted this work because the parties performing the work have the necessary knowledge and expertise to do so, and can perform the work more cost effectively.

## Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm	Reason selected	Basis of fees
<b>Legal advice, including:</b> <ul style="list-style-type: none"> <li>• Drafting documentation relevant to the appointment of the Joint Administrators</li> <li>• Drafting property documents and work in relation to property related matters;</li> <li>• Drafting LtO documents</li> <li>• Other advice as and when needed</li> </ul>	SPB	Industry knowledge and expertise, existing knowledge of the Company due to their engagement pre-Administration (especially in relation to potential ROT claims)	Time costs basis  Estimated cost: £60,000.00  Actual costs: £60,104 paid
<b>Auctioneers:</b> <ul style="list-style-type: none"> <li>• Collection and sale of stock through auction house</li> </ul>	John Pye	John Pye is an established commercial auction house network within the UK. They have specialist knowledge and the infrastructure to be able to collect and sell high volume goods in a more efficient manner than if we undertook this directly	Fixed fee expenses and commission  Actual cost: £43,613.31 incurred and paid,  Disbursements: £25,557.66 incurred and paid
<b>IT services:</b> <ul style="list-style-type: none"> <li>• IT Services including Azure subscription</li> </ul>	RockIT Specialists Ltd	Knowledge of the Company and its associated records	Cost per licence subscription  Actual cost: £23,910.82 incurred and paid.

<b>Debt collection *</b>	JPA	Industry knowledge and expertise	15% plus VAT. Should they recover > 90% of the residual ledger, it reduces to 10% plus VAT  Actual cost: £37,963.83 incurred and paid
<b>Record and Information management:</b> <ul style="list-style-type: none"> <li>Collect records from Company sites, store records at an offsite location and process secure destruction of certain record</li> </ul>	Iron Mountain UK plc	Knowledge of the Company and its associated records	Cost per box collected and stored  Actual cost: £9,304.52 incurred and paid
<b>Payroll services *</b> <ul style="list-style-type: none"> <li>Payroll services including Administration of the Auto Enrolment pension scheme</li> </ul>	Kreston Reeves LLP	Industry knowledge / insolvency expertise	Set fee for processing payroll £1,295 incurred and paid
<b>Ad hoc offsite shredding</b> <ul style="list-style-type: none"> <li>Collect records from Company sites, store records at an offsite location and process secure destruction of certain record</li> </ul>	Shredall SDC Group	Experience in document collection and shredding	25p per kilo £4,638.00 incurred and paid
<b>Rates refunds and collection *</b> <ul style="list-style-type: none"> <li>Negotiating rent free periods with landlords and the recovery of business rates refunds</li> </ul>	Consultiam Property Ltd t/a CAPA	Industry knowledge	13.5% of realisations for rates and 25% of realisations for rent reductions (plus VAT) £3,245.14 incurred and paid

# Appendix D: Remuneration update

Our fees were approved on a fixed fee basis by the secured and preferential creditors. We've drawn fees of £402,995.04 in line with the approval given, as shown on the enclosed receipts and payments account at Appendix A.

Our fixed fee is £402,995.04. On 17 April 2025 we issued our remuneration report alongside our first progress report. Based on the information available at that time, including the expectation that the administration would conclude by 19 September 2025, a fixed fee of £302,995.04 for our post-appointment work was approved by the preferential creditors on 9 May 2025 and with the consent of the secured creditors on 12 May 2025.

As the administration progressed, additional work was required and the administration was extended to 19 March 2026. An uplift of £100,000 to our fixed fee was therefore sought and approved by the preferential creditors on 13 January 2026 and with the consent of the secured creditors on 5 January 2026.

In addition, approval was obtained from GLAS and Virgin to draw £37,000 plus VAT in respect of the costs of realising assets subject to a fixed charge.

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 following table we provide more detail on the key areas of work we have undertaken in the 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
<b>Accounting and treasury</b>		
<ul style="list-style-type: none"> <li>• Dealing with receipts, payments and journals;</li> <li>• Carrying out bank reconciliations;</li> <li>• Ensuring final bills are generated and settled;</li> <li>• Performed independent verifications of suppliers' bank details in order to process payments;</li> <li>• Updating estimated outcome statements following final payments of expenses;</li> <li>• Ensured that invoices reflected the work undertaken;</li> </ul>	<ul style="list-style-type: none"> <li>• To ensure proper management of the administration</li> </ul>	<ul style="list-style-type: none"> <li>• Work is required by statute and for the proper management of the case and potential return to the creditors</li> </ul>
<b>Assets</b>		
<ul style="list-style-type: none"> <li>• Liaising with property agents to discuss the rent position</li> <li>• Liaising with the council to recover rates refunds;</li> <li>• Carrying out a detailed debtor reconciliation in order correct the debtor position;</li> <li>• Reviewing stock values per company records and systems;</li> <li>• Liaising with agents regarding stock realisation;</li> <li>• Ongoing communication with agents relating to the valuation of Company stock held;</li> <li>• Securing the sale of stock from site outside of the main transactions;</li> <li>• Settling agent's costs;</li> <li>• Requesting a refund of the remaining balance from utility provider</li> <li>• Corresponding with insurer to obtain any insurance refund dues;</li> <li>• Corresponding with insurer regarding initial and ongoing insurance requirements;</li> <li>• Maintaining insurance as required for specifics of the case;</li> </ul>	<ul style="list-style-type: none"> <li>• To maximise asset realisations in the Administration</li> </ul>	<ul style="list-style-type: none"> <li>• Work is required by statute</li> </ul>
<b>Creditors</b>		
<ul style="list-style-type: none"> <li>• Maintaining a dedicated website for delivery of initial and ongoing communications and reports;</li> <li>• Receiving and following up creditor enquiries via telephone, email and post;</li> <li>• Receipting and filing proofs of debt when not related to a dividend;</li> <li>• Liaising with the secured creditors and responding to secured creditor's queries;</li> <li>• Issuing NOID for final distribution to secondary preferential creditor;</li> <li>• Declaring and paying final distribution to the secondary preferential creditor</li> </ul>	<ul style="list-style-type: none"> <li>• Direct benefit to creditors through the provision of information</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory and regulatory requirements.</li> </ul>

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### Employees and Pensions

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- Liaising with HMRC in relation to credit amount due back to the estate for PAYE contributions paid post-appointment;
  - Requesting cancellation of PAYE scheme in preparation for closure
  - Issue final statutory pensions notices prior to the Joint Administrators ceasing to act
  - Proper case management
  - Statutory and regulatory requirements.
- 

### Statutory and compliance

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- Preparing and issuing our uplift remuneration report
  - Preparing and issuing notices for the approval of our remuneration;
  - Updating checklists and diary management system;
  - Drawing the Joint Administrators' fees and expenses
  - Filing of documents
  - Updating and maintaining permanent file that contains copies of all statutory documentation
  - Proper case management
  - Statutory and regulatory requirements.
- 

### Strategy and Planning

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- Holding team meetings and discussions regarding the status of administration and strategy in regards to closure, VAT and tax matters and estimated outcome for stakeholders;
  - Updating estimated outcome statements
  - Conducting case reviews regularly
  - Updating checklists and diary management system
  - Holding regular team meetings and discussions regarding status of the administration and progress of different work streams
  - Proper case management
  - Work is required by statute and for the proper management of the case
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### Tax and VAT

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- Tax**
    - Gathering information for tax review;
    - Carrying out tax reviews and subsequent enquiries.
    - Preparing and submitted post appointment tax returns
  - Statutory and regulatory requirements.
  - Statutory and regulatory requirements
  - VAT**
    - Carrying out VAT reconciliation
    - Deregistering the company from VAT as from 31 December 2025;
    - Preparing the final VAT426 and assignment documents
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### Closure procedures

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- Obtaining clearances from third parties;
  - Preparing and publishing a final report to creditors and the Registrar;
  - Closure of bank account;
  - Completing checklists and diary management system;
  - Closing down internal systems;
  - Holding team meetings and completing checklists on closure
- Ensures that the Company's affairs are wound down in an orderly manner.
- Statutory and regulatory requirements
-

# Appendix E: Summary of our proposals

In our Proposals dated 15 November 2024 we confirmed the following:

## **Objective of the Administration**

We pursued objective (b) of the statutory purposes of administration, being to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up without first being in administration. We did not consider it reasonably practicable to rescue the Company as a going concern.

## **Trading**

Our strategy following appointment was to cease trading immediately and pursue an orderly wind-down of the Company's estate. The Company's leased premises were temporarily retained to facilitate the realisation of stock and other assets.

## **Employees**

At the date of our appointment the Company had 170 employees. 142 employees were made redundant immediately, with 28 retained for a short period to assist with the orderly wind-down of the business and the realisation of assets.

## **Sale of Company Assets**

The Company's principal assets comprised stock, intellectual property and goodwill relating to the FFX and Rika brands, trade debtors, cash at bank and certain fixed assets. Our strategy was to realise these assets through a combination of asset sales, debtor collections and auction processes where appropriate.

## **Financing of the Administration**

The administration was expected to be funded from the realisation of the Company's assets, together with existing cash balances and debtor recoveries.

## **Connected Party Transactions**

We did not propose to dispose of assets to any party connected with the Company's directors, shareholders or secured creditors.

## **Secured creditors**

The Company's senior secured creditor was Virgin, with lending of approximately £7.3 million secured by fixed and floating charges over the Company's assets. WAAM was a junior secured creditor with lending of approximately £5.7 million, subordinated to Virgin's security.

## **Preferential creditors**

We anticipated that first ranking preferential creditors (employees) would be paid in full. We also expected HMRC, as a secondary preferential creditor, to receive a dividend in respect of its claim, subject to agreement of the claim.

## **Unsecured creditors**

We estimated that any dividend to unsecured creditors via the Prescribed Part would be less than 1%, subject to final realisations and claims.

## **Exit Route**

We proposed that, following the completion of asset realisations and distributions to creditors, the administration would conclude and the Company would be dissolved.