

# Joint administrators' progress report from 28 February 2021 to 27 August 2021

**Maplin Electronics Limited**  
(in administration)

High Court of Justice, Chancery Division, Manchester District  
Registry

Case no. 2175 of 2018

27 September 2021

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# Abbreviations and definitions

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

Abbreviation or definition	Meaning
<b>Company</b>	Maplin Electronics Limited
<b>Administrators</b>	Zelf Hussain and Toby Scott Underwood
<b>Firm</b>	PricewaterhouseCoopers LLP
<b>IR16</b>	Insolvency (England and Wales) Rules 2016
<b>IA86</b>	Insolvency Act 1986
<b>Sch.B1 IA86</b>	Schedule B1 to the Insolvency Act 1986
<b>HMRC</b>	HM Revenue & Customs
<b>Hilco</b>	Hilco Retail Services Limited
<b>IP</b>	Intellectual Property, including the Maplin brand
<b>Proposals</b>	Joint administrators' proposals for achieving the purpose of administration dated 19 April 2018
<b>Rutland</b>	Rutland Partners LLP
<b>Wells Fargo</b>	Wells Fargo Capital Finance (UK) Limited
<b>Secured creditors</b>	Creditors with security in respect of their debt, in accordance with section 248 IA86
<b>Preferential creditors</b>	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
<b>Unsecured creditors</b>	Creditors who are neither secured nor preferential
<b>Prescribed part</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

This report has been prepared by Toby Scott Underwood and Zelf Hussain as Joint Administrators of the Company, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, 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 for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Administrators' previous reports issued to the Company's creditors, which can be found at [www.pwc.co.uk/maplin](http://www.pwc.co.uk/maplin). Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Toby Scott Underwood and Zelf Hussain have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents and act without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the [PwC.co.uk](http://PwC.co.uk) website or by contacting the Joint Administrators.

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

I'm writing to update you on the progress of the administration of Maplin Electronics Limited in the six months since our last report dated 17 March 2021.

You can still view our earlier reports on our website at [www.pwc.co.uk/maplin](http://www.pwc.co.uk/maplin). Please get in touch with James Crowther on 0113 289 4076 or at [crowther.james@pwc.com](mailto:crowther.james@pwc.com) if you need any of the passwords to access the reports.

## How much creditors may receive

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

Class of creditor	Paid to Date £	Current estimate (%)	Previous estimate (%)
<b>Secured creditor - Wells Fargo</b>	11.2m	Paid in full	Paid in full
<b>Secured creditor - Rutland</b>	14.5m	14%	14%
<b>Preferential creditors</b>	Nil	N/a	N/a
<b>Unsecured creditors</b>	600k	Paid 1.04%	Less than 1%

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

Wells Fargo had a first ranking fixed and floating charge over the Company's assets and were repaid in full shortly following our appointment.

Rutland holds second ranking security over the Company's assets and on our appointment was owed £102m inclusive of accrued interest. To date, Rutland has received distributions totalling £14.5m. We estimate that Rutland will receive a further and final distribution; however, they will suffer a shortfall on their security.

On leaving, all employees received their wages payments in full as well as any payments for holiday accrued but not taken in accordance with the Company's holiday policy. As such, we do not consider there to be any preferential creditors.

In December 2019, a first and final dividend was paid to unsecured creditors from the prescribed part at a rate of 1.04%. This was a better result than originally estimated. There will be no further distribution to unsecured creditors.

## What you need to do

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

# Overview of what we've done to date

For details of the work we have done to date, please refer to our previous progress reports, which can be found on our case website: [www.pwc.co.uk/maplin](http://www.pwc.co.uk/maplin). If you would prefer a hard copy of any of the previous reports, please contact James Crowther by email at [crowther.james@pwc.com](mailto:crowther.james@pwc.com).

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

- Finalise insurance matters;
- Conclude the Company's legal claim in relation to credit card charges;
- Submit a final VAT return;
- Make a final distribution to the secured creditor; and
- Deal with closure matters including drafting and issuing the final progress report, closure of our internal systems, obtaining clearances from third parties and removal of the Administrators' bond.

This report provides an update on these key outstanding matters.

# Progress since we last reported

In our previous report we outlined a number of tasks we needed to do before the administration could be brought to an end. They fell under the following categories.

## Properties

Together with our solicitors, we have continued to agree to surrender leases by operation of law, or alternatively by formal deed. To date, 168 leases have now either been surrendered or have expired. Conversely, the leases for 51 properties remain in place and we continue to deal with any surrender requests received. However, these leases being in place will not prevent the closure of the administration in due course.

We still have public liability insurance in place for the properties where the leases haven't been surrendered or expired. In the period we paid £23k in relation to this insurance cover.

## Business rates

It has come to our attention in the period that a historical error by a local council may lead to further business rates recoveries. However, the exact value and timing of this recovery remains unknown. We will provide an update in our next report on the outcome of this recovery. Currently the total value of business rates refunds stands at £188k.

## Tax and VAT

We continue to deal with the Company's VAT affairs and filing obligations.

During the period we submitted a VAT reclaim by way of a VAT 426 form for the value of £74.8k.. There is also still an outstanding VAT refund owed to the Company by HMRC. Our VAT team is liaising with HMRC and the refund should be received in the next reporting period.

We have previously obtained corporation tax clearance and HMRC confirmed they had no objection to the closure of the administration.

## Creditors

As previously reported, any unclaimed unsecured dividends were paid to the Insolvency Service Unclaimed Dividends Account. Any creditors who did not bank their dividend cheque must now contact the Insolvency Service directly to receive payment.

## Legal Claim

We have continued to monitor the progress of the Company's claim in relation to credit card charges, which is being dealt with by a third party as part of a group action and they have continued to keep us apprised of their work towards a possible settlement. As previously reported, Rutland is the only creditor with an economic interest in the outcome of this claim and any funds received from this claim will be paid to Rutland under the terms of their security. As the time to resolve this claim is materially uncertain, we are exploring options which might enable the administration to be concluded while the claim remains on foot.

## 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 Statement of Insolvency Practice No.2.

## Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administration from 28 February 2021 to 27 August 2021.

## Our expenses

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

## Our fees

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

## Pre-administration costs

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

## Creditors' rights

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

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx?la=en>

You can also get a copy free of charge by emailing James Crowther at [crowther.james@pwc.com](mailto:crowther.james@pwc.com).

## What we still need to do

The following is a summary of the work we still need to do before the administration can be brought to an end::

- Finalise insurance matters;
- Conclude the Company's legal claim in relation to credit card charges;
- Submit a final VAT reclaim;
- Make a final distribution to the secured creditor; and
- Deal with closure matters including drafting and issuing the final progress report, closure of our internal systems, obtaining clearances from third parties and removal of the Administrators' bond.

## Next steps

We expect to send our next report to creditors at the end of the administration or in about six months, whichever is the sooner.

If you've got any questions, please get in touch with James Crowther on 0113 289 4076.

Yours faithfully

For and on behalf of the Company



Toby Underwood  
Joint Administrator



# Appendix A: Receipts and payments

## Maplin Electronics Limited receipts and payments account for the period from 28 February 2018 to 27 August 2021

Directors' statement of affairs	28 February 2018 to 27 February 2021	28 February 2021 to 27 August 2021	28 February 2018 to 27 August 2021
(£)	(£)	(£)	(£)
<b>Fixed Charge</b>			
<b>Receipts</b>			
133,649 Freehold Property	375,000.00	-	375,000.00
489,687 Cash at bank and in transit (Specifically Charged to Wells Fargo)	1,311,415.18	-	1,311,415.18
Sale of Intellectual Property	800,000.00	-	800,000.00
Wells Fargo guarantee not called upon	685,000.00	-	685,000.00
<b>Total Receipts</b>	<b>3,171,415.18</b>	<b>-</b>	<b>3,171,415.18</b>
<b>Payments</b>			
Distribution to Wells Fargo	(2,486,415.18)	-	(2,486,415.18)
<b>Total Payments</b>	<b>(2,486,415.18)</b>	<b>-</b>	<b>(2,486,415.18)</b>
<b>Net Fixed Charge Realisations</b>	<b>685,000.00</b>	<b>-</b>	<b>685,000.00</b>
<b>Floating Charge</b>			
<b>Receipts</b>			
2,293,676 Trading Surplus / (Deficit) (see trading account for detailed breakdown)	20,187,615.25	-	20,187,615.25
Cash at Bank and in Transit on Appointment	1,156,774.97	-	1,156,774.97
Receipt of funds from Rutland regarding Incentives Scheme	270,300.00	-	270,300.00
Refunds	10,220.62	-	10,220.62
Insurance Receipt	15,752.63	-	15,752.63
Rates Refunds	187,902.19	-	187,902.19
Premiums on Lease Assignments / Surrenders	819,328.97	-	819,328.97
Sale of Laptops	250.00	-	250.00
Fixtures and fittings	61,821.93	-	61,821.93
Vehicles	55,750.00	-	55,750.00
200,000 Book debts	614,252.00	-	614,252.00
41,174,561 Receipts from pre-appointment legal actions	416.82	-	416.82
866,351 Stock (see note 1)	-	-	-
364,581 Fixtures	-	-	-
Bank Interest	66,482.25	-	66,482.25
Prepayments	-	-	-
Storage costs	557.00	-	557.00
Funds Transferred from EUR account	1,599,684.41	-	1,599,684.41
Funds returned from Eversheds Sutherland in relation to float held	20,000.00	-	20,000.00
<b>Total Receipts</b>	<b>25,067,109.04</b>	<b>-</b>	<b>25,067,109.04</b>
<b>Payments</b>			
NIF - Wage arrears & Holiday pay	(5,463.18)	-	(5,463.18)
Statutory Advertising	(152.00)	-	(152.00)
Bank charges	(59,273.41)	-	(59,273.41)
Agents' fees - Consulting on IP sale	(5,000.00)	-	(5,000.00)
Legal fees property related - lease premiums	(87,939.00)	-	(87,939.00)
Rent paid in relation to lease premiums	(76,149.36)	-	(76,149.36)
Service charge in relation to lease premiums	(4,754.56)	-	(4,754.56)
Other property costs in relation to lease premiums	(9,082.64)	-	(9,082.64)
Agents' fees - employee services	-	-	-
Agents' fees - property related and lease premiums	(97,141.29)	(2,450.45)	(99,591.74)
Legal fees	(126,060.84)	-	(126,060.84)
Storage costs	(27,379.32)	(972.47)	(28,351.79)
Distribution to Floating Charge Holder - Wells Fargo	(8,716,868.93)	-	(8,716,868.93)
Distribution to Floating Charge Holder - Rutland	(14,591,125.94)	-	(14,591,125.94)
Sundry debts and refunds	(19,903.52)	30.90	(19,872.62)
Insurance	(310,130.98)	(23,009.50)	(333,140.48)
Administrators' fee	(2,000,000.00)	-	(2,000,000.00)
Administrators' expenses	(38,100.63)	-	(38,100.63)
<b>Total Payments</b>	<b>(26,174,525.60)</b>	<b>(26,401.52)</b>	<b>(26,200,927.12)</b>
<b>Net Floating Charge Realisations</b>	<b>(1,107,416.56)</b>	<b>(26,401.52)</b>	<b>(1,133,818.08)</b>
Prescribed Part distribution to unsecured creditors (1.05p in the £)	(599,948.26)	-	(599,948.26)
Charges for uncashed dividend cheques	(55.00)	-	(55.00)
<b>Total cost of prescribed part</b>	<b>(600,003.26)</b>	<b>-</b>	<b>(600,003.26)</b>
<b>Net Floating Charge Realisations</b>	<b>(1,707,419.82)</b>	<b>(26,401.52)</b>	<b>(1,733,821.34)</b>
VAT Control Account	1,400,635.18	(684.58)	1,399,950.60
<b>Balance held in Non-Interest Bearing Current Account</b>	<b>378,215.36</b>	<b>(27,086.10)</b>	<b>351,129.26</b>

## Notes:

- 1 Stock was sold through the trading of the stores, and therefore value for this is included in the trading profit line
- 2 All items are stated net of VAT
- 3 Funds are held in non-interest bearing account
- 4 Only statement of affairs balances where the estimated to realise value is above zero have been included
- 5 Due to an issue with HMRC systems, we are still reconciling our own VAT control account. We are comfortable that there is no VAT owing to HMRC, but the brought forward VAT figure is subject to change. We will recover any VAT due to the Company by way of a VAT426 form.

### Maplin Electronics Limited trading statement for the period from 28 February 2018 to 27 August 2021

Directors' statement of affairs (€)	Trading Statement - GBP	28 February 2018 to 27 February 2021 (€)	28 February 2021 to 27 August 2021 (€)	28 February 2018 to 27 August 2021 (€)
	<b>Trading Receipts</b>			
	Sales	48,234,038.64	-	48,234,038.64
	Currency Gains	1,990.92	-	1,990.92
	Trading refunds	80,395.96	-	80,395.96
	Bank charge credits - Worldpay	955.53	-	955.53
	Overdraft Facility from Wells Fargo	500,000.00	-	500,000.00
	Irrecoverable VAT	3,620.78	-	3,620.78
	<b>Trading Receipts Total</b>	<b>48,821,001.83</b>	-	<b>48,821,001.83</b>
	<b>Trading Payments</b>			
	Repayment of overdraft to Wells Fargo	(500,000.00)	-	(500,000.00)
	Change Withdrawn from Stores	(273,099.50)	-	(273,099.50)
	Agents Fees - Secure Cash Collection from Stores	(136,818.83)	-	(136,818.83)
	Other Costs of sales	(29,158.12)	-	(29,158.12)
	Coin Delivery	(6,985.00)	-	(6,985.00)
	Sundry expenses	(83,897.80)	-	(83,897.80)
	Sales Commission	(73,905.70)	-	(73,905.70)
	Payment to HMRC to Stock in Bonded Warehouse	(1,808,694.26)	-	(1,808,694.26)
	Retention of Title Claims	(707,283.63)	-	(707,283.63)
	Rent	(4,502,385.45)	-	(4,502,385.45)
	Other Property Costs	(79,857.88)	-	(79,857.88)
	Service Charge	(229,633.46)	-	(229,633.46)
	Business Rates	(1,893,151.35)	-	(1,893,151.35)
	Wages and Salaries (net)	(6,500,105.89)	-	(6,500,105.89)
	Wage payment to employees of Maplin (Hong Kong) Limited	(69,870.71)	-	(69,870.71)
	Employee expenses	(88,433.30)	-	(88,433.30)
	PAYE/NIC and Pension Deductions	(2,060,852.72)	-	(2,060,852.72)
	Purchases	(4,856,157.00)	-	(4,856,157.00)
	Utilities	(442,878.93)	-	(442,878.93)
	Telephone Costs	(16,537.87)	-	(16,537.87)
	Subcontractors - temp staff	(327,608.63)	-	(327,608.63)
	Fuel costs	(198.00)	-	(198.00)
	Motor and travel expenses	(3,368.33)	-	(3,368.33)
	Logistics	(1,493,390.97)	-	(1,493,390.97)
	Cleaning, Waste and Recycling	(114,393.12)	-	(114,393.12)
	Sales Support Fees - Third Party Installer	(60,708.06)	-	(60,708.06)
	Security Costs	(93,783.39)	-	(93,783.39)
	Repairs and Maintenance	(94,549.87)	-	(94,549.87)
	Trading refunds	(20,346.06)	-	(20,346.06)
	IT Costs	(399,353.10)	-	(399,353.10)
	Lease/hire payments	(36,532.72)	-	(36,532.72)
	Licences	(9,375.00)	-	(9,375.00)
	Legal Settlements	(58,325.94)	-	(58,325.94)
	Office costs and postage	(91,551.14)	-	(91,551.14)
	Duress Payments	(374,958.00)	-	(374,958.00)
	Health and Safety Costs	(11,818.34)	-	(11,818.34)
	Marketing Costs	(558,033.31)	-	(558,033.31)
	Agents Fees - Exiting stores	(184,327.99)	-	(184,327.99)
	Group Pension Premium	(12,372.45)	-	(12,372.45)
	Irrecoverable VAT	(3,684.76)	-	(3,684.76)
	<b>Trading Payments Total</b>	<b>(28,308,386.58)</b>	-	<b>(28,308,386.58)</b>
	<b>Trading Account Surplus/(Deficit)</b>	<b>20,512,615.25</b>	-	<b>20,512,615.25</b>

## Notes

- 1 All items are stated net of VAT
- 2 VAT payable / receivable on trading receipts and payments are included on the main R&P
- 3 Funds are held in non interest bearing accounts

# Appendix B: Expenses

The following tables show expenses incurred to date and an estimate of further expenses we consider will be (or are likely to be) incurred. Expenses are amounts properly payable by us as administrators from the estate and includes our fees, but excludes distributions to creditors. The estimate also excludes any potential tax liabilities that may be payable as an expense of the administration in due course because amounts due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

## Maplin Electronics Limited Trading Expenses

	Expenses incurred from 28 February 2018 to 27 February 2020	Expenses incurred in the period 28 February 2021 to 27 August 2021	Total expenses to 27 August 2021	Estimated future expenses	Anticipated total expenses	Previous Estimate	Variance
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Repayment of overdraft to Wells Fargo	500,000.00	-	500,000.00	-	500,000.00	500,000.00	-
Change Withdrawn from Stores	273,099.50	-	273,099.50	-	273,099.50	273,099.50	-
Agents Fees - Secure Cash Collection from Stores	136,818.83	-	136,818.83	-	136,818.83	136,818.83	-
Other Costs of sales	29,158.12	-	29,158.12	-	29,158.12	29,158.12	-
Coin Delivery	6,985.00	-	6,985.00	-	6,985.00	6,985.00	-
Sundry expenses	83,897.80	-	83,897.80	-	83,897.80	83,897.80	-
Sales Commission	73,905.70	-	73,905.70	-	73,905.70	73,905.70	-
Payment to HMRC to Stock in Bonded Warehouse	1,808,694.26	-	1,808,694.26	-	1,808,694.26	1,808,694.26	-
Retention of Title Claims	707,283.63	-	707,283.63	-	707,283.63	707,283.63	-
Rent	4,502,385.45	-	4,502,385.45	-	4,502,385.45	4,502,385.45	-
Other Property Costs	79,857.88	-	79,857.88	-	79,857.88	79,857.88	-
Service Charge	229,633.46	-	229,633.46	-	229,633.46	229,633.46	-
Business Rates	1,893,151.35	-	1,893,151.35	-	1,893,151.35	1,893,151.35	-
Wages and Salaries (net)	6,500,105.89	-	6,500,105.89	-	6,500,105.89	6,500,105.89	-
Wage payment to employees of Maplin (Hong Kong) Limited	69,870.71	-	69,870.71	-	69,870.71	69,870.71	-
Employee expenses	88,433.30	-	88,433.30	-	88,433.30	88,433.30	-
PAYE/NIC and Pension Deductions	2,060,852.72	-	2,060,852.72	-	2,060,852.72	2,060,852.72	-
Purchases	4,856,157.00	-	4,856,157.00	-	4,856,157.00	4,856,157.00	-
Utilities	442,878.93	-	442,878.93	-	442,878.93	442,878.93	-
Telephone Costs	16,537.87	-	16,537.87	-	16,537.87	16,537.87	-
Subcontractors - temp staff	327,608.63	-	327,608.63	-	327,608.63	327,608.63	-
Fuel costs	198.00	-	198.00	-	198.00	198.00	-
Motor and travel expenses	3,368.33	-	3,368.33	-	3,368.33	3,368.33	-
Logistics	1,493,390.97	-	1,493,390.97	-	1,493,390.97	1,493,390.97	-
Cleaning, Waste and Recycling	114,393.12	-	114,393.12	-	114,393.12	114,393.12	-
Sales Support Fees - Third Party Installer	60,708.06	-	60,708.06	-	60,708.06	60,708.06	-
Security Costs	93,783.39	-	93,783.39	-	93,783.39	93,783.39	-
Repairs and Maintenance	94,549.87	-	94,549.87	-	94,549.87	94,549.87	-
Trading refunds	20,346.06	-	20,346.06	-	20,346.06	20,346.06	-
IT Costs	399,353.10	-	399,353.10	-	399,353.10	399,353.10	-
Lease/hire payments	36,532.72	-	36,532.72	-	36,532.72	36,532.72	-
Licences	9,375.00	-	9,375.00	-	9,375.00	9,375.00	-
Legal Settlements	58,325.94	-	58,325.94	-	58,325.94	58,325.94	-
Office costs and postage	91,551.14	-	91,551.14	-	91,551.14	91,551.14	-
Duress Payments	374,958.00	-	374,958.00	-	374,958.00	374,958.00	-
Health and Safety Costs	11,818.34	-	11,818.34	-	11,818.34	11,818.34	-
Marketing Costs	558,033.31	-	558,033.31	-	558,033.31	558,033.31	-
Agents Fees - Exiting stores	509,327.99	-	509,327.99	-	509,327.99	509,327.99	-
Group Pension Premium	12,372.45	-	12,372.45	-	12,372.45	12,372.45	-
<b>Total</b>	<b>28,629,701.82</b>	<b>-</b>	<b>28,629,701.82</b>	<b>-</b>	<b>28,629,701.82</b>	<b>28,629,701.82</b>	<b>-</b>

## **Maplin Electronics Limited Non-Trading Expenses**

	Expenses incurred from 28 February 2018 to 27 February 2020	Expenses incurred in the period 28 February 2021 to 27 August 2021	Total expenses to 27 August 2021	Estimated future expenses	Anticipated total expenses	Previous Estimate	Variance
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
NIF - Wage arrears & Holiday pay	5,463.18	-	5,463.18	-	5,463.18	5,463.18	-
Statutory Advertising	152.00	-	152.00	75.00	227.00	227.00	-
Bank charges	59,273.41	-	59,273.41	1,500.00	60,773.41	60,773.41	-
Agents' fees - Consulting on IP sale	5,000.00	-	5,000.00	-	5,000.00	5,000.00	-
Legal fees property related - lease premiums	87,939.00	-	87,939.00	-	87,939.00	87,939.00	-
Rent paid in relation to lease premiums	76,149.36	-	76,149.36	-	76,149.36	76,149.36	-
Service charge in relation to lease premiums	9,621.69	-	9,621.69	-	9,621.69	9,621.69	-
Other property costs in relation to lease premiums	9,082.64	-	9,082.64	-	9,082.64	9,082.64	-
Agents' fees - property related - lease premiums	97,141.29	2,450.45	99,591.74	2,500.00	102,091.74	99,641.29	2,450.45
Legal fees	126,060.84	-	126,060.84	5,000.00	131,060.84	131,060.84	-
Storage costs	27,379.32	972.47	28,351.79	5,000.00	33,351.79	32,379.32	972.47
Sundry debts and refunds	19,978.87	-	19,978.87	-	19,978.87	19,978.87	-
Insurance	310,130.98	23,009.50	333,140.48	15,000.00	348,140.48	330,130.98	18,009.50
<b>Total</b>	<b>833,372.58</b>	<b>26,432.42</b>	<b>859,805.00</b>	<b>29,075.00</b>	<b>888,880.00</b>	<b>867,447.58</b>	<b>21,432.42</b>

Due to the extension of the administration, we need to maintain public liability insurance for the leasehold properties. This is the reason for the £18k insurance variance. As leases expire and are surrendered, the insurance premium will decrease.

# Appendix C: Remuneration update

The secured creditors approved our fees on a fixed fee basis. To date we have drawn fees of £2,000,000 plus VAT in line with the approval given, as shown on the enclosed receipts and payments accounts. We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

## Payments to associates

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

## Our work in the period

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors OR whether it was required by statute
<b>Assets</b>	<ul style="list-style-type: none"><li>• Completing lease surrender deals and corresponding with landlords in relation to lease surrenders</li><li>• Reviewing insurance policies</li><li>• Corresponding with insurer regarding ongoing insurance requirements</li><li>• Monitoring the status of the legal claim</li></ul>	<ul style="list-style-type: none"><li>• To realise the Company's assets at the most favourable price</li><li>• Maximise realisations from assets for the benefit of the creditors and minimise costs</li></ul>
<b>Creditors</b>	<ul style="list-style-type: none"><li>• Responding to secured creditor's queries</li><li>• Continue to monitor outcome for Rutland and provide updates to them</li><li>• Updating and maintaining an estimated outcome statement</li><li>• Receiving proofs of debt and maintaining register</li></ul>	<ul style="list-style-type: none"><li>• To address creditors' enquiries and keep them informed of the progress of the administration</li><li>• Required by statute and best practice</li></ul>
<b>Trading</b>	<ul style="list-style-type: none"><li>• Liaising with our agents to settle the business rates position for each property</li></ul>	<ul style="list-style-type: none"><li>• Continuing to trade cost effectively and with appropriate supervision ensured trading losses were minimised and no litigation costs were incurred that could have resulted from an interruption of the services</li></ul>
<b>Statutory and compliance</b>	<ul style="list-style-type: none"><li>• Periodic case reviews</li><li>• Drafting and sending out a further progress report</li><li>• Maintaining fee budgets &amp; monitoring cost</li><li>• Holding team meetings and discussions regarding status of administration and key decisions</li><li>• Considering timings for key case</li></ul>	<ul style="list-style-type: none"><li>• To keep all stakeholders informed of the course of the administration</li><li>• For proper case management and retention of records</li><li>• Required by statute</li></ul>

	<ul style="list-style-type: none"> <li>• milestones and key strategic decisions</li> <li>• Liaising with lawyers in regards to the extension of the administration</li> </ul>	
<b>Tax and VAT</b>	<ul style="list-style-type: none"> <li>• Liaising with HMRC regarding unpaid VAT refunds</li> <li>• Continuing to reconcile our VAT accounts</li> </ul>	<ul style="list-style-type: none"> <li>• To discharge our obligations to HMRC.</li> <li>• Required by statute.</li> </ul>
<b>Accounting and Treasury</b>	<ul style="list-style-type: none"> <li>• Carrying out bank reconciliations</li> <li>• Dealing with receipts, payments and journals, both trading and non-trading related</li> </ul>	<ul style="list-style-type: none"> <li>• For the efficient management of the administrations' funds.</li> <li>• Required by statute.</li> </ul>

## Our future work

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

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors OR whether it was required by statute
<b>Assets</b>	<ul style="list-style-type: none"> <li>• Decide how to deal with any residual leases where surrenders can't be agreed</li> <li>• Continue to monitor the status of the legal claim</li> </ul>	<ul style="list-style-type: none"> <li>• To realise the Company's assets at the most favourable price</li> <li>• Maximise realisations from assets for the benefit of the creditors</li> </ul>
<b>Creditors</b>	<ul style="list-style-type: none"> <li>• Make a further distribution to Rutland in due course</li> <li>• Update and maintain the case estimated outcome statement</li> <li>• Respond to creditor queries</li> <li>• Continue to monitor outcome for Rutland and provide updates to them</li> </ul>	<ul style="list-style-type: none"> <li>• To address creditors' enquiries and keep them informed of the progress of the administration</li> <li>• Required by statute and best practice</li> </ul>
<b>Statutory and compliance</b>	<ul style="list-style-type: none"> <li>• Periodic case reviews</li> <li>• Draft and send out further progress reports</li> <li>• Team meetings to review strategy and progress</li> <li>• Maintain fee budgets &amp; monitoring cost</li> <li>• Hold team meetings and discussions regarding status of administration and key decisions</li> <li>• Consider timings for key case milestones and key strategic decisions</li> <li>• Extend the administration if deemed necessary</li> </ul>	<ul style="list-style-type: none"> <li>• To keep all stakeholders informed of the course of the administration</li> <li>• For proper case management and retention of records</li> <li>• Required by statute</li> </ul>
<b>Tax and VAT</b>	<ul style="list-style-type: none"> <li>• Submit a final VAT 426 form to reclaim any VAT owed to the Company from HMRC</li> </ul>	<ul style="list-style-type: none"> <li>• To discharge our obligations to HMRC.</li> <li>• Required by statute.</li> </ul>
<b>Accounting and Treasury</b>	<ul style="list-style-type: none"> <li>• Carry out bank reconciliations and manage investment of funds</li> <li>• Deal with receipts, payments</li> </ul>	<ul style="list-style-type: none"> <li>• For the efficient management of the administrations' funds.</li> <li>• Required by statute.</li> </ul>

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- and journals
  - Bank account management
  - Pay any unclaimed unsecured dividend cheques to the Insolvency Service
- 

- |                           |   |  |
|---------------------------|---|--|
| <b>Closure Procedures</b> | • Complete checklists and diary management system | • To ensure all outstanding matters are dealt with in good time. |
|                           | • Close down internal systems                     | • Ensures an orderly case closure                                |
|                           | • Prepare and issue final report to creditors     |  |
|                           |   |  |
-

## Expenses

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

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 have the responsibility for agreeing the policies for payment of Category 2 expenses. We have previously obtained approval to draw Category 2 expenses.

No disbursements arose in the period of this report. However, the table below outlines the total value of disbursements incurred since the start of the administration.

Category	Policy	Costs incurred £
2	<b>Photocopying</b> – At 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	<b>Mileage</b> – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	Postage	-
Total for this period		-
Brought forward		11,378.50
Total		11,378.50

## Our relationships

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

## Details of subcontracted work

We have not subcontracted out any work during the period.



## Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
<b>Legal services, including:</b> - Advice relating to lease assignments; - Assisted with the second extension of the administration; - Advice in relation to assigning the legal claim; - Sale of freehold property; and - Review deed of surrenders.	<ul style="list-style-type: none"> <li>Eversheds Sutherland LLP</li> </ul>	<ul style="list-style-type: none"> <li>Legal knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Time costs</li> </ul>
<b>Legal services, including:</b> - Property matters which were ongoing at the time of our appointment.	<ul style="list-style-type: none"> <li>Irwin Mitchell LLP</li> </ul>	<ul style="list-style-type: none"> <li>Pre-appointment knowledge of ongoing Company legal matters.</li> </ul>	<ul style="list-style-type: none"> <li>Time costs</li> </ul>
<b>Property agents for marketing purposes</b>	<ul style="list-style-type: none"> <li>Gooch Cunliffe Whale LLP</li> </ul>	<ul style="list-style-type: none"> <li>Industry expertise</li> </ul>	<ul style="list-style-type: none"> <li>Time costs</li> </ul>
<b>IP sales agents</b>	<ul style="list-style-type: none"> <li>Metis Partners</li> </ul>	<ul style="list-style-type: none"> <li>Industry expertise</li> </ul>	<ul style="list-style-type: none"> <li>Time costs</li> </ul>
<b>Business rates agents</b>	<ul style="list-style-type: none"> <li>Hilco Profit Recovery Limited</li> </ul>	<ul style="list-style-type: none"> <li>Industry expertise</li> </ul>	<ul style="list-style-type: none"> <li>% of realisations</li> </ul>
<b>Trading agents</b>	<ul style="list-style-type: none"> <li>Hilco Retail Services Limited</li> </ul>	<ul style="list-style-type: none"> <li>Trading expertise</li> </ul>	<ul style="list-style-type: none"> <li>Fee based on a minimum net realisation into the administration estate</li> </ul>

We require all third party professionals to submit evidence such as time costs analyses/narratives/schedule of realisations achieved in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- Review invoices to the terms agreed at the outset.
- Where fees are charged on a time cost basis, a breakdown of such costs is requested and reviewed before payment.

# Appendix D: Pre-administration costs

We previously reported unpaid pre-administration costs of £52,433. We are not seeking approval to draw these costs.

# Appendix E: Other information

<b>Court details for the administration:</b>	High Court of Justice, Chancery Division, Manchester District Registry, Case No. 2175 of 2018
<b>Company's registered name:</b>	Maplin Electronics Limited
<b>Trading name:</b>	Maplin Electronics Limited
<b>Registered number:</b>	01264385
<b>Registered address:</b>	Central Square, 29 Wellington Street, Leeds, LS1 4DL
<b>Date of the joint administrators' appointment:</b>	28 February 2018
<b>Joint administrators' names, addresses and contact details:</b>	<p>Toby Scott Underwood, PwC, Central Square, 29 Wellington Street, Leeds, LS1 4DL</p> <p>Zelf Hussain, PwC, 7 More London, Riverside, London, SE1 2RT</p> <p>Contact telephone number: 0113 289 4076</p> <p>Contact email address: crowther.james@pwc.com</p>
<b>Extension(s) to the initial period of appointment:</b>	Administration extended to 28 February 2022