
Joint administrators' progress report
from 28 August 2018 to 27 February
2019

Maplin Electronics Limited
(in administration)

22 March 2019

High Court of Justice, Chancery Division, Manchester
District Registry

Case no. 2175 of 2018

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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
Administrators/we/us/our	Zelf Hussain, Toby Scott Underwood and Ian David Green
Churchill House	Head office location at 142 – 146 Old Street, London, EC1V 9BW
Company	Maplin Electronics Limited
CVL	Creditors' voluntary liquidation
Group	MEL Topco Limited, MEL Midco Limited, MEL Bidco Limited, Maplin Electronics Group (Holdings) Limited, Maplin Electronics (Holdings) Limited, Maplin Electronics Limited, Maplin Electronics (HK) Limited
Hilco	Hilco Retail Services Limited
HMRC	HM Revenue & Customs
IA86	Insolvency Act 1986
ICAEW	Institute of Chartered Accountants in England and Wales
IR16	Insolvency (England and Wales) Rules 2016
IP	Intellectual Property, including the Maplin brand
Manvers	Head office location at Unit 1 Brookfields Way, Manvers, Rotherham, S63 5DL
preferential creditors	Primarily employee claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Proposals	Joint administrators' proposals for achieving the purpose of administration dated 19 April 2018
PwC/firm	PricewaterhouseCoopers LLP
RoT	Retention of title – claims made by suppliers to the Company that title of goods supplied remains with them after stock has been delivered to the Company but prior to the supplier being paid
RPS	Redundancy Payments Service, part of the Insolvency Service, which is an executive agency sponsored by BEIS, and which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Rutland	Rutland Fund III L.P.
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
secured creditor	A creditor with security in respect of their debt, in accordance with section 248 IA86
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 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
unsecured creditors	Creditors who are neither secured nor preferential
Wells Fargo	Wells Fargo Capital Finance (UK) Limited

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 20 September 2018.

You may wish to read this report in conjunction with our previous reports. We have only repeated information from our previous reports here, where considered necessary or beneficial for the purpose of this report. You can view our earlier reports on our website at www.pwc.co.uk/maplin. Please get in touch with James Crowther on 0113 289 4076 or at 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 (%)
Secured creditor – Wells Fargo	£11,203,284	Paid in full	Paid in full
Secured creditor - Rutland	£11,275,863	14%	14%
Preferential creditors	Nil	N/a	N/a
Unsecured creditors	Nil	Less than 1%	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 hold 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 £11.3m. We estimate that they will receive a further and final distribution in the region of £3.5m - £4.0m. Rutland will therefore suffer a shortfall on its security.

We do not anticipate that there will be any preferential creditors, as 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. Should this position change, we shall let you know.

According to the Company's statement of affairs, unsecured creditors total £198m. Claims received to date total £42m and we expect further claims to be received. We think the Company's unsecured creditors will receive a dividend of less than 1% from the ring-fenced prescribed part fund, based on what we know currently. The amount of any dividend will depend on the level of future realisations and the final level of claims received. We expect to issue a notice of intended dividend to unsecured creditors in May 2019 and to pay a dividend around July 2019. We do not think there will be a dividend in addition to the prescribed part.

We're continuing to invite claims from unsecured creditors so that we can agree them for dividend purposes in due course.

What you need to do

If you haven't already done so, please send your claim to us so that we can agree it in due course. A claim form can be downloaded from our website at www.pwc.co.uk/maplin or you can get one by telephoning James Crowther on 0113 289 4076.

We may decide that some or all creditors who are owed £1,000 or less by the Company won't be required to submit a proof of debt in order to receive the anticipated dividend payment and we will update creditors on this decision in due course.

A creditor who we decide is not required to submit a proof of debt will be notified when we deliver notice of our intention to pay a dividend of the amount we'll treat as their admitted debt for the purpose of the dividend, unless the creditor advises us that the amount is incorrect (in which case a proof of debt will be required) or not owed.

Please note that should you wish to vote in relation to any decision procedure during the administration or any subsequent liquidation or object to a decision sought by deemed consent, you'll need to submit a proof of debt, even if one is not required for dividend purposes.

Overview of work done in the previous period

Our initial strategy

Our preferred outcome was a sale of all (or substantially all) of the business and assets of the Company and the transfer of employees, as this was likely to achieve the best outcome for creditors. For this purpose, we retained all employees and kept the business trading as a whole for a period of nine days post administration, whilst we explored whether any party would be interested in purchasing the Company's business and assets.

Sale of business, assets and IP

Following the administration appointment, we sought as a priority to re-engage with parties who had been contacted prior to our appointment to ascertain whether they had any interest in purchasing the business. We re-contacted ten parties to ascertain their interest, gathered and provided additional information where necessary and followed up their interest, together with interest from other previously unknown parties.

However, the interest fell away, or became focussed on a purchase of stock, IP, property, or a combination.

The only interest for stock involved taking a substantial discount on its value. As the stores continued to trade during the administration, we considered that better value for creditors could be achieved by a sale of the stock in the normal course of business.

We subsequently explored a sale of the IP and were able to conclude a sale of the Company's IP assets, including brand, goodwill, design rights, trademarks and domain names for the sum of £800,000.

Trading

As there were no parties interested in acquiring the store network at an acceptable value, we implemented a phased closure. The stores were closed over a number of weeks between 5 May 2018 and 16 June 2018. There was no residual stock as Hilco ensured that stock was sold in-situ through the stores.

Following the closure of the stores, the properties were handed back to the respective landlords or assigned to other parties.

Our trading receipts and payments to date are detailed in Appendix A. We are still awaiting confirmation of final expenses and release of funds from suppliers which will change these reported figures.

Customer services

During the trading period we established a gift card and refund policy. There are no further customer claims in relation to refunds as the period for requesting these has elapsed.

Properties

There were 219 properties located across the UK and Ireland at the date of our appointment, of which one was a freehold property and the remainder were leasehold properties. The exercise to return keys to landlords and to surrender the remaining leases is ongoing, as described later in this report. A sale of the freehold properties was achieved, resulting in realisations of £375k. In addition, we were successful in realising lease premiums of £779k for the estate.

Debtors

We retained Company staff during the trading period to assist with collection of book debts and in the first six month of the administration. Some £581k was collected plus €3k.

Pre appointment cash at bank

The Company held numerous pre-appointment bank accounts in various currencies. We worked to identify and calculate the balances due to the administration. This was a complex exercise due to pre-appointment agreements with the banks in question on foreign currency transactions and their ability to offset any pre-appointment losses against the pre-appointment funds held. We therefore recovered the amounts due to the Company in various transfers.

Other assets

The Company's other assets (excluding stock, debtors and property) were primarily made up of fixed assets and chattels. We ascertained that there was no value in these assets.

There were various other chattel assets, primarily IT and office equipment. We received £61,822, before costs, from the sale of these assets.

There were also six cars owned by the Company and being used by retained staff. Prior to cessation of trade we arranged for the sale of these vehicles, following which we received a total of £55,750, before costs.

Some residual items of electrical equipment were sold to Company employees.

Third party and leased assets

As at the date of our appointment, the Company held a number of leased assets including 10 vehicles and IT equipment.

The lessor of the vehicles collected them all early in the administration.

In relation to other leased assets, we received contact from parties seeking to recover them from the Company. Where leased assets were not required for the administration, we instructed suppliers to collect them. Where leased assets were still required by the business, we provided commitments to pay for the ongoing costs. Following the cessation of trading, all such commitments were cancelled and suppliers were invited to collect their items.

Retention of Title

All submitted RoT claims have now been concluded.

Employees

On appointment, Maplin employed 2,335 employees in the United Kingdom and Republic of Ireland. In addition, during the administration an additional 217 employees were employed on short term temporary contracts. A total of 666 employees resigned and left of their own accord either on or following our appointment with the remainder being made redundant.

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.

Trading

Although the Company ceased trading in the previous period, we still have a number of ongoing work streams relating to the trading period. Since we last reported, the majority of this work has included settling the final trading expenses. Although we have made significant progress in settling final utility bills, business rates, rents, service charges and expenses with other suppliers, there are still a number of unsettled final balances which we are working to conclude.

Properties

The work from the previous period has continued and we have taken significant steps to finalise all outstanding property matters. This has included liaising with landlords and managing agents to settle final rent and service charge payments.

If you are a landlord and have not received any rental payments since the date of our appointment and have outstanding invoices awaiting payment for the period from our appointment, please contact James Crowther on 0113 289 4076.

We have offered to surrender leases by operation of law, or alternatively by formal deed. We continue to use the services of Eversheds Sutherland to assist us with the lease surrender exercise and the legal costs to the administration are being covered by the landlords. To date, 49 landlords have accepted the surrender and an additional surrender premium of £40k has been realised.

Utilities

During the period we have taken significant steps to conclude all outstanding utility matters. This is an ongoing task and we are working closely with utility providers to obtain invoices for the correct periods and to settle these.

Business rates

We have worked with our agents, Hilco, to secure refunds of business rates, which were due to the Company and to agree and settle business rates liabilities for the trading period. This has resulted in the recovery of refunds totalling £109k, including £48k in this period. We have paid £226k and €33k in relation to post appointment business rates.

Debtors

At the date of appointment, the Company had book debts totaling £427k with some £377k being collected. The majority of the remaining £50k related to disputed balances or had been offset by credit balances. We have continued to pursue these debts as appropriate.

In addition, £204k was recovered from suppliers in relation to rebates. No further recoveries are expected from this source.

Wells Fargo Cash Guarantee

Wells Fargo was holding an amount in relation to a cash guarantee, which could be released to the Company if not called upon. During the period, £685k has been released to the administration estate.

Extension of the Administration

The administration was due to automatically end of 28 February 2019. During the period, we considered it both necessary and beneficial to creditors to extend the administration beyond the current statutory year in order to

conclude remaining matters. Consequently, we sought the consent of the secured creditors to do so. The secured creditors agreed with this approach. The Registrar of Companies acknowledged the extension on 20 February 2019 and the administration is now due to expire on 28 February 2020.

Tax and VAT

As administrators, we continue to deal with the Company's tax and VAT affairs and filing obligations

Employees

In October 2018 the Employment Tribunal approved an application for a Consent Judgement for a Protective Award for 56 days pay in respect of a total of 142 claimants. Some of the claimants were legally represented and others made claims in person. Claims for Protective Awards made by individuals who worked in the retail stores were dismissed. A further 20 claims were dismissed because the claimants failed to comply with an order issued by the Tribunal.

We have been working with the Redundancy Payments Service to ensure that all claimants received their payments. The Company's former HR Director has been assisting with this process.

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 August 2018 to 27 February 2019. Please note that we are currently reconciling our accounting systems with those of the Company in order to correctly report the VAT position. Therefore the VAT figure is subject to change.

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.

The statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Our fees

We set out in Appendix B our remuneration report which covers our fees, disbursements and other related matters in this case.

Discharge from liability

We'll be discharged from liability in respect of any of our actions as administrators at a time set by the secured creditors or at a time set by the court. We will seek such a determination in due course.

Pre-administration costs

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

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/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

You can also get a copy free of charge by telephoning James Crowther on 0113 289 4076.

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:

- Settle the final trading expenses (utilities, business rates, rent and service charge and other suppliers);
- Obtain agreement to the basis of our fees and disbursements with the secured creditors;
- Finalise insurance matters;
- Prepare and submit the Company's post appointment tax and VAT returns and obtain clearance in due course;
- Review and adjudicate upon unsecured creditor claims and distribute funds to unsecured creditors accordingly (from the prescribed part fund);
- 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; and
- Make distributions to the secured creditors.

Next steps

Based on current information, we think there will be a dividend for unsecured creditors from the prescribed part only. Assuming that's the case, once we've paid any prescribed part dividend and finished our other work, we'll file the appropriate notice with the Registrar of Companies and the Company will be dissolved three months later.


However, if we think that there are matters that should be conducted in a liquidation rather than in the administration because, for example, the costs of extending the administration would outweigh the benefit to creditors, we may instead apply for a court order ending the administration and for the Company to be wound up.

We'll provide an update on this in our next report.

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

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

Yours faithfully
For and on behalf of the Company



Toby Underwood
Joint Administrator

Zelf Hussain, Toby Scott Underwood and Ian David Green have been appointed as joint administrators of Maplin Electronics Limited to manage its affairs, business and property as its agents and act without personal liability. All 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 Data 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](https://www.pwc.co.uk) website or by contacting the joint administrators.

Appendix A: Receipts and payments

Maplin Electronics Limited – GBP Receipts and payments account

Directors' statement of affairs (£)	28 February 2018 to 27 August 2018 (£)	28 August 2018 to 27 February 2019 (£)	28 February 2018 to 27 February 2019 (£)
Fixed Charge			
Receipts			
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
Total Receipts	2,486,415.18	685,000.00	3,171,415.18
Payments			
Distribution to Wells Fargo	(2,486,415.18)	-	(2,486,415.18)
Total Payments	(2,486,415.18)	-	(2,486,415.18)
Net Fixed Charge Realisations	-	685,000.00	685,000.00
Floating Charge			
Receipts			
2,293,676 Trading Surplus / (Deficit) (see trading account for detailed breakdown)	21,939,177.48	(956,770.96)	20,982,406.52
Cash at Bank and in Transit on Appointment	1,155,574.97	1,200.00	1,156,774.97
Receipt of funds from Rutland regarding Incentives Scheme	270,300.00	-	270,300.00
Refunds	10,191.50	-	10,191.50
Insurance Receipt	11,124.63	-	11,124.63
Rates Refunds	61,167.66	47,859.56	109,027.22
Premiums on Lease Assignments / Surrenders	779,235.25	40,093.72	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	581,474.21	43.42	581,517.63
41,174,561 Receipts from pre-appointment legal actions	416.82	-	416.82
866,351 Stock (see note 1)	-	-	-
364,581 Fixtures	-	-	-
Bank Interest	2,045.84	42,394.15	44,439.99
Prepayments	-	-	-
Storage costs	-	557.00	557.00
Total Receipts	24,928,530.29	(824,623.11)	24,103,907.18
Payments			
NIF - Wage arrears & Holiday pay	(5,463.18)	-	(5,463.18)
Statutory Advertising	(75.00)	-	(75.00)
Bank charges	(57,284.39)	(1,918.28)	(59,202.66)
Agents' fees - Consulting on IP sale	(5,000.00)	-	(5,000.00)
Legal fees property related - lease premiums	(64,141.70)	(23,797.30)	(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	(2,740.50)	(4,867.13)	(7,607.63)
Agents' fees - property related - lease premiums	(33,907.50)	(51,039.70)	(84,947.20)
Legal fees	(100,255.26)	-	(100,255.26)
Storage costs	(20,572.67)	-	(20,572.67)
Distribution to Floating Charge Holder - Wells Fargo	(8,716,868.93)	-	(8,716,868.93)
Distribution to Floating Charge Holder - Rutland	(11,275,862.64)	-	(11,275,862.64)
Sundry debts and refunds	-	(17,005.07)	(17,005.07)
Insurance	-	(217,707.11)	(217,707.11)
Total Payments	(20,363,075.68)	(316,334.59)	(20,679,410.27)
Net Floating Charge Realisations	4,565,454.61	(1,140,957.70)	3,424,496.91
VAT Control Account	7,065,221.85	(5,850,454.06)	1,214,767.79
Balance held in Interest Bearing Current Account	11,630,676.46	(6,991,411.76)	5,324,264.70

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 interest bearing account
- 4 Only statement of affairs balances where the estimated to realise value is above zero have been included
- 5 The above figures include amounts held in the Company's pre-appointment bank accounts

Directors' statement of affairs (£)	Trading Statement			
	Trading Receipts			
	Sales	47,185,861.72	805,348.23	47,991,209.95
	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
	Trading Receipts Total	47,769,204.13	808,969.01	48,578,173.14
	Trading Payments			
	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	(101,454.04)	(35,364.79)	(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	(695,336.02)	(8,734.00)	(704,070.02)
	Rent	(3,741,827.82)	(569,880.82)	(4,311,708.64)
	Other Property Costs	(86,582.86)	-	(86,582.86)
	Service Charge	(190,014.54)	(36,194.69)	(226,209.23)
	Business Rates	(1,565,388.23)	(296,858.63)	(1,862,246.86)
	Wages and Salaries (net)	(6,502,909.30)	(157.60)	(6,503,066.90)
	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	(2,060,775.12)	(39.40)	(2,060,814.52)
	Purchases	(4,856,157.00)	-	(4,856,157.00)
	Utilities	(13,386.34)	(65,984.39)	(79,370.73)
	Telephone Costs	(13,728.46)	(2,809.41)	(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	(111,643.57)	(2,749.55)	(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	(93,999.87)	(400.00)	(94,399.87)
	Trading refunds	(20,000.00)	(346.06)	(20,346.06)
	IT Costs	(343,783.52)	(55,569.58)	(399,353.10)
	Lease/hire payments	(32,111.22)	(4,421.50)	(36,532.72)
	Licences	(9,375.00)	-	(9,375.00)
	Legal Settlements	(124.49)	(58,201.45)	(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	-	(53,937.58)	(53,937.58)
	Group Pension Premium	-	(12,372.45)	(12,372.45)
	Irrecoverable VAT	-	(3,684.76)	(3,684.76)
	Trading Payments Total	(25,830,026.65)	(1,765,739.97)	(27,595,766.62)
	Trading Account Surplus/(Deficit)	21,939,177.48	(956,770.96)	20,982,406.52

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 interest bearing accounts

Maplin Electronics Limited – EUR Receipts and payments account

	28 February 2018 to 27 August 2018 (€)	28 August 2018 to 27 February 2019 (€)	28 February 2018 to 27 February 2019 (€)
Receipts			
Trading Surplus (see trading account for detailed breakdown)	1,710,904.75	-	-
Book debts	3,238.23	-	-
Cash at bank	153,162.41	-	-
Sundry debts/refunds	95.00	-	-
Total Receipts	1,867,400.39	-	1,867,400.39
Payments			
Trading Deficit (see trading account for detailed breakdown)	-	(97,854.50)	-
Total Payments	-	(97,854.50)	(97,854.50)
Net Floating Charge Realisations	1,867,400.39	(97,854.50)	1,769,545.89
VAT Control Account	526,163.96	(672.26)	525,491.70
Balance held in Interest Bearing Current Account as at 27 February 2019	2,393,564.35	(98,526.76)	2,295,037.59
GBP equivalent as at 27 February 2019 at £1 = €1.17	2,045,781.50	(84,210.91)	1,961,570.59

1 All items are stated net of VAT

VAT payable/receivable on trading receipts and payments are

2 included on the main receipts and payments account

3 Funds are held in interest bearing accounts

4 The Administrators were required to set up a Euro account to facilitate payments during our trading activity in Ireland

Trading Statement	28 February 2018 to 27 August 2018	28 August 2018 to 27 February 2019	28 February 2018 to 27 February 2019
	(€)	(€)	(€)
Trading Receipts			
Sales	2,324,584.21	-	2,324,584.21
Trading Receipts Total	2324584.21	-	2,324,584.21
Trading Payments			
Wages	(294,336.53)	-	(294,336.53)
PAYE/NIC	(74,498.75)	-	(74,498.75)
Employee expenses	(124.66)	-	(124.66)
Duress Payments	(573.28)	-	(573.28)
Business Rates	(13,692.08)	(19,629.82)	(33,321.90)
Rents	(162,162.18)	(41,031.25)	(203,193.43)
Service Charge	(9,548.94)	(3,019.40)	(12,568.34)
Other Property Costs	(351.25)	-	(351.25)
Utilities	(31,026.27)	-	(31,026.27)
Repairs and Maintenance	(1,554.05)	-	(1,554.05)
Security Costs	(7,206.68)	(8,433.96)	(15,640.64)
Cleaning, Waste and Recycling	(2,029.17)	-	(2,029.17)
Licences	(2,000.00)	-	(2,000.00)
Cash Collection fees	(8,690.24)	(25,572.23)	(34,262.47)
Irrecoverable VAT	(582.33)	-	(582.33)
Finance/Bank Charges	(5,303.05)	(167.84)	(5,470.89)
Trading Payments Total	(613,679.46)	(97,854.50)	(711,533.96)
Trading Account Surplus/(Deficit)	1,710,904.75	(97,854.50)	1,613,050.25
GBP equivalent as at 27 February 2019 at £1 = €1.17	1,462,311.75	(83,636.32)	1,378,675.43

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 interest bearing accounts
- 4 The Administrators were required to set up a Euro account to facilitate payments during our trading activity in Ireland

Appendix B: Remuneration Report

Purpose of this initial advice to creditors

If a company or individual is facing financial difficulty they may enter a formal insolvency process under the control of an independent external person (an insolvency practitioner). The costs of the proceedings are paid out of the assets of the company or the individual's estate and include the insolvency practitioner's remuneration, which in this case would be our fees for acting as joint administrators.

We must seek approval to the basis of our remuneration before it is paid and provide the fee approving body with sufficient information for them to make a decision. Insolvency law determines who the fee approving body is (and it depends on the circumstances of the case), but it's usually those creditors who have a direct interest in the amount paid because it impacts on how much those creditors recover.

Changes to insolvency legislation on 1 October 2015 also now require us to give all known creditors details of the work we expect to carry out during the case and the expenses that are likely to be incurred. Also, if our fees are proposed to include remuneration calculated on a time costs basis, we must provide an estimate of those fees. This report provides all this information and details of where further information can be obtained.

Action required by you

Earlier in this report we provided our current estimates on the likely return for the various classes of creditors. In particular, we stated that we believe there will be no funds to distribute to unsecured creditors, other than by way of the prescribed part.

Therefore if no committee is appointed, the secured creditors have the responsibility for fixing the basis of our fees and Category 2 disbursements. We will seek such fee approval separately in due course.

This Remuneration Report is therefore for information purposes only and no action is required.

Creditors' rights

You can find information on administrators' fees and your rights at www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditorfee-guide-6-april-2017.ashx?la=en

You can also get a copy free of charge by telephoning James Crowther on 0113 289 4076.

How fees are calculated

Insolvency law currently allows fees to be calculated in three ways:

- As a percentage of the value of the property which we deal with (often referred to as a "percentage basis");
- By reference to the time properly given by us and our staff attending to the matters arising (a "time costs basis"); or
- A set amount (a fixed fee).

The basis of our fees can be a combination of the above and different bases can be used for different parts of our work. The fee approving body decides which basis (or combination of bases) should be used to calculate fees,

once it is satisfied that the fee basis proposed represents the most appropriate mechanism in the circumstances of the case.

In this case we are proposing that our remuneration is on a fixed fee basis at £2m (plus VAT) and in the next section we include details of the work likely to be included. We believe this basis and amount produces a fair and reasonable reflection of the work done and anticipated to be undertaken for the following reason:

- An intense trading period was concluded with successful asset realisations, resulting in the best outcome for all creditors as a whole; and
- A fixed fee provided certainty for creditors on costs.

The fee basis is in line with discussions and an agreement in principle with the secured creditors. Formal approval will be sought in the near future. Any additional remuneration for unexpected work that needs to be undertaken to achieve the purpose of the administration will also be on a fixed fee basis, with the amount (if any) to be agreed by the fee approving body in due course.

Insolvency law says that in determining the basis of our remuneration, regard must be had to the following

- the complexity (or otherwise) of the case;
- any exceptional responsibility falling on us;
- the effectiveness with which we are carrying out, or to have carried out, our duties; and
- the value and nature of the property with which we have to deal.

Work we propose to undertake

The following table provides details of the work we propose to do (indicated by →), have already done (✓) or which is in progress (□). It provides a brief summary for each category rather than an exhaustive list of all possible tasks.

Category of work	General description	Work included
Assets	Sale of business	<ul style="list-style-type: none"> • Preparing an information memorandum ✓ • Liaising with purchasers and solicitors ✓ • Holding internal meetings to discuss/review offers received ✓ • Exploring a sale of the IP and the stock with those parties who had shown an interest ✓ • Re-engaged with parties to ascertain whether any were interested in purchasing the business ✓ • Actively liaised with new interested parties ✓ • Provided interested parties with information and collated interest ✓
	Property	<ul style="list-style-type: none"> • Review of the Company's property portfolio ✓ • Preparing and sending initial letter and notifications to landlords/agents ✓ • Liaising with solicitors to ensure rights of occupation to trade from certain stores on appointment ✓ • Payment of rents and associated property costs throughout the trading period □ • Offering surrenders of leases to landlords following vacation of properties. • Sale of freehold property ✓ • Assignment and surrenders of leases for premium value □ • Completing lease surrender deals □ • Payment of post appointment business rates. □ • Provision of information to rating agents ✓ • Continue to deal with landlord queries and access requests and finalise the payment of rents □ • Complete reconciliation of landlord rents and other associated property costs □ • Correspond with landlords in relation to lease surrenders □ • Complete lease assignments □ • Decide how to deal with any residual leases where surrenders can't be agreed → • Specialist property team to review and adjudicate on any complex property related unsecured claims →
	Debtors	<ul style="list-style-type: none"> • Retained Company staff during the trading period, to assist with collection of book debts ✓ • Pursued disputed balances ✓ • Recovered £204,000 from suppliers in relation to amounts due to the Company for historical promotional support and product rebates ✓ • Continue to collect debtors ✓ • Where debtors remain outstanding, decide whether there is a financial benefit to the estate of taking legal action →
	Retention of title claims	<ul style="list-style-type: none"> • Arranging for the completion of retention of title claim forms ✓ • Arranging for claimants to attend site to identify goods ✓ • Adjudicating upon claims ✓ • Corresponding with claimants regarding outcome of adjudication ✓

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>
		Inviting and meeting claimants on site to perform stock counts/collection of goods or alternatively arrange financial settlement ✓
	Insurance	<ul style="list-style-type: none"> • Sending initial notice to pre appointment insurers ✓ • Setting up insurance cover on appointment ✓ • Providing initial information to the insurance brokers ✓ • Providing regular updates to insurance brokers throughout the trading period ✓ • Identifying potential issues requiring attention of insurance specialists ✓ • Reviewing insurance policies □ • Corresponding with insurer regarding initial and ongoing insurance requirements □ • Realising any value within policies →
	Third party assets	<ul style="list-style-type: none"> • Reviewing leasing documents ✓ • Liaising with owners/lessors ✓ • Carrying out tasks associated with disclaiming leases →
	Creditor enquiries	<ul style="list-style-type: none"> • Setting up a dedicated website for delivery of initial and ongoing communications and reports ✓ • Setting up a dedicated inbox to receive creditor enquiries ✓ • Receiving and following up creditor enquiries via telephone, email and post □ • Reviewing and preparing correspondence to creditors and their representatives □
Creditors	Secured creditors	<ul style="list-style-type: none"> • Notifying secured creditors of appointment ✓ • Preparing reports to secured creditor □ • Responding to secured creditor's queries □ • Making distributions in accordance with security entitlements □ • Continue to monitor outcome for Rutland and provide updates to them □ • Make a further distribution to Rutland in due course □ • Updating and maintaining a case estimated outcome statement □
	Unsecured claims	<ul style="list-style-type: none"> • Dealing with proofs of debt for dividend purposes □ • Preparing correspondence to potential creditors inviting lodgment of proof of debt ✓ • Receiving proofs of debt and maintaining register □ • Adjudicating claims, including requesting further information from claimants → • Preparing correspondence to claimant advising outcome of adjudication and advising of intention to declare dividend → • Advertising intention to declare dividend → • Calculating dividend rate and preparing dividend file → • Preparing correspondence to creditors announcing declaration of dividend → • Preparing and paying distribution →
Employees and pensions		<ul style="list-style-type: none"> • Supporting those employees who were made redundant in making claims for notice and redundancy to the relevant government body ✓ • Dealing with claims in relation to Protective Awards ✓ • Reviewing claims received ✓
Trading		<ul style="list-style-type: none"> • Engaged agents to oversee the running of the stores ✓ • Liaised with merchant services providers to ensure the release of funds to the estate ✓ • Liaised with pre appointment banks to ensure release of funds ✓ • Communicated with key service providers in order to maintain trading ✓

Category of work	General description	Work included
		<ul style="list-style-type: none"> • Provided undertakings to suppliers to maintain and safeguard supply ✓
Investigations	Remuneration report	<ul style="list-style-type: none"> • Collecting company books and records where related to investigatory work ✓ • Reviewing books and records ✓ • Preparing investigation file and lodging findings through the Director Conduct Reporting Service ✓
Statutory and compliance	General Statutory and Compliance	<ul style="list-style-type: none"> • Sending initial notices to third parties following our appointment ✓ • Drafting and delivering the Proposals to creditors ✓ • Circulating notice of the Proposals to creditors, members and Registrar of Companies ✓ • Arranging for the collection of Company books and records ✓ • Periodic case reviews <input type="checkbox"/> • Extending the administration and sending relevant notices requesting consent to the extension ✓ • Preparing and delivering remuneration report to creditors and agreeing our fee basis ✓ • Requesting discharge from liability from secured creditors → • Drafting and sending out further progress reports, the number will depend on whether an extension to the administration is sought <input type="checkbox"/> • Formal closure of any legal branches in Ireland <input type="checkbox"/>
	Strategy and planning	<ul style="list-style-type: none"> • Completing tasks relating to job acceptance ✓ • Team meetings to review strategy and progress <input type="checkbox"/> • Maintaining fee budgets & monitoring cost <input type="checkbox"/> • Holding team meetings and discussions regarding status of administration and key decisions <input type="checkbox"/> • Considering timings for key case milestones and key strategic decisions <input type="checkbox"/>
Tax & VAT		<ul style="list-style-type: none"> • Gathering information in relation to the Company's tax matters following appointment ✓ • Carrying out tax review and subsequent enquiries ✓ • Liaising with HMRC <input type="checkbox"/> • Corresponding with HMRC in relation to the Company's VAT matters <input type="checkbox"/> • Preparation and submission of Company's pre appointment VAT return ✓ • Liaising with VAT team in relation to preparation of post appointment VAT returns <input type="checkbox"/> • Preparation and submission of post appointment VAT returns <input type="checkbox"/> • De-registration of the Company for VAT in due course →
Accounting and Treasury		<ul style="list-style-type: none"> • Opening and closing bank accounts and arranging facilities ✓ • Carrying out bank reconciliations and managing investment of funds <input type="checkbox"/> • Corresponding with pre appointment banks regarding transfers ✓ • Dealing with receipts, payments and journals, both trading and non-trading related <input type="checkbox"/> • Bank account management of both Sterling and Euro accounts <input type="checkbox"/> • Carrying out bank reconciliations and managing investment of funds <input type="checkbox"/> • Making distributions to secured creditors <input type="checkbox"/> • Raising cheques to unsecured creditors for a prescribed part dividend →
Closure Procedures		<ul style="list-style-type: none"> • Completing checklists and diary management system → • Closing down internal systems → • Preparing and issuing final report to creditors →

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>
		<ul style="list-style-type: none"> • Sending final notices to the Registrar of Companies →

Included in the above table are tasks that we must perform that may not directly benefit the creditors financially. These typically relate to fulfilling obligations imposed by statute or regulatory bodies.

Expenses

What is an expense?

Expenses are defined in SIP9 as amounts properly payable by the office holder from the estate which are not office holders' remuneration or a distribution to creditors. These include disbursements, which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment. They fall into two categories: Category 1 and Category 2

Disbursement	SIP9 definition
Category 1	Payments to independent third parties where there is specific expenditure directly referable to the appointment in question.
Category 2	Costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis.

Our firm's disbursements policy allows for all properly incurred expenses to be recharged to the case. We don't need approval from creditors to draw Category 1 disbursements as these have all been provided by third parties, but we do need approval to draw Category 2 disbursements as these are for services provided by our firm. The body of creditors who approve our fees also have responsibility for agreeing the policies for the payment of Category 2 disbursements, which in this case are as follows:

Category	Policy	Costs incurred £
2	Photocopying - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	0.00
2	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	0.00
	Other:	
1	Travel expenses	1,316.77
	Postage costs	3,719.17
	Land Registry fee	3.00
	Total	5,038.94

Category	Policy	Costs incurred (€)
2	PwC Ireland Costs – Work performed by PwC Ireland in respect of Irish tax compliance services for the periods 19 March 2017 to 28 February 2018 and 1 March 2018 to 17 June 2018.	4,000.00
2	PwC Ireland Costs – Work performed by PwC Ireland in respect of calculating, processing and submitting employee claims to the Department of Social Protection in relation to former employees of Maplin.	21,000.00
Total		25,000.00

Our expenses estimate

The following tables shows expenses incurred to date and an estimate of further expenses we consider will be (or are likely to be) incurred. The total expenses estimate for the case is £30.5m and €520k. The estimate 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.

Our expenses estimate includes pre-administration costs that (if approved) would be payable as an expense of the administration and which were explained in more detail in our proposals dated 19 April 2019. Whilst pre-administration costs are subject to approval in the same manner as our remuneration, they do not form part of our remuneration in relation to our work as joint administrators following our appointment.

GBP – Non -Trading Expenses Statement

Notes	Expenses incurred from 28 February 2018 to 27 August 2018 (£)	Expenses incurred in the period 28 August 2018 to 27 February 2019 (£)	Total expenses to 27 February 2019 (£)	Estimated future expenses (£)	Anticipated total expenses (£)
NIF - Wage arrears & Holiday pay	5,463.18	-	5,463.18	-	5,463.18
Statutory Advertising	75.00	-	75.00	75.00	150.00
Bank charges	57,284.38	1,918.28	59,202.66	3,000.00	62,202.66
Agents' fees - Consulting on IP sale	5,000.00	-	5,000.00	-	5,000.00
Rent - lease premiums	64,141.70	-	64,141.70	Unknown	64,141.70
Service charge - lease premiums	76,149.36	-	76,149.36	Unknown	76,149.36
Other property costs - lease premiums	4,754.56	4,867.13	9,621.69	Unknown	9,621.69
Legal fees property related - lease premiums	2,740.50	23,797.30	26,537.80	75,000.00	101,537.80
Agents' fees - property related - lease premiums	33,907.50	51,039.70	84,947.20	Unknown	84,947.20
Legal fees & Disbursements	100,255.26	-	100,255.26	5,500.00	105,755.26
Storage costs	20,572.67	-	20,572.67	5,244.00	25,816.67
Administrators Category 1 Disbursements	10,672.03	-	10,672.03	-	10,672.03
Administrators Category 2 Disbursements	32,783.00	5,038.94	37,821.94	10,000.00	47,821.94
Administrators fee	-	-	-	2,000,000.00	2,000,000.00
Sundry Expenses	-	17,005.07	17,005.07	-	17,005.07
Insurance	-	217,707.11	217,707.11	Unknown	217,707.11
Total	413,799.14	86,661.35	500,460.49	2,098,819.00	2,599,279.49

GBP – Trading Expenses Statement

Notes	Expenses incurred from 28 February 2018 to 27 August 2018 (£)	Expenses incurred in the period 28 August 2018 to 27 February 2019 (£)	Total expenses to 27 February 2019 (£)	Estimated future expenses (£)	Anticipated total expenses (£)
Repayment of overdraft to Wells Fargo	500,000	-	500,000.00	-	500,000.00
Agents Fees - Cash Collection from Stores	273,099.5	35,364.79	308,464.29	-	308,464.29
Other Costs of Sales	101,454.04	-	101,454.04	-	101,454.04
Coin delivery	29,158.12	-	29,158.12	-	29,158.12
Sundry expenses	6,985	-	6,985.00	-	6,985.00
Sales Commission	83,897.8	-	83,897.80	-	83,897.80
Payment to HMRC for Stock in Bonded Warehouse	73,905.7	-	73,905.70	-	73,905.70
Retention of Title	180,869.426	8,734.00	1,817,428.26	-	1,817,428.26
Rent	695,336.02	569,880.82	1,265,216.84	170,000.00	1,435,216.84
Other Property Costs	374,182.782	-	3,741,827.82	30,000.00	3,771,827.82
Service Charges	86,582.86	36,194.69	122,777.55	Unknown	122,777.55
Business rates	190,014.54	296,858.63	486,873.17	Unknown	486,873.17
Insurance	156,388.23	-	1,565,388.23	Unknown	1,565,388.23
Wages and Salaries (net)	650,290.93	157.60	6,503,066.90	-	6,503,066.90
Wage payment to employees of Maplin (Hong Kong) Limited	68,870.71	-	69,870.71	-	69,870.71
Employee expenses	88,433.3	-	88,433.30	-	88,433.30
PAYE/NIC and Pension Deductions	206,077.512	39.40	2,060,814.52	-	2,060,814.52
Purchases	4,856,157.00	-	4,856,157.00	-	4,856,157.00
Utilities	13,386.34	65,984.39	79,370.73	300,000.00	379,370.73
Telephone costs	13,728.46	2,809.41	16,537.87	Unknown	16,537.87
Subcontractors - Temp staff	327,608.63	-	327,608.63	-	327,608.63
Fuel costs	198.00	-	198.00	-	198.00
Motor and travel expenses	3,368.33	-	3,368.33	-	3,368.33
Logistics	1,493,390.97	-	1,493,390.97	-	1,493,390.97
Cleaning, Waste and Recycling	111,643.57	-	114,393.12	-	114,393.12
Sales Support Fees - Third Party Installer	60,708.06	2,749.55	60,708.06	-	60,708.06
Security Costs	93,783.39	-	93,783.39	-	93,783.39
Repairs & Maintenance	93,999.87	400.00	94,399.87	-	94,399.87
Trading refunds	20,000.00	346.06	20,346.06	-	20,346.06
IT Costs	343,783.52	55,569.58	399,353.10	-	399,353.10
Lease/hire payments	32,111.22	4,421.50	36,532.72	-	36,532.72
Licences	9,375.00	-	9,375.00	-	9,375.00
Legal settlements	124.49	58,201.45	58,325.94	-	58,325.94
Office costs and postage	91,551.14	-	91,551.14	-	91,551.14
Dress Payments	374,958.00	-	374,958.00	-	374,958.00
Health and Safety Costs	11,818.34	-	11,818.34	-	11,818.34
Marketing Costs	-	558,033.31	558,033.31	-	558,033.31
Agents Fees - Exiting stores	-	53,937.58	53,937.58	-	53,937.58
Group Pension Premium	-	12,372.45	12,372.45	-	12,372.45
Total	25,830,026.65	1,762,055.21	27,592,081.86	500,000.00	28,092,081.86

EUR – Non-Trading Expenses Statement

Notes	Expenses incurred from 28 February 2018 to 27 August 2018 (€)	Expenses incurred in the period 28 August 2018 to 27 February 2019 (€)	Total expenses to 27 February 2019 (€)	Estimated future expenses (€)	Anticipated total expenses (€)
Total	-	-	-	-	-

EUR – Trading Expenses Statement

Notes	Expenses incurred from 28 February 2018 to 27 August 2018 (€)	Expenses incurred in the period 28 August 2018 to 27 February 2019 (€)	Total expenses to 27 February 2019 (€)	Estimated future expenses (€)	Anticipated total expenses (€)
Wages	294,336.53	-	294,336.53	-	294,336.53
PAYE/NIC	74,498.75	-	74,498.75	-	74,498.75
Employee expenses	124.66	-	124.66	-	124.66
Duesess Payment	573.28	-	573.28	-	573.28
Business rates	13,692.08	(19,629.82)	(5,937.74)	-	(5,937.74)
Rents	162,162.18	(41,031.25)	121,130.93	-	121,130.93
Service charge	95,48.94	(3,019.40)	6,529.54	-	6,529.54
Other property costs	351.25	-	351.25	-	351.25
Utilities	31,026.27	-	31,026.27	-	31,026.27
Repairs and maintenance	1554.05	-	1,554.05	-	1,554.05
Security	15,551.64	(8,433.96)	7,117.68	-	7,117.68
Cleaning/waste collection	2029.17	-	2,029.17	-	2,029.17
Licences	2000	-	2,000.00	-	2,000.00
Cash collection fees	8690.24	(25,572.23)	(16,881.99)	-	(16,881.99)
Irrecoverable VAT	582.33	-	582.33	-	582.33
Finance/Bank charges	5303.05	(167.84)	5,135.21	-	5,135.21
Total	622,024.42	(97,854.50)	524,169.92	-	524,169.92

Notes

Professionals and subcontractors

We've instructed the following professionals on this case:

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

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.

Notes and assumptions

Fees and expenses estimate

We have assumed the following when estimating our fees and expenses:

- the administration will be concluded before or on 28 February 2020;
- there will be periodic distributions made to the secured creditors and a prescribed part dividend paid to unsecured creditors;
- there are unlikely to be further assets to be realised;
- we have assumed that we will not require any further legal or professional help in the administration;
- we may undertake investigations into asset recoveries or need to pursue claims on behalf of the Company; and
- there will be residual costs for statutory advertising, storage costs and bank charges.

Associates

The administrators have no business or personal relationships with parties responsible for approving remuneration or who provide services to the administrators in respect of the appointment where the relationship could give rise to a conflict of interest.

Appendix C: Pre-administration costs

The table below outlines the costs incurred before our appointment with a view to the Company going into administration. Where unpaid, these costs have not yet been approved for payment.

Approval for payment of unpaid pre-administration costs will be sought from the secured creditors in due course.

	Paid Amount (£) (Net)	Unpaid Amount (£) (Net)
Our fees as Administrators-in-waiting	197,967	52,433
Expenses incurred by us as Administrators-in-waiting	4,650	-
Fees charged by other persons qualified to act as an insolvency practitioner	-	-
Expenses incurred by other persons qualified to act as an insolvency practitioner	-	-
Total	202,617	52,433

Details of the pre-administration work undertaken and a breakdown of expenses

As explained in our Proposals, the pre-administration contingency planning work we carried out in the lead up to the administration appointments included in the following areas:

- Seeking tenders from retail agents and instructing Hilco to assist with the trading elements of the appointment;
- Developing a day one strategy for the administrators' team. This included ensuring a PwC presence at Churchill House and Manvers and documenting the key messages which were to be disseminated down to all store managers via Hilco. It also included consideration of resourcing requirements, timings and any operational challenges, plus how to gather immediate store information needed such as cash levels, meter readings, details of key holders etc;
- Developing a more detailed trading strategy in conjunction with Hilco. This included devising processes, understanding practical challenges and how to overcome these, and considering resourcing requirements;
- Identifying key areas of risk and how these could be mitigated, including seeking health and safety guidance from in-house specialists;
- Analysing the associated costs and cash flows, based on the strategy;
- Considering the funding requirements for the administration and liaising with Wells Fargo to negotiate and agree funding, based on approval of the administration strategy;
- Liaising with the secured creditors generally;
- Liaising with our legal advisors in relation to the contingency planning;
- Preparing statutory documentation and declarations required for effecting the administration appointment and liaising with our legal advisors in this regard;
- Completing internal procedures in preparation for accepting the appointment; and
- Preparing briefing and mobilising PwC staff and Hilco in advance of the appointment.

Please note that the above is indicative of the key areas of work performed and is not an exhaustive list.

Appendix D: Other information

Court details for the administration:	High Court of Justice, Chancery Division, Manchester District Registry, Case No. 2175 of 2018
Company's registered name:	Maplin Electronics Limited
Trading name:	Maplin Electronics Limited
Registered number:	01264385
Registered address:	Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the joint administrators' appointment:	28 February 2018
Joint administrators' names, addresses and contact details:	Toby Scott Underwood, PwC, Central Square, 29 Wellington Street, Leeds, LS1 4DL Zelf Hussain, PwC, 7 More London, Riverside, London, SE1 2RT Ian David Green, PwC, 7 More London, Riverside, London, SE1 2RT Contact telephone number: 0113 289 4076
Extension to the initial period of appointment:	Administration extended to 28 February 2020