In accordance with Rule 3.61(1) of the Insolvency (England & Wales) Rules 2016 & Paragraph 84(8) of Schedule B1 of the Insolvency Act 1986.

AM23

Notice of move from administration to dissolution

Companies House

For further information, please refer to our guidance at www.gov.uk/companieshouse

1 Company details

Company number	0 0 2 9 8 9 4 5
Company name in full	MARTIN MCCOLL LIMITED

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Court details

Court name	High Court of England and Wales, Business and Property Courts, The Insolvency and Companies List (Chancery Division)
Court number	C R - 2 0 2 2 - 0 0 1 3 4 2

3 Administrator's name

Full forename(s)	Mark James Tobias
Surname	Banfield

4 Administrator's address

Building name/number	PricewaterhouseCoopers LLP
Street	7 More London Riverside
Post town	London
County/Region	
Postcode	S E 1 2 R T
Country	United Kingdom

AM23
Notice of move from administration to dissolution

5 Administrator's name ❶

Full forename(s)	Rachael Maria
Surname	Wilkinson

❶ **Other administrator**
Use this section to tell us about another administrator.

6 Administrator's address ❷

Building name/number	PricewaterhouseCoopers LLP
Street	3 Forbury Place
	23 Forbury Road
Post town	Reading
County/Region	Berkshire
Postcode	R G 1 3 J H
Country	United Kingdom

❷ **Other administrator**
Use this section to tell us about another administrator.

7 Final progress report

☑ I have attached a copy of the final progress report

8 Sign and date

Administrator's signature	Signature X X
Signature date	d0 d7 m1 m1 y2 y0 y2 y5

AM23

Notice of move from administration to dissolution

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name PricewaterhouseCoopers LLP

Address Level 8, Central Square

29 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 4 D L

Country United Kingdom

DX

Telephone 0113 289 4000

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Continuation page
Name and address of insolvency practitioner

What this form is for
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶
Use extra copies to tell us of additional insolvency practitioners.

What this form is NOT for
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ Filling in this form
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:
- ☑ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	Robert Nicholas
Surname	Lewis

3 Insolvency practitioner's address

Building name/number	PricewaterhouseCoopers LLP
Street	7 More London Riverside
Post town	London
County/Region	
Postcode	S E 1 2 R T
Country	United Kingdom

Joint administrators' final progress report from 9 May 2025 to 7 November 2025

Martin McColl Limited
(in administration)

High Court of England and Wales, Business and Property Courts,
The Insolvency and Companies List (Chancery Division)
Case no. CR-2022-001342

7 November 2025

Table of contents

Abbreviations and definitions

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

Abbreviation or definition	Meaning
APA	The agreement for the sale of the business and assets of the McColl's administrations (including the Companies) to Alliance Property Holdings Limited dated 9 May 2022
APH / Purchaser	Alliance Property Holdings Limited (the Purchaser)
Barclays Bank / Bank / Secured creditor	Barclays Bank plc, acting as agent for the Lenders
the Company / MML	Martin McColl Limited - in administration
CVL Companies	Key Food Stores Limited, Martin McColl Retail Limited, Price Smashers Limited, Smile Holdings Limited, Thistledove Limited, T M Group Holdings Limited, Tog Limited, Smile Property Limited, Bracklands Limited and TM Vending Limited - all formerly in liquidation, dissolved 31 October 2025
the Group	McColl's Retail Group plc and its subsidiaries
HMRC	HM Revenue & Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Joint Administrators / Administrators / we / us / our	Mark James Tobias (Toby) Banfield, Rachael Maria Wilkinson and Robert Nicholas Lewis of PwC
LBTT	Land and Buildings Transaction Tax (the Scottish equivalent of Stamp Duty Land Tax)
Lenders	A syndicate of lenders providing lending to the Group with an outstanding liability of approximately £160m secured by fixed and floating charges over all the Companies' assets. Barclays Bank acts as agent for the Lenders
LTO	Licence to Occupy
McColl's Administrations / the Companies	Martin McColl Limited - Co. No. 00298945 - Case No. CR-2-22 - 001342 (in administration) <u>Formerly in administration</u> McColl's Retail Group plc (**plc**) - Co. No. 08783477 - Case No. CR-2022-001341 (dissolved on 14 August 2025) Clark Retail Limited (**CRL**) - Co. No. SC101099 - Case No. P388/22 (dissolved on 9 August 2025) Dillons Stores Limited (**DSL**) - Co. No. 03498958 - Case No. CR-2022-001343 (dissolved on 14 August 2025) Smile Stores Limited (**SSL**) - Co No. 00641258 - Case No. CR-2022-001344 (dissolved on 14 August 2025)

	Martin Retail Group Limited (**MRG**) - Co. No. SC013840 - Case No. P389/22 (dissolved on 9 August 2025) Charnwait Management Limited (**CML**) - Co. No. 04444181 - Case No. CR-2-22-001340 (dissolved on 15 August 2024)
NOID	Notice of Intended Dividend
Ordinary preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
The Period	9 May 2025 to 7 November 2025
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
PwC / Firm	PricewaterhouseCoopers LLP
RCF	Revolving Credit Facility
R&P	Receipts and payments account
Secondary preferential creditors	HMRC in respect of taxes due from employees and customers that are withheld by the business and then paid over in one lump sum periodically to HMRC, such as VAT, PAYE and employees' National Insurance contributions
Secured Creditor	Creditors with security in respect of their debt, in accordance with Section 248 IA86, in this case the Bank acting as agent for the Lenders
SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply
SIP 2	Investigations by Office Holders in Administrations and Insolvent Liquidations and the Submission of Conduct Reports by Office Holders
SIP 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates from an estate
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by Mark James Tobias (Toby) Banfield, Rachael Maria Wilkinson and Robert Nicholas Lewis 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 pwc.co.uk/mccolls. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Mark James Tobias (Toby) Banfield, Rachael Maria Wilkinson and Robert Nicholas Lewis 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 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

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

You can still view our earlier reports on our website at pwc.co.uk/mccolls. Please email uk_mccolls_generalenquiries@pwc.com if you need any of the passwords to access the reports.

How much creditors received

The following table summarises the final outcome for creditors:

Outcome for secured creditors	
What secured creditors were owed:	**£164.3 million**
	% Recovery
What secured creditors recovered:	100%

Dividend prospects	Paid (p in £)	Total recovery (p in £)	Previous estimated total recovery (p in £)
For ordinary preferential creditors	n/a	n/a	n/a
For secondary preferential creditors	100p	100p	100p
For unsecured creditors	30p (1st interim dividend) 31p (2nd interim dividend) 36.81p (3rd and final dividend)	97.81p*	69p

**You will note that there is a significant increase in the final % recovery for unsecured creditors, compared with our previously reported estimated total recovery. As we noted in our previous report, we anticipated that the estimated final dividend could increase in the event that all creditors that had been provisioned for did not submit a claim. Given the success of the LTO programme and completion of nearly 900 lease assignments in MML, the provision for landlord claims could be released. The increase in the dividend is a result of the release of the provision*

Secured creditors

As we have explained in our previous progress reports, at the date of our appointment, the Companies had an outstanding liability of approximately £160m, secured by fixed and floating charges over all the Companies' assets. This comprised a RCF of £99.17m (plus interest and charges) and a term loan of £60m (plus interest and charges), both of which were fully drawn.

Barclays Bank (acting as agents for the Lenders) provided a redemption statement detailing the outstanding capital and interest on the term loan and RCF as at 13 May 2022 totalling £160,683,648 as follows:

	Principal £	Interest £	Default interest £	Total interest £	Total Principal and interest £
RCF	99,170,000	737,889	10,867	748,757	99,918,757
Term loan	60,000,000	758,315	6,575	764,890	60,764,890
Total	**159,170,000**	**1,496,205**	**17,443**	**1,513,648**	**160,683,648**

In addition, there was a requirement under the loan agreements to send to Barclays Bank sufficient funds to cover professional fees incurred by the Lenders and the deferred arrangement fee of £3,574,254. On 13 May 2022, the sum of £164,257,902.44 was remitted to Barclays Bank from the administration estates, representing the principal sums, total interest and the deferred arrangement fee. This was followed by a payment of £47,565.60 to US Bank Trustees Ltd in respect of the professional fees incurred by the Lenders, repaying the Lenders in full under their fixed charge.

Following a final reallocation exercise in the Period, £112,706,973.49 of the payment to the Lenders was attributed to and paid by MML and recorded in the receipts and payments account at Appendix B. In our last report, we had stated that the total amount distributed to the secured creditor from MML was £112,706,999. Following the closure of the administration of DSL on 8 May 2025, a final adjustment was made and the final amount distributed to the Secured Creditor was reduced by £25.75. This amount had been set aside in the administration of DSL to cover the cost of paying any unbanked unsecured dividend cheques to the Insolvency Services unclaimed dividend account, which ultimately wasn't required.

The reallocation exercise has now concluded and no further adjustments will be made. The remaining amounts remitted to the Secured Creditor were paid by other Group administration entities.

Ordinary preferential creditors (mainly employees)

All employees were transferred to the Purchaser under TUPE, thereby mitigating claims from employees. On 9 February 2024, we advertised a notice of intended dividend to both ordinary and secondary preferential creditors of the Company, and also issued the notice by post to both the tribunal creditor mentioned below and HMRC.

Other than the claim referred to below, we received no ordinary preferential claims. In the event that there had been any preferential claims from employees who transferred in the administrations, these would have been settled in full as a result of the terms of the APA, in which the Purchaser is to make payments to fund any distribution required for ordinary preferential creditors. As mentioned in our previous reports, we were in the process of dealing with an employment tribunal claim from a former employee of MML, whose employment ended prior to the administration, and which may have resulted in a substantial ordinary preferential dividend payment that would not have been recovered under the terms of the APA. A settlement of £10k was made by MML with the claimant during the previous period, in exchange for the tribunal claim being withdrawn.

As previously reported, this matter was fully concluded in a prior period.

Secondary preferential creditors (HMRC)

The directors' statement of affairs dated 4 July 2022 for MML showed a secondary preferential claim of £4,868,836. However, as the Companies are part of a VAT group, they are jointly and severally liable for the secondary preferential VAT debt.

The total preferential claim received and admitted from HMRC across the McColl's administrations following adjudication was £9,228,433. This increased from HMRC's initial submitted claim as their claim was updated following submission of a pre-appointment VAT return during the period of administration. Given that the entirety of HMRC's claim was in relation to VAT, it was considered appropriate to allocate the claim across the Companies based on the proportion of sales proceeds from stock that was allocated to each entity (given that VAT arises on sales and these sales will have been from stock).

During the administration, of the total admitted preferential claim, the amount paid by MML was £6,526,989. This amount is shown on the R&P account at Appendix B. The remainder of HMRC's secondary preferential claim was settled by the other companies within the McColl's administrations. In total, the admitted secondary preferential creditor claim from HMRC has been paid in full across the McColl's administrations. Per the terms of the APA, APH was required to settle the ultimate preferential claim in full and these funds were received from APH in a prior period. In a prior period, £1,302,393 was repaid to APH as the amount they had funded the estate for HMRC's secondary preferential claim exceeded the final amount claimed by HMRC for their secondary preferential claim. The amount repaid to APH was netted off against the amount received for goodwill, as this was where the funds were originally allocated when received from APH as part of the sale proceeds.This adjustment is reflected in our R&P at Appendix B.

Unsecured creditors

As we have previously reported, due to the way in which the Group accounted for its business on a consolidated basis, the creditors' position depended on which entity the creditors proved their claims in and would remain uncertain until this process was complete. The position regarding creditor claims and the potential outcome for unsecured creditors was therefore considerably more complex and uncertain than is usual. In many instances, the creditors submitting claims were themselves unclear which entity their claim should be made against.

We therefore sought legal advice in respect of this matter and developed a strategy for dealing with creditor claims, to ensure that they were dealt with as accurately as possible, issuing a bespoke statement of claim form to creditors. We also undertook work to ascertain the correct entity to which creditor claims should have been assigned to and requested further information from creditors where required.

Another complexity in relation to creditor claims was the volume of landlords; some of which may have had dilapidations claims and the quantum of any such claims would not have been known until the LTO process had been concluded. Therefore, this had restricted the Administrators' ability to adjudicate landlord claims until the LTO process for the Company was concluded.

As previously reported, we issued a notice of intention to declare a dividend to the unsecured creditors, with a first interim dividend being declared on 30 October 2024. The total value of the dividend was £6,001,466.15, which included £600k representing the maximum Prescribed Part fund available to unsecured creditors. This represented a dividend of 30% for all claims received and adjudicated.

In the previous reporting period we had issued a second notice of intention to declare a dividend to the unsecured creditors, and a second interim dividend was declared on 11 March 2025. As a result of this notice being issued we received an additional 27 claims, agreeing a further amount of £3.8m. The total value of the dividend was £7,400,368.87 which included equalising amounts to any creditors that had not proven their claim at the first interim dividend. The dividend rate was 31% and this can be seen in the R&P at Appendix B.

An extension of the administration of the Company for six months up to 8 November 2025 allowed the Joint Administrators to finalise discussions with landlords, finalise claims adjudication and declare and pay a third and final dividend to the unsecured creditors. As stated in our previous report we had issued a notice of intention to declare a dividend with a last date for proving of 1 July 2025. We paid our third and final dividend for a total value of £9,357,673.40 with a dividend rate of 36.81% This final dividend included equalising amounts to any creditors who had not proven their claim at the second interim dividend and any who had not banked their previous dividend cheques.

We set out later in this report more details in respect of the work done to maximise returns to the unsecured creditors in the administration.

Intercompany claims

In parallel with finalising creditor distributions, we reviewed intercompany balances as set out below. After analysis of the intercompany claims and the historical manner in which these intercompany balances accrued, we concluded that none of the intercompany balances were able to be verified. Therefore we considered that any claims relating to intercompany balances would likely be rejected in the various administration estates as we are unable to substantiate that the balances identified in the Companies' records remained either outstanding or accurately evidence the balances owed.

Uncashed dividend cheques

All dividend payments have now been issued to creditors. Any cheques that remained unbanked at the end of the administration were treated as unclaimed. These funds have been sent to the Insolvency Service's Unclaimed Dividends Account, where they will be held for the creditors concerned.

Creditors who believe they may be entitled to an unclaimed dividend can contact the Insolvency Service's Estates Accounting Services team by email at CustomerServices.EAS@insolvency.gov.uk for information on how to claim their funds.

What you need to do

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

What happens next

In line with our Proposals approved by creditors, we filed notice of move from administration to dissolution on 7 November 2025. The Company will be dissolved three months after the notice has been registered by the Registrar of Companies.

Dissolution was the most appropriate exit route as the Joint Administrators realised all assets of the Company, finalised LTO matters and distributed the funds in the administrations to the secured, preferential and unsecured creditors.

Further, the Joint Administrators have no outstanding matters that would require the administrations to be extended further. The Joint Administrators have complied with their statutory obligations and received no objections from HMRC to closure and therefore we will take the necessary steps to proceed to dissolution.

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

Overview of our work

Why we were appointed

When we were appointed, the position was as follows:

McColl's Retail Group plc, together with its subsidiary entities, operated a chain of c.1,200 convenience retail stores and newsagents across the UK. The Group employed c.16,000 people across its stores and head office. The majority of the Group’s stores were traded under the McColl’s brand in England and RS McColl in Scotland with a number operating as Morrisons Daily under an agreement with Morrisons, the Group’s largest supplier.

The Group had faced increasing financial pressure over a number of years as a result of COVID-19 related challenges and most recently, supply chain challenges which created issues with product availability. This resulted in a reduction in trading performance and the Group was loss making in 2021 and 2022.

In December 2020 the Group was in breach of its banking covenants and requested the Lenders provide waivers. The requested waivers were provided by the Lenders and the Lenders agreed to further amendments and waivers of the Senior Facilities in February 2021.

In December 2021, the Group issued its three-year business plan, which identified a significant funding requirement. The Group initially entered into discussions with Morrisons (as the largest supplier to the Group) and the Lenders, with a view to agreeing a funding deal to enable the business to continue as a going concern. Morrisons put forward several restructuring proposals, but none of these were on terms which were acceptable to the Lenders.

On 9 May 2022 the directors of the Companies filed a Notice of Intention to appoint Administrators and later that same day the Administrators were appointed (along with taking appointments over the other Group companies).

Asset realisation

The section below provides an overview of the work done in the prior periods of the administration and sets out in detail the work done in the Period.

Pre-packaged sale

As explained in our earlier reports, a pre-packaged sale of most of the business and assets of the Companies was completed on 9 May 2022 to the Purchaser which resulted in all open stores at the date of appointment, along with all employees, transferring to the Purchaser; an obligation on the Purchaser to pursue a scheme rescue in respect of the pension schemes and cash consideration which would see all secured and preferential creditors paid in full.

The Joint Administrators confirm that the sale enabled the statutory purpose to be achieved and would provide the best available outcome for creditors as a whole under the circumstances because:

- The sale of the business generated higher realisations than if the assets were sold on a piecemeal basis;
- All of the employees transferred under TUPE; and
- Placing the Companies into liquidation would have resulted in costs in excess of asset realisations, thereby resulting in a worse outcome for all classes of creditors.

This has resulted in all secured and secondary preferential creditors being paid in full and has enabled Prescribed Part distributions to be to the unsecured creditors of the Companies.

The pre-packaged sale meant that significantly more value was realised for the assets than would have been achieved had a pre-packaged sale not occurred. The transfer of employees to the Purchaser and the LTO that was granted to the Purchaser to enable leases to be assigned, has meant that a large number of creditor claims were mitigated.

Further details in respect of this sale are available in our Proposals and SIP 16 statement, both of which are available on our website stated earlier in this report.

The business was sold for total consideration of £182.1 million, together with a potential further contingent amount of up to £8 million, which was intended to be made available for the benefit of the unsecured creditors of the seven companies, following full settlement of the preferential creditors’ claims.

The contingent consideration was subject to certain conditions and adjustments under the terms of the APA. In the event, only £4 million of the £8 million contingent amount crystallised as available for distribution to unsecured creditors. This reduction arose due to payments made by APH during the period following completion of the sale, which were subsequently reimbursed to APH from the £8 million contingent consideration under the APA. Consequently, the net amount available for distribution across the seven entities was £4 million.

The amount of sales consideration allocated to the Company can be seen in the R&P at Appendix B. The sales proceeds were allocated to the Company based on the store portfolio. The exercise to allocate the sales proceeds amongst the Companies was a complex exercise and required detailed analysis of the Companies' books and records to determine how the proceeds were to be allocated amongst the different asset classes. Please refer to our previous reports for more information in respect of the allocation process.

LTOs

Our previous progress reports set out significant detail about the property work we have undertaken to date, which we therefore do not repeat here. As reported previously, the LTO was extended for a final time to 14 February 2025 and the LTO process was concluded in the prior period.

There was a benefit to the McColl's administrations creditors in providing this additional LTO extension, as it allowed the Purchaser to pursue final assignments, which generally confer a full release of liabilities associated with the properties for the administration estates. In practical terms, this provided mitigation against landlord claims for dilapidations and other items which could have been material, thereby reducing the overall value of unsecured creditor claims admitted to rank for dividend purposes. This in turn increased the overall dividend to the remaining creditors and we provide more detail in respect of this later in this report.

An overview of the aggregate property portfolio since our appointment on 9 May 2022 is set out below:

	Properties covered by the LTO as at 9th May 2022	Movements***	Revised Properties covered by the LTO as at 9th May 2022	Properties terminated as at 8th May 2025	Properties assigned as at 8th May 2025	Properties remaining on LTO as at 8th May 2025
MARTIN MCCOLL LIMITED	954	86	1040	148	892	0
MARTIN RETAIL GROUP LIMITED	71	1	72	15	57	0
MCCOLL'S RETAIL GROUP PLC	1	1	2	0	2	0
SMILE STORES LIMITED	42	1	43	8	35	0
CHARNWAIT MANAGEMENT LIMITED	2	0	2	0	2	0
CLARK RETAIL LIMITED	3	(1)	2	1	1	0
DILLONS STORES LIMITED	51	(1)	50	9	41	0
UNIDENTIFIED*	86	(81)	5	5	0	0
TOTAL	1210	6	1216	186	1030	0
OTHER**	23	5	28	28	0	0
TOTAL	1233	11	1244	214	1030	0

**There were certain properties subject to the LTO, where it was unclear as to which entity held the lease. The Joint Administrators have undertaken work throughout the administrations to identify which entity holds the lease and complete subsequent assignments or terminations. We are pleased to report that we identified the correct entity in which these properties sit. Allocation of these leases to their correct entities is reflected in the 'Movements' column in the table above.*

***These relate to leases that were originally subject to the LTO, but transpired to be held by entities outside of the Companies. This was identified during the administrations following a detailed review of the leasehold portfolio. Given the entities are not in Administration, they should not have been included in the previous LTOs. As such, when the extension of the LTO was completed in March 2024, these properties were removed from the LTO, and marked as terminated in the above table (as they do not relate to the entities contained within this report).*

****The total number of properties displayed above varies slightly from previous progress reports. This is as a consequence of gaps in the Companies' recordkeeping, such that additional leases held by the Companies have been identified during the administration.This has been reflected in the 'Movements' column which updated the number of properties originally subject to the LTO.*

Management of properties under the LTO

As set out in previous reports, the management of the properties subject to the LTO process represented one of the most significant and resource-intensive aspects of the administration. The core activities included the collection of licence fees from the Purchaser and the processing, review, and payment of landlord invoices for rent, service charges, insurance and other property-related costs.

The team also managed a high volume of landlord queries and correspondence, ensuring that each matter was addressed promptly and that the administration was conducted transparently and in accordance with legal and contractual obligations. All payments under the LTO were fully funded by the Purchaser (including c.£302k of associated legal fees) and are reflected in the receipts and payments account, meaning these activities did not reduce the funds available to the Company's creditors.

To manage this large and complex portfolio efficiently, we utilised PwC's low-cost managed services solution, providing dedicated administrative support at a lower cost than traditional insolvency teams. This approach enabled effective delivery of all property management and financial processing tasks under the LTO, maintaining strong financial control while achieving significant cost savings for the Group's creditors and maximising overall recoveries.

Debtors

We worked with the Purchaser to collect in the debts due to the McColls administrations. These included a mixture of commissions and amounts due under contracts. During the course of the administration a total of £7.66m has been collected, consisting primarily of cash bankings and World Pay receipts.

Rates and other refunds

The Workplace Company was instructed to assist with the collection of a number of rates refunds that were due to the Company. In addition, we liaised with rating authorities directly in respect of any credits due following account closure. Other refunds include LBTT and other minor refunds, VAT repayment interest from HMRC, and deposits returned from aborted property sales. A total of £639k has been received in respect of rates and other refunds.

During the period since we last reported, we've undertaken the following in respect of asset realisations:

Reconciliation of the LTO account

During the Period, the Joint Administrators undertook extensive reconciliation work in respect of the LTO account. This included a detailed review of all receipts, payments, professional fees, and related tax movements associated with the LTO process throughout the engagement.

As part of this exercise, certain amounts were transferred from the LTO account to cover outstanding legal and administrators' costs that were recoverable from the Purchaser. This ensured that these obligations were settled efficiently using existing surplus funds, without the need to request further payments from the Purchaser, given that the account was already in surplus. The reconciliation also identified a number of costs that had previously been allocated to the estate but were more appropriately chargeable to the LTO as third-party funded costs, in line with the terms of the LTO. Reallocating these costs reduced the estate's overall expenses and increased the funds available for distribution to creditors, thereby improving the final dividend outcome.

Following completion of this reconciliation and cost allocation, the Administrators confirmed the accuracy of all balances and returned surplus funds of c.£3.3 million plus VAT to the Purchaser, thereby concluding the LTO financial arrangements in a transparent and controlled manner.

Property sale

As noted in our previous report, the Joint Administrators were approached by a third party interested in purchasing a small parcel of freehold land owned by the Company. Following confirmation of ownership, the Administrators verified title, checked for any encumbrances and, after liaising with the Company's legal advisers, proceeded with the sale.

During the Period, the transaction completed, and sale proceeds of £25,000 were received, as shown in the receipts and payments account at Appendix B. Although a relatively small realisation, the sale ensured that all known property assets were properly dealt with and that no residual interests remained outstanding. Following completion of this final asset disposal, all realisable assets of the Company had been concluded, enabling the Administrators to deregister the Company for VAT as part of the final steps towards closure.

Bank interest / refunds

During the Period, £101,990.69 of bank interest was received. All bank accounts were removed from interest-bearing status prior to the payment of the third and final dividend, with final interest applied at that time. The removal of accounts from accruing interest enabled the calculation of the final dividend and the preparation of the final tax computations, ensuring that all interest income had been fully accounted for.

In the Period, we also received £4,402 relating to rates and other refunds.

We've now finished realising the Company's assets.

Transitional Services

Payroll

The Companies operated multiple payrolls on a mid-month and month-end cycle, and, given the timing of the pre-pack sale and the Purchaser's banking setup delays, the Joint Administrators processed both May 2022 payrolls using funds advanced by the Purchaser in accordance with the APA. As the Purchaser's payroll facility was still not operational in early June, the Administrators also processed the June mid-month and month-end payrolls, with the Purchaser agreeing to bear the associated costs. In total, payroll payments of £22.58 million were facilitated, fully funded by the Purchaser. Because the June processing fell outside the APA, APH agreed to cover the Administrators' costs, and £41,000 was received for this purpose.

Cash sweeps

Under the APA, the Joint Administrators were required—without a backstop date—to transfer to the Purchaser all post-completion receipts paid into the Companies' pre-appointment bank accounts, and accordingly conducted regular cash sweeps while the Purchaser's banking arrangements were being established. Over the first six-month period, sweeps totaling more than £469 million were made. Over the following months, the vast majority of bank account novations were completed and the sweep frequency was reduced, with this workstream concluding in the period between 9 May 2023 to 8 November 2023.

Retained contracts

Under the terms of the APA, we had an obligation (at the Purchaser's expense) to provide assistance to the Purchaser for a period of 6 months in relation to contracts that the Purchaser wished to retain. We assisted APH in respect of bank account novation (including World pay contracts) and Bryt Energy contracts, the costs of which were recharged to the Purchaser.

Suppliers and retention of title

Under the APA, the Purchaser was responsible for addressing third-party equipment and retention of title claims, either by securing settlement or withdrawal on terms that leave no claim against the Administration estates, or by facilitating uplift of available stock at no cost to the Administration estates. To preserve continuity of supply, it was necessary to assist APH in resolving a material retention of title claim from a key supplier. Following negotiations with both parties, APH agreed to fund £100,000 of the required payment without recourse to the £8 million contingency consideration, thereby delivering a £100,000 benefit to creditors.

Connected party transactions

During the administration, no assets have been disposed of by the Joint Administrators to a party (person or company) with a connection to the directors, shareholders or secured creditors of the Companies or their associates and the Joint Administrators are not seeking approval from creditors to make a substantial disposal to a connected person.

Other issues

We remained in office to conclude the LTO reconciliation process (as mentioned earlier in this report), allowing us to make final dividend payments to the unsecured creditors.

Since we last wrote to you, we've declared and paid the final distribution to the unsecured creditors.

The strategy pursued by the Joint Administrators during the extended period of the administration delivered a materially improved outcome for unsecured creditors by allowing key value-enhancing workstreams to be completed before closure. In particular, the extension enabled completion of the LTO process, which resolved the position of over a thousand leased properties across the McColl's estate. This process significantly reduced the Company's liabilities by securing full releases from numerous landlords who might otherwise have submitted substantial and complex claims for future rent, dilapidations and other lease-related losses. Completing these matters through the LTO process avoided the need for costly adjudications and reduced the overall creditor pool, thereby increasing the dividend ultimately available to remaining unsecured creditors.

The extended period also allowed the Joint Administrators to conclude negotiations in a structured and cost-effective manner. The costs of the LTO process were largely reimbursed by the Purchaser rather than borne by the estate, further preserving value for creditors. Throughout the administration, the Joint Administrators maintained transparency through regular progress reports and creditor communications, while deploying appropriately skilled teams to complete the detailed property and claims work efficiently.

As a result of this targeted approach, the total dividend payable to unsecured creditors increased substantially from the 30p in the £ first interim dividend declared in October 2024 to a final cumulative return of 97.81p in the £ following the third and final distribution in the Period. The extensions provided the time and stability required to complete complex property and claims resolution work, minimise costs to the estate, and secure additional recoveries. This ensured that creditors received a markedly improved overall return and that the administration concluded in a fair, transparent, and value-maximising manner.

During the Period, the Joint Administrators focused on bringing the process to an efficient and orderly close. A NOID was issued to all unsecured creditors, and all outstanding claims were reviewed and adjudicated. Following completion of this exercise, a third and final dividend was declared and paid, together with a catch-up dividend to creditors whose claims were agreed after earlier distributions or had not banked their dividend cheques. This final phase ensured that all creditor entitlements were fully settled, concluding the administration with a comprehensive reconciliation of claims and payments.

We've now completed our work to resolve these matters.

Approval of our proposals

We issued to creditors our proposals dated 27 May 2022 for achieving the purpose of administration.

As we anticipated that there would be a return to creditors over and above the Prescribed Part, a decision procedure was held. Creditors approved our proposals by a deemed consent procedure on 15 June 2022.

We attach a summary of our proposals at Appendix A.

Creditors' committee

A resolution was passed via deemed consent that no creditors committee should be formed.

Investigations and actions

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

Tax clearance

We fulfilled our duties as proper officers for tax during the administration and filed VAT and corporation tax returns for all relevant accounting periods. HMRC no longer provides formal clearances but has not raised any queries in relation to the tax returns submitted. During the Period, we prepared and submitted the final corporation tax returns for the final period to closure.

VAT matters

During the Period, the Joint Administrators undertook a comprehensive VAT reconciliation exercise between the LTO bank account and the main estate bank account. This work ensured that all VAT arising on receipts and payments during the Period was accurately identified, reconciled, and reported. The exercise involved a detailed review of transactions across all bank accounts and the verification of supporting documentation to confirm the correct VAT treatment in line with HMRC requirements.

Two VAT returns were prepared and submitted to HMRC during the Period. Following completion of the VAT reconciliation, the VAT group previously in place for the Company and associated entities was disbanded, and the Company was subsequently deregistered for VAT on 30 September 2025.

A final VAT 426 return was submitted in the Period to HMRC to bring all reporting obligations fully up to date. Arrangements have been made for the assignment of any final VAT refund due to the Company's estate.

Our final receipts and payments account

We set out in Appendix B an account of our final receipts and payments in the Period and for the duration of the Administration from 9 May 2022 to 7 November 2025.

Our expenses

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

Our fees

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

Creditors' rights

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

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

You can also get a copy free of charge by telephoning Alex La Dell on 0113 289 4000.

Next report

This is our final report and the Company will be dissolved three months after the notice of move from administration to dissolution has been registered at Companies House.

If you've got any questions, please get in touch with us at uk_mccolls_generalenquiries@pwc.com or telephone on 0113 289 4000.

Yours faithfully
For and on behalf of the Company

Toby Banfield
Joint Administrator

Appendices

Appendix A: Summary of our proposals

The Joint Administrators' Proposals, dated 27 May 2022, were prepared in relation to all Companies within the McColl's Group. The key areas discussed in the Joint Administrators' Proposals were as follows:

1. The purpose being pursued in the administration was objective (b) namely, achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in administration), as it was not reasonably practicable to rescue the Companies as going concerns. The purpose has been achieved via the maximisation of asset realisations from the pre-packaged sale and the mitigation of creditor liabilities (via the transfer of all employees under TUPE to the Purchaser and mitigating landlord claims by way of the LTO whilst leases could be assigned to the Purchaser).

2. All c.16,000 employees transferred to the Purchaser.

3. We did not trade the business.

4. No connected party transactions took place.

5. As it was anticipated that the Company would have sufficient funds to enable a distribution to all classes of creditors, including a return in excess of the Prescribed Part, the Joint Administrators sought creditor approval of their Proposals. The Proposals were subsequently approved by deemed consent on 15 June 2022.

6. Immediately following our appointment, most of the Companies' business and assets were disposed of via a pre-packaged sale. Full details of the pre-packaged sale are detailed in the Joint Administrators' report to creditors on the pre-packaged sale of most of the business and its assets (SIP 16 statement) which can be found at www.pwc.co.uk/mcolls. The main terms are summarised below:

    - On 9 May 2022, most of the Companies' business and assets were sold to the Purchaser as a going concern;
    - Total sales consideration was £182.1m with up to a further £8m of contingent consideration available;
    - The sale enabled the statutory purpose to be achieved and was the best available outcome for creditors as a whole as the transaction successfully transferred all 16,000 staff and nearly 1,200 stores across the UK;
    - The Purchaser also transferred to themselves the McColl's Group's two pension schemes which had more than 2,000 members at the time of our appointment; and
    - Although the Purchaser was a significant unsecured trade creditor of the Companies at the time of the transaction, the Purchaser was not considered connected to the Companies for the purposes of SIP 16 or the Administration (Restriction on Disposal etc to Connected Persons) Regulations 2021.

7. As part of the sale, we granted a LTO to the Purchaser until such time as the Purchaser negotiated new leases with the landlords of the properties.

8. The Companies' business and affairs during the administrations were financed from the asset realisations.

9. The debtors of the Companies were not transferred as part of the transaction. As a consequence, these remained an asset of the estates. On appointment, the outstanding debtor ledger representing invoiced debt was c.£7.5m across the Companies (as stated earlier in this report, we ultimately collected £7.66m). Debtors continued to be collected by the Purchaser on behalf of the Companies in administration with the funds being received into the pre-appointment bank account.

10. Per the terms of the APA, the cut-off for excluded cash was one minute past midnight on the day of completion. All cash that was not electronically transferred or in transit at that time and remained in stores or safes, would be allocated to the Purchaser. On appointment, the pre-appointment account bank balances were c.£11.8m, with an amount attributable to the Purchaser (in relation to trading funds from 9 May 2022) which was due to be determined. Weekly cash sweeps from pre appointment bank accounts to post appointment bank accounts were put in place.

11. At the time we issued our Proposals, it was anticipated that the administrations would most likely end by filing a notice of dissolution with the Registrar of Companies and the Companies would be dissolved three months later.

Appendix B: Receipts and payments

Statement of Affairs	Receipts and Payments	09/05/2022 - 08/05/2025	09/05/2025 - 08/11/2025	Total
£		£	£	£
	Receipts			
2,734,297	Property	2,713,500	25,000	2,738,500
82,055,631	Goodwill and other intangible assets	60,234,678	-	60,234,678
	Bank interest	349,646	10	349,656
	Total fixed charge realisations	**63,297,824**	**25,010**	**63,322,834**
	Fixed charge payments			
	Distribution to secured lender	60,798,194	-	60,798,194
	Legal fees	-	4,000	4,000
	Irrecoverable VAT	-	800	800
	Agents' Fees - Property & Assets	10,748	-	10,748
	Property expenses	1,456	-	1,456
	Total fixed charge payments	**60,810,398**	**4,800**	**60,815,198**
	Fixed charge balance	**2,487,426**	**20,210**	**2,507,636**
	Floating charge receipts			
883,319	Motor vehicles	-	-	-
1,620,511	Hardware	-	-	-
5,546,949	IT systems	-	-	-
31,921,749	Equipment	63,476,262	-	63,476,262
5,714,475	Stock	7,675,089	-	7,675,089
1,347,684	Post Office cash in transit	641,436	-	641,436
1,142,427	Book debts	1,406,786	-	1,406,786
261,015	World Pay, Uber Eats & cash bankings	7,655,400	-	7,655,400
12,551	Completion cash	2,626,245	-	2,626,245
	Prepayments	4,194,602	-	4,194,602
	PwC processing costs (charged to APH)	136,122	-	136,122
	Operational cost funding	3,000,000	-	3,000,000
	LBTT funding from APH	56,500	(1,000)	55,500
	Legal costs recharged to APH	224,556	78,100	302,656
	Statutory costs recharged to APH	173,148	(83,801)	89,347
	Insurance claims and refunds	244,434	-	244,434

Rates and other refunds	634,557	4,402	638,959
Bank interest gross	3,377,375	101,981	3,479,356
Administrators' time costs paid by APH	3,007,624	319,681	3,327,305
Total receipts	**98,530,136**	**419,362**	**98,949,498**

Floating charge payments			
Distribution to secured lender	51,934,608	(25,829)	51,908,779
Office holders' pre-appointment fees	268,018	-	268,018
Office holders' fees - time cost basis	3,341,687	2,111,855	5,453,542
Office holders' fees - fixed fee basis	1,673,727	-	1,673,727
Office holders' fees - % of realisations basis	2,699,183	772,969	3,472,152
Secondary preferential creditor - HMRC	6,526,989	-	6,526,989
Office holders' expenses	12,019	8,433	20,452
Ransom payment reimbursement	2,871,947	-	2,871,947
Duress payments	152,087	-	152,087
Repayment of operational cost funding	2,959,985	-	2,959,985
Professional fees	3,127	-	3,127
Pre-appointment legal fees	161,050	-	161,050
Legal fees & expenses	664,564	(208,249)	456,315
Legal fees & expenses (APH)	-	302,656	302,656
Professional fees - Indigo Corporate Gov	3,717	-	3,717
Statutory advertising	609	104	713
Insurance	-	33,444	33,444
PAYE/NIC and pension deductions	2	-	2
Corporation tax	93,171	513,379	606,550
Other group company costs	-	100,000	100,000
Storage	-	57	57
First interim distribution to unsecured creditors 30p/£	6,001,466	-	6,001,466
Second interim distribution to unsecured creditors 31p/£	7,563,014	-	7,563,014
Third and final distribution to unsecured creditors 36.8p/£	-	10,311,396	10,311,396
ISA fee uncashed cheques	-	26	26
Finance / Bank interest & charges	574	(183)	391
Total payments	**86,931,544**	**13,920,058**	**100,851,602**
Net floating charge receipts	**11,598,592**	**(13,500,696)**	**(1,902,103)**
Total administration estate funds	**14,086,018**	**(13,480,486)**	**605,533**

Receipts and Payments	09/05/2022 - 08/05/2025	09/05/2025 - 08/11/2025	Total
Funds transferred to APH	605,533	-	605,533
Payroll Funds from NewCo	22,588,797	-	22,588,797
Wages & Salaries	(22,588,218)	(579)	(22,588,797)
Bryt Energy funding from APH	7,091,044	-	7,091,044
Payment made on behalf of APH - Bryt Energy	(7,091,044)	-	(7,091,044)
Payments funded by and made on behalf of APH	**579**	**(579)**	**-**
LTO funding			
LTO - Rent	47,663,069	(3,565,613)	44,097,456
LTO - Legal Costs	49,221	(49,221)	-
LTO - Service charge	1,191,232	(7,659)	1,183,573
LTO - Insurance	946,370	(133)	946,237
	49,849,892	**(3,622,626)**	**46,227,266**
LTO payments			
LTO Insurance	1,110,392	-	1,110,392
LTO Public liability insurance	219,022	(6,591)	212,431
LTO Rent	43,423,549	510	43,424,059
LTO - Other inc water, elec, parking	540,505	213	540,718
LTO Service charge	939,667	-	939,667
	46,233,135	**(5,869)**	**46,227,266**
VAT control account	(27,047)	27,047	-
Balance at end of period	**17,070,774**	**(17,070,774)**	**-**
MADE UP AS FOLLOWS			
Barclays Bank Plc - General	2,708,713	(2,708,713)	-
Barclays Bank Plc - Sales consideration	-	-	-
Barclays Bank Plc - LTO	3,032,034	(3,032,034)	-
Barclays Bank Plc - operational cost funding	-	-	-
Barclays Bank Plc - unsecured creditor funding	3,491,962	(3,491,962)	-
HSBC Bank Plc	4,534,086	(4,534,086)	-
Handlesbanken	3,303,979	(3,303,979)	-
	17,070,774	**(17,070,774)**	**-**

Notes to the R&P

1. As explained earlier in this report, certain amounts were transferred from the LTO account and other third-party-funded categories to cover outstanding legal and administrators' costs that were recoverable from the Purchaser. This approach ensured that these obligations were settled efficiently using existing surplus funds, without the need to request further payments from the Purchaser, given that the account was already in surplus.
2. Following a reconciliation of the LTO account and the other third-party-funded categories of cost, such as certain officeholder and legal fees, a refund of c.£3.3m plus VAT has been made to the Purchaser. This is shown as a reduction in LTO Rent received.
3. Legal fees previously charged to the estate in the sum of £208,249 were allocated in the Period to APH following the reconciliation. In addition, £49,221 of legal fees funding were moved from the LTO account to "Legal costs recharged to APH" as they had previously been listed separately but relate to the same cost category.
4. The amount distributed to the chargeholder has reduced in the Period by £25,829 due to the remarshalling exercise undertaken following the end of the other administrations in the Group on 8 May 2025.
5. Funding received in respect of LTO insurance also covered the costs of LTO public liability insurance.
6. Amounts shown exclude VAT.
7. As reported previously, the published financial statements were prepared and audited at Group level and subsequently deconsolidated to derive unaudited entity-level financial information. The directors' statements of affairs adopted a similar approach, apportioning the Group's assets and liabilities between entities based on percentage of sales. As a result, the directors' statements of affairs do not necessarily reflect the true position of the Company. This explains the discrepancies between asset realisations shown in the statement of affairs and those achieved in practice.
8. As explained further in Appendix D, our fees are based on a combination of bases. The receipts and payments account shows the amounts paid in the Period and total to date.
9. There have been no payments made to us, our firm or our associates other than from the insolvent estate as shown in the receipts and payments account provided above
10. Included within our expenses is £1,388 paid in the Period and £4,099 paid in total, in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix C.
11. In Appendix D and in our previous reports, we explain what work has been sub-contracted out (that would otherwise have been done by us). The amounts paid for those services during the period were £nil and in total are £10,747.85 and are included in Agents' Fees (fixed charge) above.
12. LBTT funding, and both administrators' time costs and statutory costs recharged to APH, represent amounts agreed to be paid by APH in respect of officeholder fees following the further extension of the LTO on a percentage of realisations basis.
13. On 4 April 2024 we paid a dividend to secondary preferential creditors at the rate of 100 pence in the £.
14. On 30 October 2024, an interim distribution was paid to the unsecured creditors of MML in a prior period. The total value of the dividend was £6,001,466.15 and the dividend rate was 30%.
15. On 11 March 2025, an interim distribution was declared and paid to the unsecured creditors of MML. The total value of the dividend was £7,400,368.87 and the dividend rate was 31%. However, we also paid catch up dividends to those creditors whose claims had not been agreed at the time of the first interim dividend in the sum of £1,230,357.15. Included in the catch up dividend was £69,388.94 of cheques that had not been banked from the first dividend and they were therefore reissued as a combined amount with the payment for the second interim dividend. The total paid out was therefore £8,630,726.02. The amount shown in the Period is lower than this due to £68,388.94 of this amount being included already in the value shown for the prior period and also due to dividends being returned by creditors which need to be reissued (£998,322.86).
16. On 20 August 2025, we declared our third and final dividend for a total value of £9,357,673.40 with a dividend rate of 36.81% This final dividend included equalising amounts to any creditors who had not proven their claim at the second interim dividend and any who had not banked their previous dividend cheques.

Appendix C: Expenses

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

Expenses fall into two categories:

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

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

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

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

Category	Provided by	Basis of cost	Costs incurred (£)
2	PwC	**Photocopying** - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	312
2	PwC	**Mileage** - At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) for petrol/diesel/hybrid; at a maximum of 72 pence per mile for fully electric and at a maximum of 12 pence per mile for a bicycle	-
2	Other	Postage	4,948
2	Other	Storage	6
1	Other	Rail fares	532
Total for the period			**5,798**
Brought forward			17,883
Total			**23,681**

The expense policy set out above has been approved by the general body of creditors.

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

Nature of expenses	Brought forward from prior period	Incurred in the period under review (£)	Cumulative (£)	Initial estimate (£)	Variance (£)
Legal fees	709,541	53,429	762,970	1,150,500	387,530
Insurance	-	33,444	33,444	235,509	202,065
Professional fees (rates)	9,448	-	9,448	-	(9,448)
Duress payments	152,087	-	152,087	-	(152,087)
Property expenses	1,456	-	1,456	4,724	3,268
Professional fees	3,127	-	3,127	2,571	(556)
Statutory advertising	609	104	713	126	(587)
Professional fees (corporate governance)	3,717	-	3,717	2,245	(1,472)
Agents' fees (property)	1,300	-	1,300	6,615	5,315
Bank charges	574	30	604	-	(604)
Pension deductions	2	-	2	-	(2)
Pre-administration costs - PwC	268,018	-	268,018	268,018	-
Pre-administration legal fees	161,105	-	161,105	161,105	-
Administrators' disbursements	17,883	5,798	23,681	9,397	(14,284)
Other group company costs	-	100,000	100,000	-	(100,000)
Storage	-	57	57	-	(57)
Corporation tax	487,954	118,596	606,550	-	(606,550)
Irrecoverable VAT	-	800	800	-	(800)
Total Expenses	**1,816,821**	**312,258**	**2,129,079**	**1,840,810**	**(288,269)**

Notes to the expenses table:

- Minor adjustments have been made to the brought forward figures from the last progress report following a full reconciliation of all expenses incurred and all transactions having completed.
- Expenses directly incurred in relation to managing the LTO are not included here (rent, service charge, insurance etc.) as they are broken down in the R&P and have not been included in the expenses statement historically.
- The brought forward figure in respect of corporation tax has now been included to reflect amounts incurred in prior periods. Previous expenses tables excluded any potential tax liabilities that might have been payable as an administration expense, as amounts due could only be determined once the relevant tax accounting period had ended. The corporation tax accounting periods run on a calendar-year basis (from 1 January), which does not align with the reporting periods for these progress reports. All corporation tax matters relating to the administration have now been finalised.
- Professional fees include expenses incurred in preparing the statement of affairs.
- We incurred a small amount of irrecoverable VAT in the Period in respect of legal fees for advice given for the sale of the freehold property, as detailed earlier in this report.

- The table above should be read in conjunction with the R&P at Appendix B, which show expenses actually paid during the period and the total paid to date.
- Our expenses are higher than our initial estimate. This is mainly because corporation tax was not included in the expenses estimate as amounts becoming due would depend on the position at the end of the tax accounting periods. All corporation tax returns have been submitted and liabilities paid.
- We provided a revised estimate of our expenses in the sum of £1,429,474 in our remuneration report dated 12 June 2025. However, as we have exceeded this (principally due to corporation tax not previously included), we have used our higher initial estimate provided to creditors for comparison purposes.
- Further, the duress payment of £152k and group company costs of £100k were not included in our initial expenses estimate, and this has created a large variance for these categories of expense.

Appendix D: Remuneration update

A remuneration report was initially issued to all known creditors on 8 December 2022. Our fees were approved on the following bases:

- a fixed fee basis for the initial work undertaken in managing the LTO process;
- 100% of the contribution to cost realisations received by the respective company from the Purchaser in relation to work undertaken for the Purchaser which was not a contractual responsibility under the APA or for the benefit of the administration estates; and
- a time cost basis for all other work on the administrations.

These bases were approved by the general body of creditors of the Company on 16 January 2023.

In the administration, we have drawn the following fees in line with the approval given, as shown on the R&P at Appendix B:

Company	Time cost (£)	Fixed fee (£)	% of realisations (£)
MML	5,453,542	1,673,727	3,472,152

Time costs

The time cost charges incurred in the period covered by this report are £722,324. This amount does not necessarily reflect how much we drew as fees for the Period.

Our time costs exceeded our revised estimate of £5,456,025 by £68,756, the amount approved by the unsecured creditors as fee approving body.

The fees incurred have exceeded the revised estimate primarily due to the additional complexity and volume of work required to deliver the detailed reconciliation of funds between the LTO and estate bank accounts, which proved more time-consuming than expected due to the volume and nature of transactions involved. Further time was required to complete the adjudication of unsecured creditor claims ahead of the final and catch-up dividends, as well as to undertake VAT reconciliation and deregistration procedures. Additional time was incurred finalising accounting and tax matters, including corporation tax computations and closure reconciliations. These activities were necessary to ensure a fair and accurate distribution process and to secure the materially improved return ultimately achieved for creditors.

We did not seek approval to exceed the revised fees estimate.

As a reminder, in the Period, we sought approval to our revised fees estimate from the general body of creditors, which was approved on 4 July 2025 for an amount of additional fees of £2,114,338 bringing the total revised fees estimate to £5,456,025. At the same time, we also sought approval and were granted permission to pay a total of £100,000 plus VAT to cover the Joint Liquidators' costs of the CVL Companies considering they did not have any funds to enable us to draw the fees.

Percentage of realisations basis (100%)

Since the start of the administration, we have assisted the Purchaser with various post-sale matters that were of no direct benefit to the administration estate. The majority of these activities, particularly the management of the LTO process up to 31 March 2023, were obligations under the APA and formed part of the costs of completing that transaction. Following the subsequent extensions to the LTO process to 31 December 2024 for MML, and to ensure there was no detriment to the administration estate, the Purchaser agreed to reimburse the costs incurred in managing the LTO beyond 31 March 2023, as well as the Joint Administrators' additional statutory costs that arose solely as a result of the extended LTO period. The reconciliation of these costs has now been completed, with funds transferred from the LTO account to the administration estate to cover the agreed amounts where required.

We received approval for this work to be charged on a 100% of realisations basis, calculated by reference to the contributions received from the Purchaser in respect of the Joint Administrators' time spent on these matters. This basis was proposed and approved for the following reasons:

- It provided a simple mechanism to determine the contribution required from the Purchaser by reference to time incurred, ensuring that all work performed at their request was fully reimbursed;

- It allowed the clear segregation of remuneration for work not directly connected to the Administrators' statutory duties, not for the benefit of creditors, and undertaken solely at the Purchaser's request; and

- It avoided unnecessary reporting costs, as fees on a percentage of realisations basis do not require the same level of analysis as time-cost fees, thereby preventing additional administrative expense to the estate.

During the Period, the Joint Administrators received £234,880.40 under the approved percentage of realisations fee basis. This represented a settlement of time costs previously incurred under this basis, following a full reconciliation of the LTO account. The reconciliation involved a detailed review and "true-up" of cumulative charges and included adjustments for officeholder and legal costs recoverable from the Purchaser, reconciliation of LTO-related receipts and payments, and amounts reimbursable to the Purchaser.

Whilst the LTO concluded on 14 February 2025, there was a small amount of additional work in the sum of £16,247.35 undertaken under this basis relating to VAT matters and LTO wind down activities between 15 February 2025 and 8 May 2025. There was no work undertaken in the Period recharged under this basis. Therefore the funds received in the Period relate entirely to work completed in earlier periods, rather than additional time costs incurred in the Period. Surplus funds held in the LTO account were utilised to meet these costs.

In total, £3,472,152.04 has been received from the Purchaser under this fee basis, and fees of the same amount have been drawn in accordance with the approvals granted and the amounts received. Further details of the work undertaken under this basis are provided in our previous progress reports.

Fixed fee basis

We received approval for our remuneration in respect of the work undertaken under the LTO process (up to March 2023) on a fixed fee basis.The LTO process was an obligation for the McColl's administrations under the APA up until 31 March 2023. Fees approved on a fixed fee basis do not require the same level of analysis as fees approved on a time costs basis. Therefore by separating these costs, we are avoiding unnecessary costs of additional reporting which would be of no interest or benefit to creditors.

Our approved fixed fee for the Company was £1,673,727 and was drawn in full in line with the approvals obtained.

Our fixed fee arrangement ended on 31 March 2023 and following the extension to the LTO, our work for managing the LTO was funded by the Purchaser and our fees were based on the percentage of realisations noted above. However, once recharging under the percentage of realisations basis was concluded, the fixed fee basis also applied to any remaining work carried out in respect of managing the LTO, such as final administrative tasks.

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

Our hours and average rates

Category of work	Partner	Director	Senior Manager	Manager	Senior Associate	Associate / Other	Support / Overseas Professional	Total Hours	Total Cost (£)	Average Hourly Rate (£)	Cumulative Cost (£)	Initial Estimate (£)	Variance (£)
Accounting and Treasury			16.55	31.55	47.40	28.26	117.60	241.36	126,956.30	526.00	577,540.30	323,912.00	- 253,628.30
Assets	3.10	1.70	52.50	8.70	3.25	-		69.25	60,762.50	877.44	1,641,577.50	1,134,868.00	- 506,709.50
Case Closure and Exit Routes	2.30	3.35	19.10	20.10	1.05	1.10		47.00	40,076.75	852.70	41,714.75	-	- 41,714.75
Creditors	1.80	11.05	94.95	164.10	66.95	20.25		359.10	236,059.00	657.36	1,501,196.00	465,642.00	- 1,035,554.00
Employees and Pensions			1.45		0.20	-		1.65	2,366.00	1,433.94	142,010.00	51,895.00	- 90,115.00
Investigations	-	-	-	-	-	-	-	-	-	-	11,966.00	11,966.00	-
Statutory and Compliance	1.50	2.25	21.80	24.05	18.35	1.10	5.70	74.75	54,418.00	728.00	468,604.00	505,883.00	37,279.00
Strategy and Planning	3.40	6.75	61.20	43.05	68.85	2.60	30.00	215.85	137,298.50	636.08	559,145.50	362,549.00	- 196,596.50
Tax and VAT			23.70	36.50	1.50	6.60		68.30	64,387.25	942.71	351,955.25	155,900.00	- 196,055.25
Trading	-	-	-	-	-	-	-	-	-	-	229,072.00	329,072.00	100,000.00
Total for the period	**12.10**	**25.10**	**291.25**	**328.05**	**207.55**	**59.91**	**153.30**	**1,077.26**	**722,324.30**	**670.52**			
Total brought forward from prior periods	**232.25**	**259.07**	**743.80**	**2,643.24**	**2,941.75**	**885.24**	**333.00**	**8,038.35**	**4,802,456.00**	**597.44**			
Total time costs as at 31 October 2025	**244.35**	**284.17**	**1,035.05**	**2,971.29**	**3,149.30**	**945.15**	**486.30**	**9,115.61**	**5,524,780.30**	**606.08**	**5,524,781.30**	**3,341,687.00**	**- 2,183,094.30**

Our time charging policy and hourly rates

We and our team charged our time for the work we needed to do in the administration. We delegated tasks to suitable grades of staff, taking into account their experience and any specialist knowledge needed and we supervised them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility was handled by our senior staff or us.

All of our staff who worked on the administration (including our cashiers, support and secretarial staff) charged time directly to the case and were included in any analysis of time charged. Each grade of staff has an hourly charge out rate which was reviewed from time to time. Work carried out by our cashiers, support and secretarial staff was charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time has been charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We didn't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who worked on the administration

Grade	Up to 30 June 2025 £	From 1 July 2025 £
Partner	1,050	1,110
Appointment taking director	1,000	1,040
Director (not appointee)	950	980
Assistant director	920	-
Senior manager	875	900
Manager	750	790
Senior associate	575	600
Associate	400	420
Support staff	160	-
Offshore professionals	575	420

We call on colleagues such as those in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. We may also utilise Technology Specialists from the wider Business Restructuring Services team or other parts of our firm. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	Up to 31 March 2025 £	From 1 April 2025 £
Partner	1,965	2,065
Director	1,815	1,910
Senior manager	1,485	1,560
Manager	1,080	1,135
Senior associate/consultant	495-765	520-805
Associate/assistant consultant	350-415	370-440
Support staff	235	235

In common with many professional firms, our scale rates may rise eg to cover annual inflationary cost increases.

Our work in the Period

Earlier in this section we have included an analysis of the time spent by the various grades of staff.

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

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and treasury		
• Deal with receipts, payments and journals; • Performing independent verifications of suppliers' bank details in order to process payments; • Ongoing reconciliations of bank accounts and managing investment of funds; and • Payment of final dividend to Unsecured creditors and paying any unbanked cheques to the Insolvency Services Account.	• For the proper and secure stewardship of funds	• This work is necessary for complying with statutory and regulatory duties regarding the holding and accounting for funds
Assets		
• Liaising with the insurance brokers regarding ongoing insurance requirements; • Liaising with lawyers regarding properties and dealing with ad hoc property queries; • Coordination with agents and councils to conclude residual items and request for outstanding rates and council tax refunds; • Completion of LTO reconciliation and returning any surplus LTO funds to APH; and • Completing the sale of a small parcel of freehold land identified as being owned by MML.	• To maximise realisations for the benefit of creditors	• This work is necessary to realise financial value to the estate and for a distribution to one or more classes of creditors should sufficient funds become available
Creditors		
• Maintaining the lists of creditors; • Filing creditor claims as and when received; • Adjudicating Unsecured creditor claims, including assessing which company the claim should be against; • Dealing with correspondence from rating authorities in respect of non-domestic rates;	• To keep creditors informed of the progress of the administrations; and • To ensure creditor claims are properly accounted for.	• This work was necessary for administrative purposes and/or complying with statutory requirements. • The adjudication of claims will allow dividends to be paid to the direct benefit of creditors

• Claims pack reconciliations, reviews of statutory interest and rates, liaison with technical/legal on claim adjustments, and approvals for changes aligned to dividend outcomes. • Dealing with proofs of debt for dividend purposes; • Maintaining the website for the use of the Companies creditors; • Reviewing and preparing correspondence to creditors and their representatives; • Issuing notices of intended dividends and calculating dividend pots and payments; and • Making the relevant distributions.		
Employees and pensions		
• Looking into member queries and corresponding to Pension Ombudsman complaint; • Dealing with any pension notifications prior to closure	• To ensure stakeholders are properly dealt with • Statutory and regulatory requirements	• This work is necessary for administrative purposes and/or complying with statutory or regulatory requirements.
Statutory and compliance (including closure)		
• Ensuring that all internal procedures are complied with; • Reviewing, allocating and filing case post as appropriate; • Six monthly file reviews; • Liaising with the Insolvency Service, bonding insurers, and internal compliance teams; • Preparing decision notices and associated documentation; • Ensuring proper files and records are maintained; • Maintaining the website for the Company to keep creditors informed; • Preparing and issuing our final progress report to creditors and the Registrar and wind down the Company; • Updating checklists and diary management system; • Preparing documents and information for the purposes of obtaining approval to fees, Category 2 disbursements and other matters in the administration; • Withdrawing undertakings not relating to trading and obtaining clearances from third parties; • Closure of bank accounts; and • Closing down internal systems.	• To ensure the efficient management of the administration; • To keep stakeholders informed of progress; and • Statutory and regulatory requirements.	• This work is necessary for administrative purposes and/or complying with statutory or regulatory requirements; and • To ensure proper closure of the case.
Strategy and Planning		
• Preparing fee budgets and monitoring costs;	• To ensure the efficient management of the	• This work was necessary for administrative purposes

• Holding regular team meetings and discussions regarding status of the administrations and progress of different work streams within the administrations; • Consideration of close out steps; • Maintaining an up to date estimated outcome statement; and • Appointee case strategy/progressions review.	administration.	and/or complying with statutory requirements.
Tax and VAT		
• Preparing VAT LTO reconciliation and reviews; • Preparing corporation tax computations, reviewing and submission of CT600 to HMRC; • Complete and submit VAT returns for the VAT return periods 30 June 2025 and 30 September 2025; • Finalising the preparation and submitting tax returns for the period 30 November 2024 and the period to closure; • VAT closure planning, reconciliations and file notes; • Liaison with HMRC on assignments, tax treatment, refunds and clearance; • Determine that all tax matters have been suitably concluded, prior to ceasing to act; • Deregister the Company for VAT; and • Prepare VAT 426 and any VAT assignment documents.	• To comply with statutory duties.	• This work was necessary for administrative purposes and/or complying with statutory requirements.

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

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.

All transactions are on a purely commercial basis and parties have been chosen based on their expertise in accordance with the needs of the administration.

Details of subcontracted work

We have contracted out the following work, which we or our staff would normally do:

- Collection of rates refunds: this was done by The Workplace Company as it was more cost efficient for this work to be subcontracted out. The Workplace Company is a firm which specialises in properties and rates and was carrying out work for the Company prior to the administration appointment and therefore has prior knowledge of the Company's property portfolio. The costs of using The Workplace Company are anticipated to be 15% of any asset realisations in respect of rates refunds.

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm/organisation	Reason selected	Basis of fees
Legal services, including appointment-related matters; advice on ROT claims; Sale of business contracts and SIP16 letter	• Mayer Brown LLP	• Expertise and industry sector knowledge	• Time costs and disbursements
Legal services	• Addleshaw Goddard LLP	• Expertise and insolvency knowledge	• Time costs and disbursements
Legal services including advice on property portfolio, RoT claims, novation of bank accounts and general advice	• Hogan Lovells LLP	• Insolvency knowledge	• Time costs and disbursements
Professional services including supply of statutory books and records	• Indigo Independent Governance Limited	• Prior company knowledge and expertise	• Time costs and disbursements
Rates refunds and collection	• The Workplace Company	• Prior company knowledge and expertise and industry sector knowledge	• % of realisations

Property inspection services	• GMS Property Services LLP	• Expertise and industry sector knowledge	• Time cost

Appendix E: Other information

Court details for the administration:	In the High Court of England and Wales, Business and Property Courts, The Insolvency and Companies List (Chancery Division) CR-2022-001342
Company's registered name:	Martin McColl Limited
Trading name:	n/a
Registered number:	00298945
Registered address:	Level 8, Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Joint Administrators' appointment:	9 May 2022
Joint Administrators' names, addresses and contact details:	Mark James Tobias Banfield, PricewaterhouseCoopers LLP, 7 More London Riverside, SE1 2RT Rachael Maria Wilkinson, PricewaterhouseCoopers LLP, 3 Forbury Place, 23 Forbury Road, Reading, Berkshire, RG1 3JH Robert Nicholas Lewis, PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT uk_mccolls_generalenquiries@pwc.com
Extension(s) to the initial period of appointment:	Administration extension granted by the creditors of the Company for a period of 12 months to 8 May 2024 Administration extension granted by the court for a period of 12 months to 8 May 2025 Administration extension granted by the court for a period of 6 months to 8 November 2025