



To All Known Creditors and Members

Gieves Limited
Gieves & Hawkes Limited
(in Administration)

Joint Administrators' Statement of Proposals
and SIP 16 Statement on the Sale of the
Business and Assets

In accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986, Rule 3.35 of the Insolvency (England and Wales) Rules 2016 and Statement of Insolvency Practice 16

Glossary

Commonly Used Terms	Definition
Act / IA86	Insolvency Act 1986 (as amended)
BEIS	Department for Business, Energy and Industrial Strategy
c.	Approximately
CDDA	Company Directors Disqualification Act 1986
CT	Corporation Tax
CVL	Creditor's Voluntary Liquidation
FTI / FTI UK	FTI Consulting LLP
FTI FS	FTI Financial Service Limited
FTI HK	FTI Hong Kong Limited
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England & Wales
IR16 / the Rules	Insolvency (England and Wales) Rules 2016 (as amended)
IP	Insolvency Practitioner
LTO	Licence to Occupy
NDA	Non-Disclosure Agreement
PAYE / NIC	Pay-as-you-earn tax / National Insurance Contributions
PPF	Pension Protection Fund
Preferential creditors	Principally employee claims for unpaid wages (max £800 per employee), holiday pay and certain unpaid pension contributions
Prescribed Part	Amount set aside for unsecured creditors from floating charge net realisations in accordance with Section 176A IA86
Proposals	This Statement of Proposals and all its appendices
RPS	Redundancy Payments Service
Sch B1	Schedule B1 IA86
SIP	Statement of Insolvency Practice
SIP 2	Investigations by office holders in administration and insolvent liquidations
SIP 7	Presentation of financial information in insolvency proceedings
SIP 9	Payments to insolvency office holders and their associates from an estate
SIP 16	Pre-packaged sales in administrations
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
VAT	Value Added Tax

Case Specific References	Meaning
Administration(s)	The Administration of the Company or Companies
Joint Administrators / we / us / our	Christopher Jon Bennett Samuel Alexander Ballinger Andrew James Johnson
Appointment date	24 November 2022
APA	Asset Purchase Agreement
The Companies	Gieves Limited and Gieves & Hawkes Limited
DLA Piper/DLA	DLA Piper LLP
FCR(s)	Fixed charge receivership appointments over the intellectual property assets owned by GHIL and GHIL BVI
Frasers	Frasers Group plc
GL	Gieves Limited
GHIL	Gieves & Hawkes Limited
GHIL	Gieves & Hawkes International Limited
GHIL BVI	Gieves & Hawkes International (BVI) Limited
The Group	Gieves Limited, Gieves & Hawkes Limited, Gieves & Hawkes International Limited and Gieves & Hawkes International (BVI) Limited
Hilco Capital/Hilco	HUK 110 Limited (the Secured Creditor)
Pension Trustees	The Trustees of the Gieves Group Retirement Benefit Scheme
Period	From 24 November 2022 (ongoing)
Purchaser	SDI (Retail Co 9) Limited (company number 11689077) with Sportdirect.com Retail Limited as Guarantor (a subsidiary of Frasers Group plc). The Purchaser changed its name to Gieves & Hawkes Retail Limited on 30 November 2022.
Secured Creditor / Lender	Creditors with security in respect of their debt in accordance with Section 148 IA86. In this case, the Secured Creditor is Hilco Capital.
Secured Debt	£1.2m secured working capital facility provided by HUK 110 Limited
Shandong Ruyi	Shandong Ruyi Technology Group Co., Ltd
Transaction	Pre-packaged sale of the Companies assets to the Purchaser
Unsecured creditors	Creditors who are neither secured nor preferential. Principally trade creditors, landlords, intercompany debts and utility providers. HMRC and employee-related claims that do not rank preferentially are also included here.

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Introduction

Purpose of this Report

- On 24 November 2022, Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson were appointed as joint administrators of GL and GHL and are responsible for the management of the affairs, business and property of the Companies. The appointment was made by the Companies' director.
- In order to facilitate the sale of the intellectual property of the Group, fixed charge receivers were appointed over the intellectual property assets of the following companies on 24 November 2022:
 - GHIL: Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson
 - GHIL BVI: Christopher Jon Bennett, Andrew James Johnson and Aaron Gardner
- This is our Statement of Proposals for achieving the purpose of the Administrations and our SIP 16 Statement, and includes:
 - a brief history of the Companies;
 - the reasons why they are in Administration;
 - what the purpose of each Administration is;
 - how we expect to achieve that purpose;
 - information about a recent sale of the Companies' businesses and assets and the reasons for undertaking it;
 - an indication of the likely outcome for the various classes of creditors; and
 - how we envisage the Administrations will be brought to an end.
- These Proposals are anticipated to be delivered to creditors on 30 November 2022.
- We have also included certain legal notices regarding this report, our appointment and creditors' rights.
- If you are unfamiliar with insolvency, we have included a brief overview that you may wish to read before continuing to read this report.
- If you have any queries regarding the content of this report or if you want hard copies of any of the documents made available online, please contact us using the details provided on the right.

How to Contact Us

- Creditors and members can contact us using the preferred methods below:

Email: gievesandhawkes@fticonsulting.com

Post: Gieves & Hawkes – in Administration
c/o FTI Consulting LLP
200 Aldersgate
Aldersgate Street
London, EC1A 4HD

Tel: 020 3077 0254

- Further information can be found online at:
<https://www.fticonsulting.com/emea/cip/gieves-hawkes>

Signed:



Christopher Jon Bennett
Joint Administrator
Acting as agent and without personal liability

Key Messages

A sale of the Companies' business and assets has been completed, which provides a materially better outcome than the alternative options. Dividends are expected to be available to all classes of creditors.

Pre-Pack Sale of Business and Assets

- Following our appointment as joint administrators of the Companies on 24 November 2022, we completed a sale of the Companies' business and assets to SDI (Retail Co 9) Limited (company number 11689077), a subsidiary of Frasers Group plc, for £0.2m. Further proceeds in excess of £1.0m were received in respect of the FCRs.
- All of the business assets were transferred on appointment to the Purchaser. Employee contracts were novated to the Purchaser as part of the Transaction, under TUPE. The Transaction preserves all 66 jobs.
- All sites formed part of the Transaction except for one site that was already vacant prior to our appointment. For the premises included in the Transaction, we have issued LTOs and we will be seeking to assign the leases to the Purchaser in due course.
- The Transaction maximises value for creditors by achieving a going concern sale of the Companies' assets and mitigating claims associated with a closure of the business.
- In addition, the Companies had £0.5m of cash on appointment (excluded from the sale).

Our Work in the Administrations

- Whilst we have completed a sale of the business and assets, there remains a significant amount of work to do in the Administrations. In broad terms, this is expected to include:
 - Pursue any potential further realisable assets, including debtors;
 - Manage the receipts and payments of property costs under the LTOs, and look to assign the leases to the Purchaser;
 - Complete our initial assessment into the Companies' affairs and the conduct of their directors, and submit our findings to BEIS;
 - Agree the claims of unsecured creditors and distribute any available funds;
 - Complete all statutory and compliance work arising because of our appointment; and
 - Report to any creditors' committee, should one be formed.
- In just over six months' time, we will update creditors on the progress of the Administrations, including the above matters.

Estimated Outcome for Creditors

- The following table shows our current estimates of the outcome for the various classes of creditors. Please note that this guidance is only an indication and should not be used as the basis of any bad debt provision.

GL Creditor Class	Amount Owed	Estimated Recovery	Timing of Payment
Secured Creditor*	£1,200,000 [^]	100%	2 months
Preferential Creditors	£188,000	100%	6 months
Unsecured Creditors	£42,424,398	<1%	12 months

GHL Creditor Class	Amount Owed	Estimated Recovery	Timing of Payment
Preferential Creditors	£188,000	100%	6 months
Unsecured Creditors	£9,128,306	<1%	12 months

**Immediately prior to the Transaction, the Secured Creditor's exposure totalled £1.2m. The outstanding liability is expected to be fully repaid by a £1.0m distribution from the FCRs and £0.2m from the realisations in GL. [^]Excludes interest and costs which are not expected to be paid in full.*

- We have not yet received the director's statement of affairs showing the level of the Companies' liabilities. Therefore, the above estimates are based on initial information provided by the Companies. Until we have received and adjudicated all claims and confirmed the costs of doing so (and the expenses of the Administrations generally), we are unable to give a reliable estimate of the net amount available to distribute and the dividend that can be paid.
- Creditors have been invited to provide details of their claims and supporting information as soon as possible, using the IPS Turnkey Portal at <http://www.ips-docs.com>.
- We expect the preferential creditors to be paid in full from GL. However, should there be a shortfall to the preferential creditors in GL, a distribution will be made from GHL due to it being part of the same VAT group, as all members of a VAT group are jointly and severally liable for the VAT due.

Approval of these Proposals

The purpose of the Administrations is to achieve 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).

Objective of the Administrations

- As administrators of the Companies, we are officers of the Court and must perform our duties in the interests of the creditors as a whole in order to achieve the purpose of the Administrations, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:
 - a) rescue the Companies as a going concern; or
 - b) achieve 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); or
 - c) realise property in order to make a distribution to one or more secured or preferential creditors.
- In order to help us achieve the objective, we have a wide range of powers, as set out in insolvency legislation, and we must perform our functions as quickly and efficiently as is reasonably practicable. We must also act in the interests of the creditors of the Companies as a whole, other than where objective (c) is being pursued when we need only ensure that we do not unnecessarily harm the interests of the creditors of the Companies as a whole.
- In this case, we intend to pursue objective (b) because it was not reasonably practical to rescue either company as a going concern, as explained further in our enclosed SIP 16 Statement.
- It was only possible to sell the business and assets of the Companies, rather than the Companies themselves. Our SIP 16 Statement explains why this was best achieved through a pre-packaged sale that achieved a value-maximising controlled sale.
- Therefore, we consider that:
 - the Transaction enables the statutory purpose of the Administrations to be achieved, delivering a better result for the Companies' creditors as a whole, than would be likely if the Companies were wound up; and
 - the outcome was the best available outcome for creditors as a whole in all the circumstances.
- We expect there to be a preferential claim from HMRC in respect of a VAT liability. The Companies were part of a VAT group and are jointly and severally liable for any VAT due.
- Unsecured creditors of GHF are expected to receive a small dividend from the insolvency proceedings.
- We also expect there to be a distribution to unsecured creditors from the Prescribed Part fund in the Administration of GL.
- In these Proposals, we provide details of the work we have done to date and our anticipated future work, that together will enable the purpose of each Administration to be achieved.

Approval of these Proposals – GL

For GL, these Proposals will be deemed approved within eight business days from the date they are delivered to creditors, unless we receive within that time period, a request from creditors to hold a decision procedure.

GL

- The financial position of GL means that it has insufficient assets to enable a dividend to be paid to non-preferential unsecured creditors (other than by way of the Prescribed Part). As a result, we are prohibited by insolvency legislation from seeking a decision from the creditors to consider these Proposals, in accordance with Paragraph 52(1)(b) Sch B1 IA86.
- However, a creditor, or creditors, whose debts amount to at least 10% of the total debts of the company can require us to hold a decision procedure to enable creditors to consider whether to approve these Proposals and/or to consider such other decision as they see fit.
- Such a request must be received by us within eight business days from the date these proposals are delivered to the creditors. If creditors do not require us to hold a decision procedure within that time period, then these Proposals will be deemed to have been approved.
- Creditors should note that we need not initiate the decision procedure unless the creditor, or creditors, requisitioning the decision procedure provides us with such amount that we request from them to meet the expenses of the requisitioned decision procedure.
- If these Proposals are deemed to be approved in the manner described above, notice of that fact will be filed with the Registrar of Companies, the Court and delivered to creditors by making it available on our website at:

<https://www.fticonsulting.com/emea/cip/gieves-hawkes>

Approval of these Proposals – GHIL

For GHIL, as we anticipate that a dividend will become available to the unsecured creditors (other than from the Prescribed Part), we are seeking approving of these Proposals using a deemed consent procedure.

GHIL

- We anticipate a dividend will become available to the unsecured creditors of GHIL (other than from the Prescribed Part). Consequently, we are seeking a decision from the creditors of GHIL to approve our Proposals, using the deemed consent procedure.
- **If a creditor agrees that our Proposals should be approved, then they do not need to do anything.** Our proposals will be automatically approved on 15 December 2022 (the “Decision Date”), unless 10% of creditors (who would be entitled to vote at a qualifying decision procedure) object to the decision to approve our Proposals.
- If a creditor wishes to object to the decision, they must complete and return the enclosed notice of objection (Appendix G) so that it is received by us by no later than 23.59 hours on the Decision Date. If a creditor has not already submitted proof of their debt, they should do so using the IPS Turnkey Portal at <http://www.ips-docs.com> and with the login details previously provided. Objections by a creditor will not count unless they have lodged a proof of debt by no later than 23.59 on the Decision Date.
- It is our responsibility to determine whether any objections received are sufficient for this deemed consent procedure to end without a decision being made. If sufficient objections are received, then we will write to creditors to seek approval for this decision using a qualifying decision process.
- Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within five business days of the delivery of the notice that accompanies these Proposals. Such requests must be supported by proof of their debt, if not already lodged. We will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
- Whilst we are not seeking the formation of a Creditors’ Committee, insolvency legislation requires that creditors of GHIL be invited to determine whether to form one and therefore a notice of invitation to form a Creditors’ Committee and further instructions are enclosed at Appendix H.
- To enable creditors to make an informed decision as to whether they wish to either seek to form a Committee, or to nominate themselves to serve on a Committee, further information has been prepared by R3 and can be found online at: <http://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditorguides/more/29111/page/1/liquidation-creditors-committees-and-commissioners/>.
- If these Proposals are approved using the deemed consent procedure, notice of that fact will be filed with the Court and made available online for creditors at <https://www.fticonsulting.com/emea/cip/gieves-hawkes>.
- The deemed consent procedure cannot be used for the approval of our remuneration and therefore we will seek a separate decision for the approval of our fees and we will write to the unsecured creditors of the company in this regard separately in due course.

Actions For Creditors

Creditors may need or wish to take action in respect of certain consequences of the Companies entering an Administration procedure. The moratorium prevents any legal action against the Companies.

Amounts Owed to Creditors

- As a result of our appointment, you are a creditor of the Companies in respect of the money owed to you. We cannot make any payment to creditors of the Companies in respect of any debts arising prior to our appointment, unless there are sufficient assets (after the costs of the Administrations) to do so.
- Whilst it is the responsibility of the directors to provide us with details of the debts owed by the Companies, it would be of assistance to us if you would forward details of your claim to us.
- Creditors (other than employees) are invited to lodge their claims and supporting evidence using the Turnkey Creditor Portal, which allows creditors to manage their own details online and monitor the status of their claims. This is the most secure, efficient and cost-effective way for us to deal with creditor claims. Please contact us if you are unable to use the online portal. The web address and your unique login details to access the portal have been issued separately, please contact us if you require the details.
- We are not aware of any employee creditors. However, if any employee believes they are a creditor of the Companies they should contact us as soon as possible.

Goods in the Companies' Possession

- If you consider that you have supplied goods to the Companies that are subject to reservation of title, please notify us of this fact within the next 10 days. If you do not notify us of any reservation of title claims you consider you have within the next 10 days, then we will assume that you have no such claim to the goods you have supplied to the Companies.
- If you have supplied the Companies with equipment, vehicles or other items that are subject to a hire or finance agreement, then you should forward to us proof of ownership and a detailed description of the items concerned.

Review of the Companies' Affairs and its Directors

- As part of our statutory duties, it is our responsibility to report on the conduct of the directors of the Companies and also to consider any areas requiring investigation with a view to making asset recoveries. Please provide us with any information you have about the way that the Companies' business was conducted or potential asset recoveries, that you consider will assist us.

VAT Advice

- Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 of the Value Added Tax Act 1994. Relief is available when the debt is six months old and "written off" by the creditor entering it on their VAT refunds-for-bad-debts-account. Insolvency Practitioners have no role in administering VAT bad debt relief. Creditors who are uncertain as to how they may claim should contact their VAT office or seek professional advice.

Moratorium on Legal Processes

- Unless we consent or with the permission of the court, no step may be taken to enforce security over the Companies' property or repossess goods in the Companies' possession under a hire-purchase agreement. Similarly, a landlord may not exercise a right of forfeiture by peaceable re-entry in relation to premises let to the Companies; and no legal process may be instituted or continued against the Companies or their property.

Legal Notices

Creditors should read these important notices regarding this report and the appointment of Joint Administrators.

Agents of the Companies

- The affairs, business and property of the Companies are being managed by the Joint Administrators, who act as agents of the Companies and without personal liability. The Joint Administrators are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under Section 390A(2)(a) of the Insolvency Act 1986.

Information on Creditors' Rights

- Information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>.
- Details about how an office-holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.fticonsulting.com/emea/cip/forms-and-information. Please refer to the version "Guide to Administrators Fees April 2021 England Wales".

Provision of Services Regulations

- To comply with the Provision of Services Regulations, some general information about FTI, including about our complaints policy and Professional Indemnity Insurance, can be found online at: <https://www.fticonsulting.com/emea/cip>.

Insolvency Code of Ethics

- Administrators are bound by the Insolvency Code of Ethics which can be found online at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

Data Protection

- FTI uses personal information in order to fulfil the legal obligations of its insolvency practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website at <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

About this Report

- This report has been prepared by the Joint Administrators solely to comply with their statutory duties under insolvency law and regulation. 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 is not suitable to be used, to inform any investment decision in relation to the debt of (or any financial interest in) the Companies.
- Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Act 1986 and Insolvency (England and Wales) Rules 2016, does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.
- 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.

An Introduction to Insolvency

If you are unfamiliar with an insolvency process, please read this page which describes the typical work and role of an insolvency practitioner. This is only a general overview and does not necessarily reflect our work in this case.

What is an insolvency process?

- There are several types of insolvency process, but all are intended to achieve the same basic objective: to realise assets that a company owns and repay (to the extent possible) what it owes to creditors.
- The type of process depends on the circumstances and the amount distributable to creditors (in accordance with statutory priorities) depends on the value of assets, the costs of the process and level of claims received.

What is an insolvency practitioner?

- Commonly referred to as an 'IP', an insolvency practitioner is an experienced and qualified individual who is licensed and authorised to act in relation to an insolvent company, partnership or person.
- IPs typically use the staff and resources of their own firm to complete the work, supported by third party professionals and other specialists as required.
- IPs are routinely monitored by their professional body to ensure continued adherence to required standards.

Realising the Assets

- The IP evaluates possible options and pursues the best route for maximising value for creditors. Options could include an immediate sale of the business, a period of ongoing trading (prior to a sale) or a closure/wind-down of operations.
- The costs of realising the assets can vary significantly, so an IP is looking to maximise the net value (after costs). Securing the ongoing employment of the workforce can materially reduce claims against the company.
- Work done on realising the assets has a direct financial benefit for creditors.

Managing the Companies' Affairs

- Until such time as a company is dissolved, it must continue to fulfil many of its usual obligations, such as submitting VAT/tax returns and keeping adequate accounting records.
- Whilst appointed to manage the affairs of the company, the IP is responsible for ensuring these obligations are met. Support from VAT/tax specialists in insolvency situations helps to ensure accuracy and minimise liabilities.
- Other work might include complying with any licensing or regulatory requirements.

Dealing With Creditors

- It can take several months, often longer, but if and when funds become available, the IP will distribute these to creditors once their claims have been received and agreed.
- As secured creditors usually have priority rights over the assets, the amount left over for other non-preferential unsecured creditors can often be very small.
- IPs keep creditors updated on their work, either through periodic reports or responding to their queries and correspondence.

Fulfilling our Statutory Duties

- The impact of an insolvency can be wide ranging, so IPs are required to issue notices and periodic reports to those affected parties and keep them updated.
- The companies' affairs and conduct of its directors must also be investigated to see whether any asset recovery (or other) actions need to be taken.
- Whilst this work does not have any direct financial benefit for creditors, the purpose of insolvency law is to protect the interests of creditors.
- Regular internal case reviews ensure the process progresses cost effectively and on a timely basis.



Background to the Administrations

Brief History of the Companies

The Group is a British tailor, founded in 1771 whose flagship store is located on Saville Row. The business was acquired by Shandong Ruyi in 2017.

- The Group is a British tailor with its flagship store on Saville Row, London.
- Hawkes was a military and court outfitter founded in 1771 in London, and Gieves was a naval tailor founded in 1785 in Portsmouth. The two businesses combined in 1974 when Gieves bought Hawkes.
- The Group (comprising GL, GHL, GHIL, and GHIL BVI) was acquired in 2012 from Wing Tai Properties Limited by Trinity Limited, with plans to drive future growth of the business in Asia. A simplified group structure is set out on the next page.
- Trinity Limited is a Hong Kong based entity and operates within the premium fashion and apparel industry. After listing on the Hong Kong stock exchange in 2009, it was acquired by Shandong Ruyi, a Chinese textiles and clothing company in 2017.
- Neither the Group nor its assets have been acquired from an insolvency practitioner within the past two years.
- A summary of the Companies' most recent published trading performances are shown here. It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the Companies' true trading position.
- We have provided the statutory accounts for the year ended 31 December 2020 as the statutory accounts for year ended 31 December 2021 had not been finalised at the date of our appointment.
- This information has been provided by the director of the Companies and is not from our personal knowledge as joint administrators.

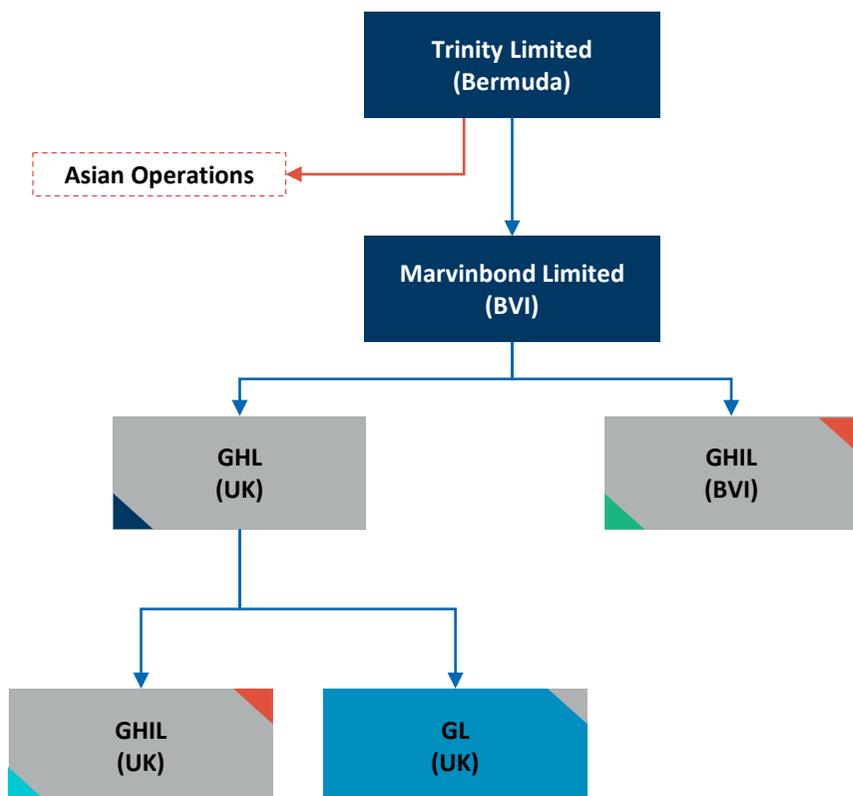
GL £	Management Accounts 9 months ending 30 September 2022	Statutory Accounts Year ended 31 December 2020
Turnover	4,431,463	3,933,574
Cost of Sales	(1,419,371)	(2,236,345)
Gross Profit	3,012,091	1,697,229
<i>Gross Profit %</i>	<i>68%</i>	<i>43%</i>
Operating Expenses/ Income	(3,145,244)	(3,247,939)
Operating profit/(loss)	(133,153)	(1,550,710)
Other Expenses/Income	(16,452)	(3,505)
Profit/(loss) after tax	(149,605)	(4,525,571)

GHL £	Management Accounts 9 months ending 30 September 2022	Statutory Accounts Year ended 31 December 2020
Turnover	-	-
Cost of Sales	-	-
Gross Profit	-	-
<i>Gross Profit %</i>	<i>n/a</i>	<i>n/a</i>
Operating Expenses/ Income	(5,737)	(91,837)
Operating profit/(loss)	(5,737)	(91,837)
Other Expenses/Income	-	-
Profit/(loss) after tax	(5,737)	(91,837)

Simplified Group Structure

The simplified Group structure at the date of our appointment is set out below. In addition to the UK group shown below, Trinity Limited was also the parent of various entities that operated the Asian businesses and other brands.

Simplified Group Structure



- GL was the UK operating company and as such held the operating assets, employment contracts and the property leases (with the exception of one which was held by GHL).
- GL was also the borrower of the Secured Debt.
- GHIL and GHIL (BVI) held the Group’s intellectual property and were guarantors to the Secured Debt.
- GHL had negligible assets outside of cash, investments and intercompany balances.
- A warrant holder (i.e. a private individual) held the Royal Warrants on behalf of GHL.

Key

- Holder of Royal Warrants
- Holder of all trademarks excluding Japan, USA and India
- Holder of trademarks in Japan, USA and India
- Borrower of Hilco Facility
- Guarantor to Hilco Facility
- UK Operating Company

Events Leading up to the Administrations

In 2019, the wider Shandong Ruyi Group began to experience financial difficulties due to being over leveraged and the underperformance of certain brands within the Shandong Ruyi Group; problems that were exacerbated by COVID-19. As such the Shandong Ruyi Group was no longer able to fund the Group.

Events Leading to the Administrations

- Shandong Ruyi began to experience financial difficulties in May 2019 due to being over leveraged and certain underperforming brands within its group. These problems were exacerbated by COVID-19, especially due to the exposure of the business to Asia, where the pandemic first hit.
- On 26 March 2021, the Supreme Court of Bermuda ordered the appointment of Mr Osman Mohammed Arab and Mr Lai Wing Lun of RSM Corporate Advisory (Hong Kong) Limited and Mr Edward Alexander Niles Whittaker of R&H Services Limited as liquidators of Trinity Limited.
- On 10 December 2021, the Supreme Court of Bermuda ordered the appointment of Mr Fok Hei Yu and Mr Chow Wai Shing of FTI HK to replace Mr Arab and Mr Lun as liquidators of Trinity Limited. Mr Whittaker remained as a liquidator.
- The liquidators replaced the existing directors of the Group entities with Mr Nicholas Pike, an experienced restructuring professional.
- The consolidated accounts of GHL, of which GHIL and GL are subsidiaries, show the Group has been loss making since at least 2017. As the trading company, GL's most recent published accounts as at 31 December 2020 details liabilities of £38m compared to the most recent management accounts as at 30 September 2022 of £42m. The latest consolidated management accounts reflect net liabilities of £17.5m after intercompany eliminations.
- On 16 June 2022, GL obtained a £1.2m working capital loan from Hilco with a 12-month maturity to ensure sufficient liquidity to allow for ongoing stock purchases and provide a runway for the Group to address its financial position, notably by running a process to sell the Group entities.
- On 17 June 2022, FTI FS was engaged to provide certain advisory services to the Group, including in connection with the proposed sale of either the entire issued share capital or selected business and assets of the Group. The sales process was formally launched on 12 July 2022.
- Further details of our prior involvement with the Companies are set out in our SIP 16 Statement in these Proposals.

Moratorium

- A moratorium gives struggling businesses formal breathing space (for a limited time) in which to explore rescue and restructuring options, free from creditor action and monitored by a licensed insolvency practitioner.
- We confirm that there has been no moratorium in force (under Part A1 IA86) in respect of the Companies at any time within the period of two years ending with the day on which they entered Administration.

Pre-Administration Costs

Pre-Administration costs are fees charged and expenses incurred by the administrator (or another insolvency practitioner) before the Companies entered Administration but with a view to it doing so.

- Pre-Administration costs are those incurred with a view to a company entering administration. Any unpaid pre-administration costs at the time of an administrator's appointment can be paid as an expense of an administration, subject to obtaining consent from the relevant class or classes of creditors.
- FTI FS were initially engaged by the Group in June 2022 to provide certain services to the Group including financial advisory services in connection with the proposed sale of either the entire issued share capital or selected business and assets of the Group; and contingency planning.
- During these initial phases of the process a solvent sale appeared to be the most likely outcome. However, on 28 September 2022 the preferred bidder informed FTI FS that it could no longer meet the target completion date, citing concerns around the stability of the UK economy following the UK Government's "mini-budget" announcement on 23 September 2022.
- Despite best efforts to overcome this issue in the following weeks, it became increasingly apparent that the preferred bidder was no longer able to complete a transaction. On 24 October 2022, the Group's director agreed to instruct FTI FS to re-engage with a small number of parties that:
 - had participated in Phase One of the sale process; and
 - were deemed able to complete a transaction in an accelerated timeframe given the Group's deteriorating liquidity position.
- It quickly became apparent that any sale of the business would most likely be transacted on an insolvent basis. Further detail on sale process is set out in our SIP 16 Statement.
- Our time costs from 1 November 2022 until the Appointment Date totalled £103,192. We raised invoices totalling £40,000 plus VAT in respect of these time costs, which were paid by GL (the engagement party) prior to the Administration. Some £63,192 of the pre-Administration costs remain unpaid.
- We believe that FTI FS's role in preparing and planning for our appointment made a significant contribution to achieving the purpose of the Administrations because it facilitated the Transaction and maximised the value of the assets included in it. Furthermore, the costs of the Administrations are expected to be lower than would have been the case if a sales process for the Companies' assets was conducted whilst continuing to trade the business during the Administrations.
- More details of these fees and expenses, including further information regarding the work undertaken, can be found in the Appendices C and D.
- To the best of our knowledge, no pre-Administration costs were incurred by any other persons qualified to act as an insolvency practitioner.
- Legal expenses totalling £164,779 were also incurred by law firm, DLA , of which £74,779 was unpaid at the time of our appointment. All other amounts were paid prior to our appointment by GL as a disbursement to our engagement. In Appendix C, we provide details of the legal services performed and advice received.
- All of these workstreams were necessary to enable the Companies to be placed into Administration in a prepared and orderly manner. This ensured uninterrupted trading and ultimately to enable the purpose of the Administrations to be achieved.

Approvals

- The payment of unpaid pre-administration costs as an expense of the Administrations is subject to approval under Rule 3.52 IR16 and doesn't form part of our Proposals, which are subject to approval under Paragraph 53 Sch B1 IA86. If you elect a committee, it will be up to the committee to give this approval under Rule 3.52 IR16, but if there is no committee:
 - for GHL, we will ask the general body of creditors to do so instead; and
 - for GL, because we think the company doesn't have sufficient assets to distribute anything to unsecured creditors (other than via the Prescribed Part), it will be for the Secured Creditor and preferential creditors to give this approval.



SIP 16 Statement

Our Prior Involvement with the Companies

FTI FS previously advised the Companies in respect of the Group’s sales process. We consider that any potential threats to the fundamental principles of the ethical code are at an acceptable level such that we could be appointed.

Joint Administrator’s Role Prior to Appointment

- Prior to an appointment, an administrator may act as an advisor to a company, its secured creditor or other stakeholders. Services can include supporting the company’s efforts to find a buyer for its business and assets, but do not include advising the directors, who typically receive independent legal advice on their personal responsibilities. Similarly, advice would not be given to any potential purchaser.
 - In all cases and prior to accepting any appointment, administrators must review any significant relationships with the company and its stakeholders to assess whether they can meet the ethical standards expected of them.
 - In a pre-pack situation, an administrator completes a sale immediately (or shortly after) their appointment, potentially having earlier acted in an advisory capacity in relation to the transaction. In considering whether to complete the transaction, administrators must bear in mind their duties to the company and the creditors as a whole.
- Whilst not formally in office at that time, it was still necessary to act in accordance with the Insolvency Code of Ethics. We are bound by the Code which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.
 - As part of the ongoing sales process we were responsible for reviewing the offers for the business (alongside the director), negotiating the sale agreement and considering any post-sale matters or obligations.
 - We have identified potential threats to the fundamental principles of the ethical code in respect of this case.
 - This includes a Self Review threat due to FTI FS’s involvement in the sale transaction. However, FTI FS advised the Group on a transaction with a view to maximise the value for creditors, which is aligned with the duties of an administrator. In addition, administrators need to be sufficiently informed to confirm that the business has been adequately marketed and that the proposed transaction results in the best outcome for creditors.
 - The engagement parties (GHIL, GL, GHL and GHIL BVI) are subsidiaries of Trinity Limited (HK). Trinity Limited (HK) is in liquidation with FTI HK appointed as liquidators. However, the administrators were appointed by the director (Nicholas Pike) and the receivers were appointed by the Secured Creditor (Hilco). Any perceived risk is further mitigated through the use of different engagement teams as well as receiving independent legal advice.
 - There is a material intercompany loan owed to GHL by GL. Accordingly, GHL is likely to be a material creditor seeking to participate in GL’s Prescribed Part dividend. Supporting information for the loan will be obtained and independent advice will be sought if necessary. We will not use GHL intercompany positions to vote on appointment or remuneration matters in respect of GL (noting Secured and Preferential Creditors of GL will approve remuneration).

Source of Our Initial Introduction

- FTI FS was introduced to the Companies by FTI HK, following the appointment of Mr Fok Hei Yu and Mr Chow Wai Shing (Liquidators of Trinity Limited) on 10 December 2021. Staff from FTI first met with management of the Companies on 17 May 2022 to discuss the financial affairs of the Companies.

Extent of our Prior Involvement

- Prior to the commencement of the Administrations, we advised the Board as a whole, acting on behalf of the Companies, about the Companies’ financial difficulties and provided advice about the options available to the Companies to help determine an appropriate course of action to take. No advice was given to the individual director regarding the impact of the insolvency of the Companies on their personal financial affairs.
- FTI FS also provided services in respect of the sales process whereby the Group’s assets were widely marketed.

- In conclusion, we considered that these threats were at an acceptable level such that we could be appointed as joint administrators.

Statement of Insolvency Practice 16

We must provide creditors with sufficient information regarding the pre-pack sale, including the reasons why we believe the outcome achieved was the best available outcome for creditors as a whole in all the circumstances.

Statements of Insolvency Practice

- The purpose of SIPs is to promote and maintain high standards by setting out required practice and harmonising the approach of insolvency practitioners to particular aspects of insolvency practice. SIPs set principles and key compliance standards with which insolvency practitioners are required to comply. They apply in parallel to the prevailing statutory framework.
- SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities, acting through the Joint Insolvency Committee.

Statements of Insolvency Practice 16

- SIP 16 applies to all pre-packaged sales in administrations, irrespective of who the purchaser may be.
- The term 'pre-packaged sale' refers to an arrangement under which the sale of all or part of a company's business or assets is negotiated with a purchaser prior to the appointment of an administrator and the administrator effects the transaction immediately on (or shortly after) appointment.
- The administrator should provide creditors with sufficient information ("the SIP 16 Statement") such that a reasonable and informed third party would conclude that the pre-packaged sale was appropriate and that the administrator has acted with due regard for the creditors' interests.
- A copy of SIP 16 can be found online at:
<https://www.icaew.com/-/media/corporate/files/technical/insolvency/regulations-and-standards/sips/england/sip-16---england-and-wales-300421.ashx>
- We have made this statement in order to comply with our responsibilities under SIP 16.

Purpose of the Administrations

- We are performing our functions as joint administrators with the objective to achieve 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).
- We confirm that the pre-pack transaction enables the statutory purpose to be achieved and that the outcome achieved is the best available outcome for creditors as a whole in all the circumstances.
- We have acted with due regard for the interests of creditors and summarise below the principal benefits and reasons for undertaking the pre-packaged sale:
 - The Companies ran an extensive sales process that commenced on 12 July 2022 and resulted in 126 potential purchasers being approached.
 - The market value for the business and assets was thoroughly tested through marketing process.
 - Given the bespoke nature of Companies' business, trading in any insolvency would have been challenging given the expected reluctance of customers to deal with an administrator as most items require individual tailoring and the payment of deposits in advance of receiving garments.
 - The sale avoided costs of trading and additional administrators' supervision fees.
 - As such, the alternative options were expected to provide a materially worse outcome for the Companies' creditors.
 - The going concern sale protected all 66 jobs which minimised preferential creditor claims as a result of the transfer of employment.
 - The transfer of employment along with the proposed assignment of leases is expected to mitigate unsecured claims.
 - The sale should also facilitate the realisation of monies held by merchant service providers, given the Purchaser has provided assurances in respect of potential customer claims.

Alternative Options Considered

In concluding that the Transaction represented the best outcome for creditors in the circumstances, we considered a number of alternative options.

Do Nothing

- Given the financial difficulties facing the Companies, the director believed it would be inevitable that the Companies would become unable to pay its debts when they fell due.
- If no action had been taken to consider the Companies options and identify alternative courses of action to protect the interests of creditors, one or more creditors would have taken action to protect their own interests and would likely have led to an uncontrolled insolvency that would have been value destructive for stakeholders.

Solvent Sale

- The Group was marketed on a solvent basis. The director was in receipt of solvent offers for an extended period during the sale process. However, a solvent offer was ultimately not deliverable after the interested party withdrew, citing concerns in respect of the UK economy.
- Despite reverting to other interested parties, no party was willing to transact on a solvent basis.

Solvent Restructuring (including use of Formal Restructuring Tools)

- A solvent restructuring, either by way of consensual negotiations or through use of a formal restructuring (e.g. Company Voluntary Arrangement, Restructuring Plan, Moratorium etc) was not considered viable given Companies' funding requirement and the reluctance of existing stakeholders to provide such funding.
- Moreover, the professional costs associated with any formal restructuring process were expected to be prohibitive given the size of the Companies.

Trade and Sale During Administration

- A significant proportion of the Companies' trade was in respect of bespoke and made-to-measure garments. We concluded that customers would be reluctant in dealing with an administrator given most items require individual tailoring and the payment of deposits in advance of receiving garments.

- Employee wage arrears would likely have needed to be paid as well as a potential incentive scheme to retain the workforce. The uncertainty facing the Companies prior to the Transaction had meant vacancies were already increasing.
- Ransom and duress creditors may have demanded payment and caused challenges with ongoing supplies notwithstanding the prohibition on enforcing 'ipso facto' clauses in supply contracts.
- Stock availability was causing trading issues prior to the insolvency and decisions in respect of commitments for spring/summer 2023 stock were needed to be made imminently with suppliers not being able to guarantee fabric would be available from their respective mills. The inability to commit to these purchases was expected to be value destructive in any sale out of an insolvency process.

Liquidation

- Liquidation was expected to be highly value destructive given the bespoke and made-to-measure nature of the trade, which would have further limited the ability to sell stock even compared to a trading administration.
- A liquidation would have also crystallised employee, landlord and customer claims reducing the recoveries for creditors.

Requests Made to Potential Funders

- The options available to a company are often determined by the level of its cash resources, the timing of any additional cash requirements and the potential sources (if any) of that funding.
- Requests were made of both the shareholder and Secured Creditor for further funding, however there was no prospect of sufficient funding being provided.
- The Companies continued to be loss making and did not have any unencumbered assets and therefore alternative funders were not considered viable.

Consultation With Major or Representative Creditors

Major creditors and stakeholder groups were appropriately consulted prior to and immediately following the Transaction.

Shareholders

- The liquidators of Trinity Limited have been kept informed of key developments during the course of the sales process.
- In addition, the liquidators were given the opportunity to provide additional funding to extend or relaunch the sales process at a later date.
- The Trinity group companies (outside the Group but controlled by Trinity Limited) are expected to benefit from distributions to the unsecured creditors from each of the Companies.

Secured Creditor

- The Secured Creditor, HUK 110 Limited, has been consulted throughout the marketing process and were supportive of the Transaction.
- A request was made to the Secured Creditors to provide additional funding to the Group, however they were unwilling to advance further funding.

Defined Benefit Pension Scheme

- FTI FS and the director have been in regular contact with the Pension Trustees and their professional advisors during the sale process.
- We were informed that the Pension Trustees were in regular dialogue with the Pension Regulator and the PPF in respect of the M&A process and the financial position of the Companies.
- Following our appointment, our specialist agents (Courts Trustees) gave the required statutory notices to the relevant parties.

Marketing of the Business and Assets (1/3)

Following the launch of the sale process on 12 July 2022, 126 potential purchasers across the UK, Europe, US and Asia were approached, including both financial and strategic investors.

- FTI FS was engaged by the Group on 17 June 2022 to commence a marketing process, with the objective of completing a sale of the business as a going concern. The timetable for the marketing process was dictated by the Group's cash flow forecast which indicated a need to complete a transaction by November 2022 at the latest, absent the provision of additional funding.

Preparation

- FTI FS initially worked with the Group's management team to prepare a suite of materials to market the opportunity, including:
 - a teaser and speaking brief to be used when making initial contact with potential purchasers;
 - a 95-page information memorandum providing financial and operational details of the Group; and
 - a financial data pack containing the Group's historical and forecast financial information.
- The marketing materials were designed to provide interested parties with sufficient information upon which to formulate an informed indicative offer for the Group.
- FTI FS also worked with the Group's management team to prepare a list of potential purchasers to approach. Key considerations when agreeing this list of parties included relevant sector knowledge, situational expertise and/or the ability to transact in the timeframe available. Parties that had expressed an interest in the Group when it was previously marketed by a different advisor in late 2021, were also considered. The agreed list of 126 parties to approach comprised 57 financial investors, 59 strategic investors and 10 other parties, including high net worth individuals and family offices.

Phase One

- FTI FS approached the agreed list of potential purchasers from 12 July 2022 onwards and of the 126 parties approached, 83 confirmed receipt and considered the opportunity.

- This translated into 50 parties executing non-disclosure agreements and being provided the information memorandum, financial data book and Phase One process letter. FTI FS also conducted phone calls and facilitated selected Q&A with a number of these parties throughout Phase One to help progress their interest.
- By 10 August 2022, 10 parties had submitted indicative offers, with five of these offers based on a solvent transaction, four were unclear based on potential further adjustments and one was an insolvent transaction. Feedback from parties who declined to submit an indicative offer included concerns regarding the size of the business, the retail outlook and UK economic volatility.
- Having reviewed and clarified the indicative offers with each of the bidders, FTI FS met with the Group's director to present and discuss the offers, considering not only the headline price but also the terms and conditions attached to each offer to form an opinion on their deliverability. It was subsequently agreed to progress four of the bidders through to Phase Two of the sale process.

Phase Two

- Phase Two commenced on 12 August 2022, with the four parties granted access to a virtual data room which included comprehensive financial, operational, legal and commercial information on the Group.
- All four parties subsequently undertook detailed due diligence, attended management presentations, conducted site visits and reviewed draft legal documentation.
- By the final offer deadline of 12 September 2022, three parties had submitted final offers and one party had withdrawn from the process. Of the three final offers received, two were based on a solvent transaction and one would involve an insolvency process.
- Having reviewed and clarified the final offers with each bidder and presented the offers to the Group's director, it was agreed that the highest offer should be progressed on the basis that it was on a solvent basis and offered a materially higher return; and was deemed more deliverable when compared to the alternative solvent offer which was unfunded and required a significantly longer timetable to complete, outside of the Group's liquidity runway.

Marketing of the Business and Assets (2/3)

On 24 November 2022, following a comprehensive marketing process, a subsidiary of Frasers acquired the business and assets of the Group for £1.35m.

Phase Three

- On 15 September 2022, the preferred bidder was notified of the decision to progress them into the final phase of the process. In addition to performing confirmatory due diligence, the preferred bidder continued to negotiate the various transaction documentation with a view to completing the transaction by 30 September 2022.
- However, on 28 September 2022, the preferred bidder informed FTI FS that it could no longer meet the target completion date, citing concerns around the stability of the UK economy following the UK Government's "mini-budget" announcement on 23 September 2022.
- Despite best efforts to overcome this issue in the following weeks, it became increasingly apparent that the preferred bidder was no longer able to complete a transaction.
- Therefore, having reviewed and clarified the offers with both bidders, FTI FS presented the final offers to the Group's director on 28 October 2022 and it was agreed to progress with the higher bidder with the aim of completing a transaction by 11 November 2022.
- However, by 4 November 2022, it became apparent that the Phase Four preferred bidder was losing focus on the acquisition, so the Group's director agreed for FTI FS to commence discussions with the underbidder, being a subsidiary of Frasers.
- On 7 November 2022, Frasers reconfirmed their final offer, the key terms of which included:
 - cash consideration of £1.5m payable on completion, for the majority of the business and assets of the Group;
 - minimal due diligence requirements; and
 - the ability to complete a transaction within a short period of time.

Phase Four

- On 24 October 2022, the Group's director agreed to instruct FTI FS to re-engage with a small number of parties that:
 - had participated in Phase One; and
 - were deemed able to complete a transaction in an accelerated timeframe given the Group's deteriorating liquidity position.
- FTI FS subsequently re-engaged with an agreed list of six parties and by 27 October 2022, had received two final offers, both of which were based on an insolvent transaction (i.e., one that would involve one or more insolvency processes).
- A third offer was received on the basis of a solvent transaction, however the potential purchaser required until the end of Q2 2023 to complete a transaction which was beyond the liquidity runway available and in any event had significant conditionality attached. For the avoidance of doubt, the potential purchaser who submitted a solvent offer at the end of Phase Two – and did not progress to Phase Three - declined to participate given continued uncertainty on their funding position and inability to meet the required timetable.
- FTI FS and the Group's director therefore focused their efforts on securing a sale of the business and assets of the Group to Frasers on the basis that the transaction was the only one capable of securing a going concern solution for the business in the time available.
- The sale contract was subsequently negotiated and completed on 24 November 2022. However, due to the date of the Transaction being later than previously anticipated there was an adjustment to the purchase price for accrued wages as at the completion date (that would otherwise have been claims against the Companies), resulting in a final purchase price of £1.35m (inclusive of proceeds received by the FCRs).

Marketing of the Business and Assets (3/3)

The value of the business and assets was determined by the extensive marketing process and additional asset valuations were deemed not to be required. The purchaser is not a party connected to the Companies.

Late Interest

- During November 2022, another potential purchaser ("Unsuccessful Purchaser") who had been introduced by an existing financial stakeholder of the ultimate parent of the Group, expressed an interest via the liquidators of Trinity Limited.
- This interest was initially focused on a solvent transaction however subsequently switched to pursuing an insolvent transaction.
- Given the cash challenges of the Group and the advanced stage of the Frasers transaction, together with the inexperience of the Unsuccessful Purchaser with respect to insolvent UK transactions, the Group's director asked the Unsuccessful Purchaser to meet certain conditions to demonstrate their credibility. However, the Unsuccessful Purchaser was unable to meet those requirements in the time available.

Connected Party Transaction

- There is no known connection between the parties and all required information on the sale has been included elsewhere in this SIP 16 Statement.
- As such, the sale is not considered to be a substantial disposal to a connected party as defined by SIP 16 and Paragraph 60A(3) Sch B1 IA86.

Valuation of the Business and Assets

- Given the extensive marketing of the business and assets and the limited assets outside of the intellectual property and inventory, incurring the costs associated with a valuation was not considered to be in the best interest of creditors.
- As stated previously the inventory was understood to have negligible value absent tailoring, owing to the bespoke nature of the business.

Details of the Transaction

Disclosure Requirement	Details
<ul style="list-style-type: none"> The date of the transaction(s) 	<ul style="list-style-type: none"> 24 November 2022.
<ul style="list-style-type: none"> The identity of the Purchaser(s) 	<ul style="list-style-type: none"> The business and assets were acquired by SDI (Retail Co 9) Limited, which is registered at Unit A, Brook Park East, Shirebrook, United Kingdom, NG20 8RY and its company registration number is 11689077. The Purchaser is a subsidiary of Frasers Group plc.
<ul style="list-style-type: none"> The consideration for the transaction(s), terms of payment and any condition of the contract that could materially affect the consideration 	<ul style="list-style-type: none"> The total consideration for the Companies' assets was £222k and the allocation of the consideration by asset and entity is set out on the next page. GHL only had negligible assets and the allocation of consideration reflects this. The Group's intellectual property assets sat out the Companies that entered administration but was sold for £1.125m as part of the Transaction and minimised secured claims into GL.
<ul style="list-style-type: none"> Details of the assets involved and the nature of the transaction(s) 	<ul style="list-style-type: none"> The transaction comprised the sale of substantially all the assets of the Companies. Full details are provided on the next page.
<ul style="list-style-type: none"> Whether any directors had given guarantees for amounts due from the Companies to a prior financier and whether that financier is financing the new business 	<ul style="list-style-type: none"> We are not aware of any guarantees provided by the Companies' directors.
<ul style="list-style-type: none"> Any options, buy-back agreements, deferred consideration or other conditions attached to the transaction(s) 	<ul style="list-style-type: none"> None.
<ul style="list-style-type: none"> Details of any security taken by the administrator in respect of any deferred consideration. Where no such security has been taken, the administrator's reasons for this and the basis for the decision that none was required 	<ul style="list-style-type: none"> Not applicable as the consideration was paid on completion. The Guarantor (Sportsdirect.com Retail Limited) has guaranteed certain obligations of the Purchaser under the sale agreement.
<ul style="list-style-type: none"> If the sale is part of a wider transaction, a description of the other aspects of the transaction 	<ul style="list-style-type: none"> As noted above, the Group's intellectual property assets were owned by GHIL and GHIL BVI. A sale of these assets was completed by the fixed charge receivers as part of the Transaction.
<ul style="list-style-type: none"> Details of registered charges 	<ul style="list-style-type: none"> GL – A debenture in favour of HUK 110 Limited dated 16 June 2022. GHL - no registered charges.

Details of the Transaction

The total consideration for the Companies' assets was £222k and the allocation of the consideration by asset and entity is set out below.

Business and Asset Sale Agreement 24 November 2022 (£)	GL	GHL
Asset		
Books and Records	1	1
Customer Database and Customer List	1	1
Company Contracts	1	1
Computer Equipment	1	1
Equipment	1	1
Information Technology	1	1
Stock	221,670	-
Leasehold Interests	1	1
Total Consideration	221,677	7



Our Strategy to Achieve the Purpose of the Administrations

Strategy and Our Work in the Administrations

The Purchaser has acquired materially all of the business and assets of the Companies, with the exception of the cash held by the Companies at the time of our appointment.

Our Strategy

- Earlier in these Proposals and in our SIP 16 Statement, we have explained why the Companies have entered Administration and that the purpose of the Administrations is to achieve a better outcome for the creditors of the Companies by virtue of a pre-pack transaction.
- We are satisfied that the outcome for creditors is the best available outcome as a whole in the circumstances.
- The Companies' assets not included in the pre-pack sale will be realised in the ordinary course of our work and to the extent possible. We provide further details on the next page.
- Once all the assets have been realised and all our other work has been completed, the Administrations will be brought to an end in the manner set out later.
- Both Companies' affairs have been (and will be) managed by us as joint administrators. We will be supported by internal specialists (for example on tax and VAT matters) and third-party professionals and subcontractors as required. Further details of these third parties and their expenses is set out in our Remuneration Report in Appendix D.
- The Administrations will be financed by the sale proceeds from the Transaction and cash held in the Companies' bank accounts at the time of our appointment.

Key Initial Actions

- The following is a summary of the key actions taken following our appointment. It is not intended to be an exhaustive list of all the work we have performed.
- **Statutory and Compliance** – our team has issued all notices required by insolvency legislation, ensured adequate insurance cover is in place and fulfilled our other obligations as joint administrators to date, including giving notice of our appointment to all known creditors.
- **Pre-pack Sale** – upon appointment, transaction documentation was executed and the sale was completed. Full details of the sale can be found in the SIP 16 Statement.
- A Receipts and Payments Account is included in Appendix B, which shows all income and expenditure to date.
- **Managing the Companies' Affairs** – on appointment, new bank accounts have been requested to be set-up for the purposes of the Administrations, including receiving the Transaction consideration from the Purchaser and settling the expenses of the Administration.
- **Dealing with Creditors and Stakeholders** – we have corresponded with known and potential creditors with regards to their claims and set up the Turnkey Creditor Portal, through which creditors can submit their claims and manage their details.

Strategy and Our Work in the Administrations

There are a number of key areas of work still to be undertaken or concluded, before the Administrations can be brought to an end.

Our Future Work

- The following is a summary of the key areas of work still to be undertaken or concluded before the Administrations can be brought to an end. It is not intended to be an exhaustive list of all the work we may do.
- **Property** – we will co-ordinate lease assignments, surrenders and new leases for properties under the LTO and ensure the costs of ongoing lease liabilities are met. We have received from the Purchaser estimated lease liabilities for the period from appointment to 31 January 2023. The Purchaser will fund all lease liabilities under the LTO until such time as an assignment, new lease or exit is agreed.
- **Sale Reconciliation** – we will reconcile the final trading sales and liaise with the merchant service provider to ensure the Companies benefit for all of the sales they are entitled to.
- **Pensions** – we are in discussions with the Pension Trustees and are exploring whether any amounts are recoverable under an indemnity.
- **Statutory Compliance** – we will continue to fulfil our ongoing and periodic statutory requirements, including issuing progress reports to creditors and regular internal case reviews to ensure the case is progressing cost-effectively. Statutory and compliance work includes tasks that are required by statute or regulatory standards (as a result of the Companies entering Administration), or are necessary for the orderly conduct of the proceedings. Whilst there is no direct financial benefit for creditors, this work still has to be carried out and is generally required as part of protecting creditors' interests.
- **Joint Administrators' Remuneration** – we will request the approval to the basis of our remuneration for acting as joint administrators. Further information is set out in Appendix D.
- **Investigation into the Companies' Affairs** – we will conclude our initial assessment into the Companies' affairs and the conduct of its directors and submit our findings to BEIS. We will also take any necessary further steps or recovery actions highlighted by our findings.
- **Books and Records** – we will complete our ongoing enquiries into the extent and location of any further records and take appropriate action to safeguard or dispose of them.
- **Managing the Companies' Affairs** – we will be working with our internal tax specialists to review the Companies' VAT and tax affairs, and in due course, prepare and submit periodic returns to HMRC as required, dealing with any queries as they arise. We will also be maintaining adequate accounting records for the period of the Administrations, settling expenses and performing regular reconciliations of bank accounts.
- **Dealing with Creditors and Stakeholders** - we will continue to correspond with creditors for the purpose of adjudicating their claims and distributing any dividends to them. This includes issuing statutory notices in respect of the available dividends. We will also keep the Group's funders informed on the progress of our work as and when required. Further, we will report to any creditors' committee should one be formed.
- We will do all such other things in order to wind-down the Companies' affairs in an orderly manner prior to the Administration coming to an end.



Estimated Outcomes for Creditors

Estimated Outcomes

The Secured Creditor is expected to be repaid in full largely due to the Fixed Charge Receivership sales. Preferential debts owed to HMRC are also expected to be paid in full.

Secured Creditor

- Hilco's lending to GL as at the date of the Administrations was £1.2m and is secured by a debenture dated 16 June 2022. GHIL and GHIL BVI are guarantors to this arrangement.
- GHIL is understood to have no secured creditors.
- Hilco also held security over the assets of GHIL and GHIL BVI.
- We engaged DLA, an independent law firm, to undertake a review of all security and comment on its validity. They have confirmed the validity of the security.
- Some £1.0m has been distributed to the Secured Creditor under its fixed charges from the proceeds arising in the FCRs over the intellectual property assets of GHIL and GHIL BVI.
- A further £0.2m is expected to be distributed within the next two months from the asset realisations in GL.
- The Secured Creditor is not expected to suffer a shortfall under their security in respect of the £1.2m facility. However, accrued interest and costs are not expected to be paid in full.

Preferential Creditors

- As there are no known employees that did not transfer as part of the Transaction, the Companies are not expected to have any first-ranking preferential creditors.
- HMRC is expected to be a second-ranking preferential creditor in both Companies in respect of the VAT liability due from the VAT group, to which both Companies belonged prior to our appointment as joint administrators. The estimated liability is c.£188k.
- We expect that HMRC (as second-ranking preferential creditor) will be paid in full in due course from the estate of GL from available floating charge realisations, after deducting the costs of the Administration.

- Should there be a shortfall to the preferential creditors in GL, a distribution will be made from GHL, as all members of a VAT group are jointly and severally liable for the VAT.
- We estimate that the dividend will be paid within the next six months, subject to receiving and adjudicating HMRC's claim.

Preferential Creditors

- Preferential creditors are certain categories of unsecured creditors that have preferential status under insolvency legislation.
- They are typically employee-related debts in relation to arrears of wages and unpaid holiday pay, subject to statutory limits. The RPS becomes a preferential creditor in place of the employees once it has paid their statutory entitlements.
- Since December 2020, HMRC is also a preferential creditor for certain specified debts but ranks behind the preferential debts described above.

Shareholders

- There will be no return to the Companies' shareholders as there will be a material shortfall to the Companies' creditors.

Estimated Outcomes

A small dividend is expected to be available to the unsecured creditors of the Companies.

Unsecured Creditors

- In an administration, dividends may become available for unsecured creditors from two sources:
 - The statutory (ring-fenced) Prescribed Part fund; and/or
 - The surplus remaining after any secured and preferential creditors have been repaid in full.

The Prescribed Part

- Under Section 176A IA86, where, after 15 September 2003, a company has granted floating charge security, a proportion of the net property of the company (achieved from floating charge asset realisations) must be made available for the benefit of the company's unsecured creditors.
- The Prescribed Part applies where there are net floating charge realisations (i.e., after costs of realisation) and is calculated as follows:
 - 50% of net property up to £10k;
 - Plus 20% of the net property in excess of £10k; and
 - Subject to a maximum of £800k (prior to the deduction of the costs of agreeing claims and distributing the funds).

GL

- Based on current information, we believe there will be a Prescribed Part distribution to unsecured creditors of GL.
- If we think the costs of agreeing claims and paying a Prescribed Part dividend will be disproportionate to the benefits, we can apply for a court order not to pay the Prescribed Part to unsecured creditors. However, we do not expect such an application will be necessary.

- We estimate GL's net property will be c.£250k which means the value of the Prescribed Part would be c.£50k. These estimates depend on future realisations, Administration costs and the final level of preferential claims and should therefore be viewed with an appropriate degree of caution.
- The dividend available for unsecured creditors also depends on the level of admitted claims. Therefore, the guidance given on dividends earlier in these Proposals is only an indication and should not be used as the main basis for any bad debt provisions or debt trading.
- We do not believe there will be any dividend for unsecured creditors in addition to the Prescribed Part.

GHL

- As GHL has no unsatisfied charges (post 15 September 2003), there will be no requirement to set aside a Prescribed Part fund in this Administration.
- Based on current information, we believe there will be a dividend for unsecured creditors.
- As a dividend for unsecured creditors (other than from the Prescribed Part) is expected, we may agree in principle the claims of unsecured creditors. We may also ask the Court to allow us to pay dividends to those creditors. If we choose not to ask the Court for permission, a subsequent liquidator will formally adjudicate the claims agreed by us in principle and pay any dividend to unsecured creditors.
- We estimate the realisations available to creditors could be in the region of £50k. However as for GL, this estimate depends on future realisations, Administration costs and finalising claims from unsecured creditors. Again, this guidance is only an indication and should not be used as the main basis for any bad debt provisions or debt trading.
- For both GL and GHL, it is prudent to assume that dividends to unsecured creditors will be made within the next 12 months.



The Administration Process

Matters Relating to the Administration Process

Insolvency legislation sets a 12-month maximum duration for Administrations, unless the duration is extended. We expect the Companies to be placed into liquidation or dissolved when the Administrations come to an end.

Extension to the Period of Administration

- Insolvency legislation sets a 12-month maximum duration for Administrations, unless the duration is extended by the Court or the creditors.
- If we are unable to complete the Administrations of the Companies within 12 months, then we will either apply to the Court, or seek a decision from the creditors to extend the duration of the Administration.
- At the present time, we do not believe extensions will be required.

Ending the Administrations

- The manner in which an Administration ends usually depends on the outcome of the Administration. The mostly likely exit route for each Administration is described below.

GL

- In this case and because we do not expect a dividend to be available for unsecured creditors (other than from the Prescribed Part), the mostly likely exit route is one of the following:
 - a) The Administration will end by filing notice of dissolution with the Registrar of Companies. GL will then automatically be dissolved by the Registrar of Companies three months after the notice is registered.
 - b) If there are matters remaining that require the attention of a liquidator, the Administration may end by the presentation of a winding up petition to the Court for the compulsory liquidation of GL. We may propose that Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson (and/or any subsequent or replacement administrator holding office at that time) be appointed joint liquidators of GL by the Court.
- We will take steps to bring the Administration to an end at the appropriate time (and when all necessary work has been completed) and by using the exit route we believe is most appropriate at the time.

GHL

- In this case and because we expect a dividend to be available for unsecured creditors, the mostly likely exit route is one of the following:
 - a) If considered more appropriate for a liquidator to distribute the surplus funds, the Administration will end by placing GHL into Creditors' Voluntary Liquidation, with Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson (and/or any subsequent or replacement administrator holding office at that time) being appointed joint liquidators of GHL; and they will be authorised to act either jointly or separately in undertaking their duties as liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) before these Proposals are approved (in accordance with Paragraph 83(7)(a) Sch B1 IA86 and Rule 3.60(6)(b) IR16). The liquidator will be able to distribute the surplus funds.
 - b) The Administration of GHL will end by filing notice of dissolution with the Registrar of Companies. GHL will then automatically be dissolved by the Registrar of Companies three months after the notice is registered.
- Unless GHL moves into liquidation, we would need to obtain consent of the Court to distribute the dividend to unsecured creditors whilst in Administration.
- We will take steps to bring the Administration to an end at the appropriate time (and when all necessary work has been completed) by using the exit route we believe is most appropriate at the time.

Matters Relating to the Administration Process

Due to the nature of the Companies' financial position, we will be seeking approval of our remuneration from certain classes of creditors.

Administrators' Remuneration

- We are proposing that our fees be fixed as a set amount (a fixed fee) in the sum of £80k (GL) and £18k (GHL).
- We are also proposing that disbursements for services provided by our firm (defined as Category 2 expenses in SIP9) are charged as per our firm's policy.
- Where a creditors' committee is appointed, it will be for them to fix the basis of our fees and Category 2 expenses. If there is no committee, the relevant class of creditors to give such determination is as follows:
 - For GL, because we do not expect a dividend to unsecured creditors other than via the Prescribed Part, we will ask the Secured Creditor and preferential creditors; and
 - For GHL, because we have said that a dividend for unsecured creditors might become available, we will ask the general body of creditors.
- If the relevant classes of creditors or the committee do not fix the basis of our fees and Category 2 expenses, we may apply to the Court to fix them no later than 18 months after the date of our appointment.
- Before the basis of our remuneration can be approved, we must provide all creditors with the following:
 - Details of the work we have done and propose to do (much of which has been included in this report); and
 - Details of the expenses we expect to incur.
- This information has been set out in Appendix D.

- Should the Companies exit Administration by moving into Creditors' Voluntary Liquidation, pursuant to Rule 18.20(4) and (5) IR16, the basis of remuneration fixed for the Joint Administrators is treated as having been fixed should they become liquidators. As a result, where an administrator becomes the liquidator, they are unable to seek a resolution from the committee or creditors fixing the basis of their remuneration for acting as such. They can only seek to increase the fees approved or review the basis of remuneration already approved.
- We do not currently anticipate that we will seek to increase (or change the basis of) the remuneration currently being proposed, should we subsequently be appointed as liquidators.

Directors' Conduct and Investigations

- We have a duty to investigate the affairs of the Companies to establish if there are any actions that can be pursued for the benefit of creditors as a whole and also to review the conduct of the directors.
- In this latter respect, we must submit a confidential report to the Department for Business, Strategy Industrial Strategy ("BEIS") regarding the conduct of all directors and shadow directors who were in office during the three years before the Administrations.
- This request forms part of our normal investigations into the directors' conduct and does not imply any criticism of the directors. The content of our reports are confidential and must be submitted BEIS within three months of our appointment as joint administrators.
- If creditors wish to bring to our attention any matters that may merit investigation, they should contact us using the details provided at the beginning of this report.

Creditors' Committee

- In respect of GHL only, we are asking you to decide whether you wish to elect the creditors' committee to help us in discharging our duties. There will be a creditors' committee if enough creditors want to be on it. A guide to creditors' committees can be found at this website: <https://www.fticonsulting.com/emea/cip/forms-and-information>.

Matters Relating to the Administration Process

As part of their duties, the directors must provide us with a statement of each Companies' affairs. As these Proposals have been issued shortly after our appointment, the statements of affairs have not yet been received.

Directors' Statement of Affairs

- The director has not yet given us a statement of affairs for either of the Companies.
- As a pre-packaged sale of the business and assets has taken place, we have issued these Proposals as soon as possible and the directors are still in the process of preparing the statements of affairs. A copy of each statement will be filed at Companies House upon receipt.
- In the absence of the statements of affairs, we set out in Appendix E, the estimated financial position of the Companies as at the date of our appointment.
- As required by law, this includes details of the creditors' names addresses and debts (including details of any security held).

Discharge from Liability

- In the case of GL, we will be discharged from liability in respect of any of our actions as joint administrators at a time decided by the Secured Creditor and the preferential creditors, or by an order of the Court.
- In the case of GHL, we will be discharged from liability in respect of any of our actions as joint administrators at a time appointed by resolution of the creditors' committee or, if there is no committee, by a decision of the creditors; or by an order of the Court.
- We will seek such determination from the relevant creditors in due course and at the appropriate time.



Appendices

Appendix A: Statutory Information

Company Information for GL and GHL

Company Information	GL	GHL
■ Trading name:	Gieves Limited	Gieves & Hawkes Limited
■ Company number:	01026430	01455128
■ Date of incorporation:	6 October 1971	18 October 1979
■ Trading address:	Flagship Store: No. 1 Saville Row	Flagship Store: No. 1 Saville Row
■ Current registered office:	Ground Floor, 21-22 Grosvenor Street, London, United Kingdom	Ground Floor, 21-22 Grosvenor Street, London, United Kingdom
■ Principal trading activity:	47710 Retail sale of clothing in specialised stores	47710 Retail sale of clothing in specialised stores
■ Administrators:	Christopher Bennett, Samuel Ballinger and Andrew Johnson	Christopher Bennett, Samuel Ballinger and Andrew Johnson
■ Administrators' address:	c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD	c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD
■ Date of appointment:	24 November 2022	24 November 2022
■ Court name and reference:	CR-LDS-000935 of 2022	CR-LDS-000945 of 2022
■ Appointment made by:	The Director of GL	The Director of GHL

Appendix A: Statutory Information

Company Information for GL and GHL

Company Information	GL	GHL
■ Actions of Administrators:	The affairs, business and property of the company are being managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and without personal liability.	The affairs, business and property of the company are being managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and without personal liability.
■ Officers of the Company:	Nicholas John Pike	Nicholas John Pike
■ Company Secretary:	n/a	n/a
■ Shareholdings held by the director and company secretary:	n/a	n/a
■ Share Capital:	Allotted, called up and fully paid: 10,100 ordinary shares of £1 each	Allotted, called up and fully paid: 51,110,966 ordinary shares of 10p each
■ EU Regulation on Insolvency Proceedings:	We consider that these are “COMI proceedings” since the company’s registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom.	We consider that these are “COMI proceedings” since the company’s registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom.

Appendix B: Receipts and Payments Account

This is a summary of our receipts and payments since the date of our appointment.

(£)	GL	GHL
Floating Charge Receipts		
Books and Records	1	1
Customer Database and Customer List	1	1
Company Contracts	1	1
Computer Equipment	1	1
Equipment	1	1
Information Technology	1	1
Stock	221,670	-
Leasehold Interests	1	1
Licence Fee	229,129	15,904
Cash at Bank	423,688	67,514
Subtotal	874,494	83,425
Floating Charge Payments		
Subtotal	-	-
Floating Charge Balance	874,494	83,425

Notes to the Account

- VAT was not chargeable on the Transaction and therefore all amounts are shown as the final amounts received.
- The Consideration for the Transaction has been received by DLA and shall be apportioned between the Companies and detailed to the left.
- The Licence Fee represents the Joint Administrators' reasonable estimate of lease liabilities from the date of appointment to 31 January 2023 under the LTO. These amounts will be paid to the various landlords. Any additional lease liability incurred beyond 31 January 2023 will also be funded by the Purchaser.
- No payments have been made at this time.
- This account excludes receipts, payments and distributions in respect of the Fixed Charge Receiverships.

Appendix C: Pre-Administration Costs

The payment of unpaid pre-administration costs as an expense of the Administration is subject to approval under Rule 3.52 IR16 and does not form part of our Proposals subject to approval under Paragraph 53 Sch.B1 IA86.

Pre-Administration Costs

- The table opposite provides details of costs that were incurred before our appointment as joint administrators but with a view to the Companies entering administration, under a letter of engagement dated 17 June 2022, between FTI FS and the Group.
- The work included provision of advice around the availability, if applicable, of potential UK insolvency processes to the Companies, but also included financial advisory services in connection with the proposed sale of either the entire issued share capital or selected business and assets of the Group.
- Our fees shown in the table opposite represent the planning work performed for the purposes of an administration appointment over the Companies, together with the insolvency planning and appointment preparations since 1 November 2022.
- The expenses relate to costs incurred by DLA who provided legal advice to FTI, with a view to the Companies entering Administration. Together with our costs, this pre-Administration work broadly included the following:
 - Liaising with the Purchaser to agree on the purchase price and assets included in the Transaction;
 - Negotiating sale documentation and termination agreements necessary to effect the pre-pack sale upon appointment;
 - Identifying key areas of risk and how these could be mitigated;
 - Liaising with the Group's Secured Creditor generally with respect to the Administrations;
 - Preparing statutory documentation and declarations required for effecting the Administration appointments and liaising with our legal advisers in this regard; and
 - Drafting certain initial letters and notices that would be required shortly after appointment.

£	Unpaid	Paid	Paid by
Our fees as administrators-in-waiting	63,192	40,000	GL
Fees charged by DLA who provided legal advice to the administrators in waiting	74,779	90,000	GL
Total	137,971	130,000	

- Please note that the list of work is indicative of the key areas of work performed and is not an exhaustive list.
- All of these workstreams were necessary to enable the Companies to be placed into Administration in a prepared and orderly manner. This ensured uninterrupted trading and ultimately to enable the purpose of the Administrations to be achieved.
- We explained earlier in these Proposals the manner in which these unpaid pre-Administration costs may be paid as an expense of the Administrations. Approval for payment of the pre-appointment costs will be sought from the Secured and Preferential Creditors at the same time as our fee approval.

Appendix D: Remuneration Report

Before the basis of our remuneration can be fixed, we are required to provide all creditors with certain information on the proposed basis of our fees, estimates of expenses and details of the work we intend to do.

Requirement for Fee Approval

- When a company enters a formal insolvency process under the control of an insolvency practitioner, the costs of the proceedings are paid out of the assets of the company and include the insolvency practitioner's fees and expenses.
- We must seek approval to the basis of our fees and certain categories of expenses before they are paid. Approval must be sought from the appropriate class(es) of creditors or the court, as determined by insolvency law and the circumstances of the case.
- In this case, the basis of our fees and certain categories of expenses must be fixed by the following classes of creditors, unless a committee is appointed:
 - for GHL, we'll ask the general body of creditors for approval; and
 - for GL, because we said we think the company doesn't have enough assets to pay anything to unsecured creditors (other than via the Prescribed Part), it will be for the Secured Creditor and preferential creditors to give this approval.

Information Provided in this Remuneration Report

- We have set out the proposed basis for our remuneration along with the following information which you should find helpful:
 - An explanation of the work we expect to do; and
 - Details of the expenses that we consider will be or are likely to be incurred.
- Our current estimate of the outcome for creditors and our receipts and payments to date, have been provided earlier in these Proposals.
- We will provide creditors free of charge with such information concerning the Companies' affairs as they may reasonably require.

Action Required by Creditors

- Please read this Appendix carefully.
- Please contact us if you have any questions regarding the approval of our remuneration or in connection with the case generally, or if you want hard copies of any of the documents made available online.
- As explained earlier, in the circumstances of these Administrations and if no creditors' committee is formed, the basis of our remuneration and certain categories of disbursements will be determined by the unsecured creditors of GHL, and the Secured and preferential creditors of GL.
- However, we are not seeking fee approval at this time **and the information contained in this Appendix is for information purposes only**. We will contact creditors on this matter in due course.
- If you have not previously provided a proof of debt you will need to do so in conjunction with your voting form, so that your vote can be counted in this decision procedure.
- We would encourage creditors to submit their claims at www.ips-docs.com, using the login details previously provided, particularly those based outside the UK.

Appendix D: Our Fees and How They Are Determined

We are proposing that our remuneration for acting as joint administrators is to be calculated as a set (fixed) amount.

Insolvency Legislation

- Insolvency law allows fees to be calculated in the three ways set out below. Different bases (or a combination of them) can be used for different parts of the work.
 - As a percentage of the value of the property realised and/or distributed (often referred to as a “percentage basis”).
 - By reference to the time properly given by the office-holders and their staff in attending to the matters arising (“time cost basis”); or
 - A set amount (a fixed fee).
- The office-holders must seek approval to the proposed basis (or combination of bases) and provide sufficient supporting information in order for the fee approving body to decide whether it represents the most appropriate mechanism in the circumstances of the case. This information must include details of:
 - the expenses the office-holders consider will be (or are likely to be) incurred; and
 - the work the office-holders propose to undertake.
- Insolvency law says that in determining the basis of remuneration, regard must be had to the following:
 - The complexity (or otherwise) of the case;
 - Any exceptional responsibility falling on the office-holders;
 - The effectiveness with which the office-holders are carrying out, or have carried out, their duties; and
 - The value and nature of the property with which the office-holders have to deal.
- If any part of the remuneration is intended to be taken on a time cost basis, the office-holders must also provide a fees estimate to all creditors, containing:
 - the hourly charge-out rate(s) proposed for each part of that work;
 - the time the office-holders anticipate each part of that work will take; and
 - whether (and if so, why) the office-holders anticipate it will be necessary to seek further approval to exceed the fee estimate. The office-holders cannot draw remuneration in excess of the total amount set out in the fees estimate without approval.

Proposed Basis of Remuneration

- In this case, we are proposing that our remuneration be determined on a fixed fee basis of £80k (GL) and £18k (GHL), which will largely be settled from floating charge realisations.
- A fixed fee basis provides the creditors with a degree of certainty and control over the costs of the Administrations, and we believe this would be appropriate in the circumstances and subject to certain assumptions regarding the extent of work involved.
- We believe the proposed basis and amount of our remuneration is a fair and reasonable reflection of the work we have done and still need to do in the Administrations.
- In the following sections, we have included an overview of our work in the Administrations and an estimate of our expenses; in order for the fee approving body to make an informed judgement about the reasonableness of our request.
- If you have any questions in relation to the content of this report or the case generally, please contact us using the details provided earlier.

Appendix D: Work Expected to be Undertaken

In broad terms our work includes realising the Companies' assets, quantifying its liabilities and returning funds to creditors, managing the Companies' affairs and fulfilling our statutory obligations as administrators.

Area of Work	Description of Work	Reason and Benefit for Creditors
Controlling our Appointment	<ul style="list-style-type: none"> ■ Strategy and planning: including devising and maintaining appropriate strategies for achieving the purpose of the Administration, engagement team meetings and documenting key decisions. ■ Case reviews: periodic reviews of the Administration, typically every six-months. ■ Financial Management: preparing and maintaining cost budgets, estimated outcome statements etc, as appropriate for the case. ■ Remuneration: giving information to creditors, seeking fee approval in accordance with insolvency legislation requirements, maintaining budgets and drawing fees when approved. ■ Closure matters: planning and preparation for ending the Administration and ultimate dissolution of the Companies. 	<ul style="list-style-type: none"> ■ We have a duty to perform our functions as quickly and efficiently as reasonably practicable, in the best interests of the creditors as a whole. ■ Whilst not necessarily generating a direct financial benefit for creditors, these areas of our work ensure that our strategies to maximise realisations and minimise costs (and liabilities where possible), are kept under review and amended as appropriate.
Asset Realisations	<ul style="list-style-type: none"> ■ Sale of assets: Following the immediate sale of the assets, we will fulfil any post-sale obligations and undertake the reasonable work required to support the transfer of assets to the Purchaser, such as novations of contracts or leases, communications as necessary with counter-parties and completion of transfer documentation. ■ Insurance: arrange 'open cover' insurance immediately on appointment, work with our insurance brokers to agree the scope of any ongoing insurance requirements and manage the policies as required; including cancellation and payment of premiums. ■ Bonding: arrange specific penalty bonding for each of the Joint Administrators following their appointment, paying premiums and cancelling the bonds once the appointment comes to an end. 	<ul style="list-style-type: none"> ■ Insurance cover is a necessary financial loss protection for the Companies, their creditors and the Administrators in respect of assets held (and any insurable risks arising) during the course of the Administrations. ■ Similar to insurance, bonding provides financial protection for preferential and unsecured creditors in respect of the actions of the insolvency practitioners and up to the value of the Companies assets estimated to be available for those classes of creditors. Bonding is a statutory requirement for all insolvency practitioners.

Appendix D: Work Expected to be Undertaken

In broad terms our work includes realising the Companies' assets, quantifying its liabilities and returning funds to creditors, managing the Companies' affairs and fulfilling our statutory obligations as administrators.

Area of Work	Description of Work	Reason and Benefit for Creditors
Dealing with Creditors	<ul style="list-style-type: none"> ■ Secured Creditor: liaising with / periodic reporting to the Secured Creditor; and making distributions from asset realisations under security entitlements. ■ Preferential claims agreement: reviewing and adjudicating on second ranking claims where a preferential dividend is expected; including liaising with the creditor regarding the provision of supporting information and responding to queries. ■ Preferential dividends: preparing calculations and issuing statutory notices in advance of declaring dividends; followed by the payment of dividends and resolution of subsequent queries. ■ Unsecured claims agreement: reviewing and adjudicating on claims where an unsecured dividend is expected; including liaising with the creditors regarding the provision of supporting information and responding to queries. ■ Unsecured dividends: preparing calculations and issuing statutory notices in advance of declaring dividends; followed by the payment of dividends and resolution of subsequent queries. As required, liaising with the Insolvency Service in respect of any unbanked dividend cheques. If appropriate, make an application to Court for permission to distribute funds aside from the Prescribed Part to unsecured creditors. ■ Where required, maintain our systems to record and maintain creditor details, claims received, the determination thereon and the payment of dividends. ■ Creditor queries: for all classes of creditors, shareholders and other third parties: responding to inbound queries received to the extent possible and necessary. 	<ul style="list-style-type: none"> ■ Where available, distributions and dividends represent a repayment to creditors in respect of the amounts owed to them by the Companies and therefore is a tangible financial benefit from the insolvency proceedings. ■ During the course of claims agreement, we perform a proportionate level work with an appropriate degree of scrutiny taking into account the quantum of the dividend available, to avoid incurring unnecessary costs and to avoid adversely impacting the recovery for creditors. ■ The objective of our adjudication work is to ensure that only genuine and accurate claims are admitted for dividend purposes and where necessary we apply our expertise and commercial judgement to mitigate liabilities where possible; for the benefit of the wider body of creditors. ■ Responding to general inbound queries can take considerable time and does not have a direct financial benefit for creditors, except for example (for individual creditors) where it is to provide debt confirmations for the purpose of credit insurance claims. To the extent possible, we encourage creditors to review information already available on our website.

Appendix D: Work Expected to be Undertaken

In broad terms our work includes realising the Companies' assets, quantifying its liabilities and returning funds to creditors, managing the Companies' affairs and fulfilling our statutory obligations as administrators.

Area of Work	Description of Work	Reason and Benefit for Creditors
Managing the Companies' Affairs	<ul style="list-style-type: none"> ■ Corporation Tax: prepare and submit the necessary and periodic tax returns falling due during the Administration; and requesting clearance from HMRC prior to ceasing to act as joint administrators. ■ VAT: prepare and submit the necessary and periodic VAT returns falling due during the Administration; and requesting clearance from HMRC prior to ceasing to act as joint administrators. This work will include making payments to (or requesting refunds from) HMRC and maintaining adequate VAT accounts. ■ To facilitate the above work, an initial review will be performed by our internal Tax and VAT specialists; and all the information likely to be required will be obtained from the Companies' records and HMRC. ■ Books and records: agree the strategy for the safeguarding and destruction (when required) of the Companies' records. This is expected to include a data capture of certain of the Companies' electronic records, taking possession of the statutory books and other records likely to be required for the purpose of the Administration; including in respect of our duties to review the conduct of the directors. ■ Bank account management: opening bank accounts (under our control) for the purpose of depositing sale proceeds and other receipts, paying expenses and making distributions to creditors. Accounts are closed when no longer required and before we cease to act; and are reconciled on a monthly basis. ■ Receipts, payments and accounting journals: maintaining adequate accounting records for the period of the Administration, including the payment of costs and expenses. 	<ul style="list-style-type: none"> ■ We have a statutory responsibility to complete and submit post-insolvency tax and VAT returns and account for any tax due. ■ As circumstances can often be complex, the involvement of our VAT and tax specialists ensures that the Companies pay the correct amount of tax, to avoid adversely impacting any amounts available for creditors. ■ Dealing with the Companies' books and records does not necessarily give a financial benefit to creditors, although they are essential when any defending actions against the Companies from third parties and when adjudicating creditor claims. ■ Opening bank accounts for the Administration avoids the costs and logistics of taking control of the Companies' existing accounts (which are usually closed shortly after appointment). Regular reconciliations of the new accounts assist in maintaining accurate records for the Administration.

Appendix D: Work Expected to be Undertaken

In broad terms our work includes realising the Companies' assets, quantifying its liabilities and returning funds to creditors, managing the Companies' affairs and fulfilling our statutory obligations as administrators.

Area of Work	Description of Work	Reason and Benefit for Creditors
Fulfilling Our Statutory Duties	<ul style="list-style-type: none"> ■ Initial letters and notices: issuing all necessary correspondence following our appointment to: creditors, directors, Companies House, HMRC and others. As a pre-pack transaction has occurred, issuing our SIP 16 Statement to creditors and our regulatory body. ■ Statement of affairs: requesting statements from the director, granting extensions to the deadline (if necessary), responding to queries from the director and filing signed statements with Companies House. ■ Proposals: preparing and issuing our statement of proposals (for achieving the purpose of the Administrations) to creditors, members and filing with Companies House. Obtaining approval of the proposals via a decision procedure and giving notice of the approval of the proposals to the above parties and the Court. ■ Progress reports: preparing and issuing six-monthly (and final) progress reports to creditors, including receipts and payments accounts. ■ Extensions to the Administrations: (if required in order to achieve the objective of the Administration and complete our work) requesting the necessary extension(s) from the relevant class(es) of creditors, or the Court. ■ CDDA and SIP2 Assessment: gathering information from the director and other sources, conducting an initial assessment of the Companies' affairs and the conduct of their current and former directors; and submitting information to the Insolvency Service (acting for the Secretary of State). Undertaking any necessary further investigations in respect of any potential asset recovery actions or dealing queries from the Insolvency Service. 	<ul style="list-style-type: none"> ■ Due to the impact of insolvency on a company's creditors and members, there are statutory requirements to give notice of the appointment of administrators to affected parties. There is no financial benefit to creditors. ■ The various other workstreams arise from statutory requirements due to the Companies being in an insolvency process and similarly do not have any financial benefit for creditors. Many requirements are for the purpose of keeping creditors informed about the Administration and to protect their interests generally.

Appendix D: Expenses of the Administration

Costs are necessarily incurred by the Companies and the Administrators during the course of the Administrations; certain categories of these costs must be approved in the same manner as remuneration prior to payment.

Definition of Expenses

- Expenses are any payments from the estate which are neither office-holders' remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office-holder and then reimbursed to the office-holder from the estate.
- Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2):
 - Category 1 expenses: These are payments to persons providing the service to which the expense relates to those who are not an associate of the office-holder. Category 1 expenses can be paid without prior approval.
 - Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, Category 2 expenses require approval in the same manner as an office-holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.
- The types of disbursements categorised as Category 1 expenses typically include external supplies of incidental services specifically identifiable to the case such as postage, statutory case advertising, bonding, invoiced travel and external services such as printing, room hire and document storage. Also included would be any properly reimbursed expenses incurred by personnel in connection with the case.
- The types of disbursements categorised as Category 2 expenses typically include mileage, in-house printing and electronic data storage.

Professional Advisors and Subcontractors

- The following professional advisors and subcontractors have been engaged:

Firm	Services	Fee Arrangement	Reason Selected
EPE Reynell	Gazette Notices	Fixed cost per advert	Specialists in dealing with legal advertising
Aon UK Limited	Insurance Risk Services	Insurance premiums	Experienced provider of insurance services to insolvency practitioners
DLA Piper	Legal Advice	Time costs	Experienced and reputable firm with the most reasonable fees as per the quotes requested.
Courts Trustees	Pension Advice	Fixed cost per submission	Specialists in dealing with pension matters.

- Our choice of professional advisors and subcontractors was based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment.
- We also considered that the basis on which they will charge their fees is appropriate in the circumstances. Other than the legal advice and insurance services, the work could have been undertaken by our teams, but we have outsourced it as we consider it to be more cost effective and the providers have relevant specialist experience.

Appendix D: Estimate of Expenses

We estimate that expenses totalling £22,396 will be incurred, principally in relation to legal fees.

Expenses Estimates

- The table opposite shows our estimate of the expenses likely to be incurred during the course of the Administrations.
- We do not anticipate incurring any Category 2 expenses and therefore we will not be seeking approval to the basis upon which these may be charged to the estate. If this changes, we will write to the fee approving body at the appropriate time to seek the necessary approval.
- As the table shows, expenses totalling c.£22k (plus VAT where applicable) are estimated to arise in these proceedings, the majority of which relates to legal advice.
- We are satisfied that the amounts expected to be incurred are reasonable in the circumstances of the case.
- There is no requirement for us to seek approval to any Category 1 expenses and the overall estimate provided does not represent a cap on the amount that can be paid. However, when reporting to creditors, we will provide an update on the amounts incurred and paid, together with an explanation for any material differences compared to this estimate.

Firm	Services	GL Estimated Cost (£)	GHL Estimated Cost (£)
EPE Reynell	Gazette Notices	190	190
Aon UK Limited	Pre-Pack Insurance	300	300
Aon UK Limited	Bonding	225	225
Aon UK Limited	LTO Insurance	670	96
DLA Piper	Legal Advice	18,000	2,000
Courts Trustees	Pension Advice	£100	100
Total Estimate		19,485	2,911

Appendix E: Estimated Financial Position

The Estimated Financial Position is based on the latest management accounts as at 30 September 2022, with adjustments made to inventory levels and cash at bank as at the Appointment date.

In the absence of the directors' statements of affairs, we have set out here the estimated financial position of the Companies as at 24 November 2022. This is principally based on management accounts as at 30 September 2022 but has been adjusted for up-to-date information where available. Costs and expenses of the Administrations are not included.

Summary of Financial Position	Book Value	Estimated to Realise	Book Value	Estimated to Realise
	GL	GL	GHL	GHL
Assets subject to fixed charge	24,954	-	-	-
Total fixed assets	24,954	-	-	-
Assets subject to floating charge				
Property, plant and equipment	207,384	-	-	-
Deposits, prepayments and other receivables	431,004	-	(66)	-
Debtors	9,284,089	-	23,748,760	-
Cash at Bank	423,688	423,688	67,514	67,514
Inventories	1,051,641	221,670	-	-
Total assets subject to floating charge	11,397,805	645,358	23,816,209	67,514
Estimated total assets available for preferential creditors	11,422,760	645,358	23,816,209	67,514
Liabilities				
Ordinary preferential creditors (employees)	-	-	-	-
Estimate (deficiency)/surplus as regards ordinary preferential creditors	-	-	-	-
Secondary preferential creditors (HMRC)	-	188,000	-	-
Estimate (deficiency)/surplus as regards secondary preferential creditors	-	457,358	-	67,514
Estimated prescribed part of net property	-	94,472	-	-
Estimated total assets available for floating charge holders	-	362,886	-	67,514
Debt secured by floating charge	-	(200,000)	-	-
Estimate (deficiency)/surplus of assets after floating charges	-	162,886	-	67,514
Total assets available to unsecured creditors				
Unsecured non-preferential claims				
Trade creditors	2,319,725	(2,319,725)	208,127	208,127
Consumer creditors	715,564	(715,564)	-	-
Intercompany loans	37,584,676	(37,584,676)	8,920,179	8,920,179
Estimate (deficiency)/surplus as regards unsecured creditors	-	(40,619,965)	-	(9,128,306)
Surplus to floating charge holders	-	162,886	-	67,514
Estimate (deficiency)/surplus as regards unsecured creditors	-	(40,457,078)	-	(9,060,792)
Issued and called up capital	(10,100)	(10,100)	(11,520,037)	(11,520,037)
Estimated total (deficiency)/surplus as regards members	-	(40,467,178)	-	(20,580,828)

Appendix F: Company Creditors

Included below is a full list of the Companies' creditors in the absence of a submitted Statement of Affairs, in accordance with Rule 3.35(1)(i) IR16.

- We have been provided with a list of the Companies' creditors at the date of our appointment, however this has not been provided on an entity basis.
- Our future work will include determining the identity and quantum of creditors in each of GL and GHL, in conjunction with the information provided in the Statement of Affairs, once received

Name	Postal Address	Amount of debt (£)	Details of Security	Date Security given	Value of Security
1st Choice Facilities Services Ltd	Unit 17 Clovelly Works, Chelmsford Rd, Rawreth, Essex, SS11 8SY, United Kingdom	7,584.13	n/a	n/a	n/a
A W HAINSWORTH & SONS LTD	Spring Valley Mills, Stanningley, Pudsey, West Yorkshire, LS28 6DW, United Kingdom	225.95	n/a	n/a	n/a
ADDISON LEE PLC	The Point, 37 North Wharf Road, London, London, W2 1AF, United Kingdom	903.48	n/a	n/a	n/a
ADP Automatic Data Processing	2 The Causeway, Staines-Upon-Thames, Slough, TW18 3BF, United Kingdom	455.52	n/a	n/a	n/a
Allclean Office & Windows LTD	37-39 Southgate Street, Winchester, Hants, SO23 9EH, United Kingdom	78	n/a	n/a	n/a
AquAid Birmingham Central	Unit 35 Kelvin Way Trading Estate, Kelvin Way, West Bromwich, West Midlands, B70 7TP, United Kingdom	230.88	n/a	n/a	n/a
Barnett Waddingham LLP	2 London Wall Place, London, London, EC2Y 5AU, United Kingdom	36,658.6	n/a	n/a	n/a
Bernstein & Banleys Ltd	325-327 Oldfield Lane North, Greenford, Middlesex, UB6 0FX, United Kingdom	178.86	n/a	n/a	n/a
BESPOKE TAILORS BENEVELONT ASSO	65 Tierney Road, London, London, SW2 4QH, United Kingdom	525	n/a	n/a	n/a
Biffa Waste Services Ltd	Coronation Road, Cressex, High Wycombe, Buckinghamshire, HP12 3TZ, United Kingdom	117.79	n/a	n/a	n/a
BILSAR DIS TICARET A S	Bilsar Building Meşrutiyet Caddesi, No:90 34430, Beyoğlu İstanbul, Turkey	2323.48	n/a	n/a	n/a
BRISQQ LIMITED	T C Group Level 1 Devonshire House, One Mayfair Place, London, London, W1J 8AJ, United Kingdom	82.91	n/a	n/a	n/a
BROWN & CO - Joseph King	By email only	51.58	n/a	n/a	n/a
BT Onebill	1 Braham Street, E1 8EE from 81 Newgate Street, London, EC1A 7AJ, United Kingdom	696.42	n/a	n/a	n/a

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Name	Postal Address	Amount of debt (£)	Details of Security	Date Security given	Value of Security
Canclini Tessile Spa	Via XXV Aprile,71, 22070 Guanzate,CO, Italy	243.69	n/a	n/a	n/a
Canon (UK) LTD	4 Roundwood Avenue, Stockley Park, Uxbridge, Greater London, UB11 1AF, United Kingdom	65.2	n/a	n/a	n/a
CDW LIMITED - KELWAY LTD	Lower Ground Floor, One George Yard, London, London, EC3V 9DF, United Kingdom	9,326.48	n/a	n/a	n/a
Chris Pantelli	409 Green Lanes, London, London, N4 1EY, United Kingdom	4020	n/a	n/a	n/a
Cityspec LTD	Welsh Bridge, 1 Frankwell, Shrewsbury, Shropshire, SY3 8LG, United Kingdom	199.98	n/a	n/a	n/a
COMMERCIAL LIMITED	Commercial House, Liddington Park, Old Station Drive, Cheltenham, Gloucestershire, GL53 0DL UK., United Kingdom	620.68	n/a	n/a	n/a
CONFEZIONI MAJOR SRL	Via S. G. Bosco, 92, 36016 Thiene, VI, Italy	26,399.29	n/a	n/a	n/a
DANOR ENGINEERING LTD	465 Hornsey Road, London, London, N19 4DR, United Kingdom	54	n/a	n/a	n/a
DHL International (UK) LTD	Unit 1, Southern Hub, Horton Road, Colnbrook, Berkshire, SL3 0BB, United Kingdom	38.5	n/a	n/a	n/a
Dormeuil LTD	35 Sackville St, London, London, W1S 3EG, United Kingdom	51.85	n/a	n/a	n/a
Dugdale Bros & Co LTD	5 Northumberland Street, Huddersfield, West Yorkshire, HD1 1RL, United Kingdom	5,473.32	n/a	n/a	n/a
DWR CYMRU WELSH WATER	Linea, Fortran Road, St Mellons, Cardiff, CF3 0LT, United Kingdom	33.18	n/a	n/a	n/a
DYNAMIC DOX LIMITED	16 Trident Industrial Estate, Blackthorne Road, Colnbrook, Slough, SL3 0AX, United Kingdom	765.78	n/a	n/a	n/a
EVELYN PARTNERS	45 Gresham Street, London, London, EC2V 7BG, United Kingdom	9900	n/a	n/a	n/a
EXCEL PROPERTY WORKS LTD	Bencewell Business Centre, Oakley Rd, Bromley, London, BR2 8HG, United Kingdom	44,900.54	n/a	n/a	n/a

Appendix F: Company Creditors

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Name	Postal Address	Amount of debt (£)	Details of Security	Date Security given	Value of Security
Experian Ltd	The Sir John Peace Building Experian Way, Ng2 Business Park, Nottingham, Nottinghamshire, NG80 1ZZ, United Kingdom	9,059	n/a	n/a	n/a
F.LLI Caccioppoli SNC	Via Antonio Ciccone n° 8 80133, Naples, Campania,, Italy	641.2	n/a	n/a	n/a
FOOTFALL LTD- Shoppertrack Ltd	Security House The Summit, Hanworth Road, Sunbury On Thames, Middlesex, TW16 5DB, United Kingdom	2,255.16	n/a	n/a	n/a
G NETWORK COMMUNICATIONS LTD	Customer Enquiries 5 Swallow Place, Swallow Place, London, London, W1B 2AF, United Kingdom	9.6	n/a	n/a	n/a
G. ETTINGER LIMITED	G Ettinger Ltd ,215 Putney Bridge Road, London, London, SW15 2NY, United Kingdom	2,670	n/a	n/a	n/a
GALLO TESSILE s.r.l	Corso Piave, 11, 27036 Mortara,, PV,, Italy	16.2	n/a	n/a	n/a
George M L'Esteve	2 Stambrook Park, Batheaston, Bath, North East Somerset, BA1 7HR, United Kingdom	100	n/a	n/a	n/a
Gerboy	Litros Yolu Yol Sokak No:3,34010,Zeytinburnu/Istanbul,Turkey	12,651.74	n/a	n/a	n/a
Giab`s	Via Rocco Benini, 15 50013 Campi Bisenzio FI, FI, Italy	9,732.69	n/a	n/a	n/a
Hand & Lock LTD	70 Wells Street, Wells Street, London, London, W1T 3QE, United Kingdom	691.14	n/a	n/a	n/a
Healthshield	Electra Way, Crewe Business Park, Crewe, Cheshire, CW1 6HS, United Kingdom	27.72	n/a	n/a	n/a
HILDON LIMITED	Hildon Ltd, Broughton, Hampshire, SO20 8DQ, United Kingdom	351	n/a	n/a	n/a
HILLSON LOGISTICS LTD	Unit 11 Sundon Business Park, Dencora Way, Luton, Bedfordshire, LU3 3HP, United Kingdom	1,929.16	n/a	n/a	n/a
Holland & Sherry LTD	31 Savile Row, Mayfair, London, London, W1S 3PT, United Kingdom	2,446.6	n/a	n/a	n/a

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Name	Postal Address	Amount of debt (£)	Details of Security	Date Security given	Value of Security
Huddersfield Fine Worsteds (Hunt & Winterbotham)	122-124 Regent St., London, W1B 5SA, United Kingdom	1,055.39	n/a	n/a	n/a
IMAGE SOUND PLC	Venture Way, Dunston Technology Park,, Chesterfield, S41 8, United Kingdom	90	n/a	n/a	n/a
INTERNATIONAL DIRECT PACKAGING (IDP)	Norfolk House, 4 Station Road, St. Ives, Cambridgeshire, PE27 5AF, United Kingdom	3,939.08	n/a	n/a	n/a
INTERROUTE NETWORKS LTD -GTT	5th Floor,40 Strand,London,London, WC2N 5RW, United Kingdom	2,074.79	n/a	n/a	n/a
KELLY STORAGE	Kelly's Storage Ltd. ,Westfield Road Slyfield Industrial Estate,Guildford,Surrey,GU1 1SB, United Kingdom	44.4	n/a	n/a	n/a
LABTECH PROPERTY MGM LTD	Labs Dockray, London,London, NW1 8QH, United Kingdom	0	n/a	n/a	n/a
LANERIE AGNONA S P A	Via Tortona 37, Milano, Lombardy,20144,Italy	127.75	n/a	n/a	n/a
Lear Browne & Dunsford -LBD	Lbd House Waterbridge Court, Matford Park Road, Exeter,Devon, EX2 8ED, United Kingdom	9,979.55	n/a	n/a	n/a
LF EUROPE	Centenary House, Centenary Way, Salford, Greater Manchester, M50 1RF, United Kingdom	60,263.54	n/a	n/a	n/a
LI & FUNG TRADING LTD	Li & Fung Limited, 11th Floor, Lifung Tower, 888 Cheung Sha Wan Road,Kowloon,Hong Kong	419,460.48	n/a	n/a	n/a
LIKE DIGITAL MEDIA LTD	The Stable Yard , Vicarage Road, Stony Stratford, Milton Keynes, Buckinghamshire, MK11 1BN, United Kingdom	5,760	n/a	n/a	n/a
Mayfair Dairy Produce	28 West Street, Dunstable, Bedfordshire, LU6 1TA, United Kingdom	140	n/a	n/a	n/a
MAZARS LLP	30 Old Bailey, London, London,EC4M 7AU, United Kingdom	12,000	n/a	n/a	n/a

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Name	Postal Address	Amount of debt (£)	Details of Security	Date Security given	Value of Security
Midland Phone Services Plc(MPS)	Shaw House, Wychbury Court, Brierley Hill, West Midlands, DY5 1TA, United Kingdom	2,133.63	n/a	n/a	n/a
Miscellaneous Account		106	n/a	n/a	n/a
Morplan	Unit 1 Temple Bank, Harlow, Essex, CM20 2DY, United Kingdom	323.52	n/a	n/a	n/a
Moscrop Cleaning Service Limited	1st Floor, 2 City Road, Chester, Cheshire, CH1 3AE, United Kingdom	40	n/a	n/a	n/a
MSP Secretaries Ltd	27-28 Eastcastle Street, London, London, W1W 8DH, United Kingdom	360	n/a	n/a	n/a
Nespresso Club	1 City Place, Beehive Ring Road, Gatwick, England, RH6 0PA, United Kingdom	82	n/a	n/a	n/a
Norfolk Chamber Of Commerce	Hardwick House, No. 2 Agricultural Hall Plain, Norwich, Norfolk, NR1 3FS, United Kingdom	564	n/a	n/a	n/a
O2	260 Bath Road, Slough, Berkshire, SL1 4DX, United Kingdom	579.6	n/a	n/a	n/a
PENNIES -The Digital Charity Box	1st Floor, 64 London Wall, London, London, EC2M 5TP, United Kingdom	52.5	n/a	n/a	n/a
Po Lee Leather Co Ltd	Unit 2, 5/F Twr 3, Enterprise Square 9 Sheung Yuet Rd Kowloon Bay, Kowloon, Kowloon,, Hong Kong	4,327.33	n/a	n/a	n/a
Potter Clarkson - Formerly Wildbore & Gibbons	The Belgrave Centre, Talbot Street, Nottingham, Nottinghamshire, NG1 5GG, United Kingdom	261.83	n/a	n/a	n/a
PROTECTIVE SECURITY GROUP -PSG	32 Brackenbridge Drive, Ruislip, Middlesex, HA4 0LZ, United Kingdom	2460	n/a	n/a	n/a
PUNTER SOUTHALL GOVERNANCE SERVICES	11 Strand, London, London, WC2N 5HR, United Kingdom	24,057.6	n/a	n/a	n/a
Redstor Ltd	Fourth Floor Abbots House, Abbey Street, Reading, Berkshire, RG1 3BD, United Kingdom	480	n/a	n/a	n/a
Savile Row Bespoke Ltd	15 Savile Row, London, London, W1S 3PJ, United Kingdom	3,000	n/a	n/a	n/a

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Name	Postal Address	Amount of debt (£)	Details of Security	Date Security given	Value of Security
SAVILE ROW VALET	Gadd House Arcadia Avenue, Finchley, London, England, N3 2JU, United Kingdom	52	n/a	n/a	n/a
Scabal U.K.	12 Savile Row, London, London, W1S 3PQ, United Kingdom	2,303.29	n/a	n/a	n/a
SITA UK LIMITED- Suez	Suez House, Grenfell Road, Maidenhead, Berkshire, SL6 1ES, United Kingdom	100.2	n/a	n/a	n/a
SOLAZZO CAZATURE SRL	Via Emilio Galli 23/25/27, 27029 Vigevano, PV, Italy	1,659.38	n/a	n/a	n/a
SONASSI LIMITED	3rd Floor, 11-21 Paul Street, London, London, EC2A 4JU, United Kingdom	1887	n/a	n/a	n/a
SSS Management Services Ltd	Unit 3 Hawkfield Way, Hawkfield Business Park, Bristol, Somerset, BS14 0BY, United Kingdom	642.39	n/a	n/a	n/a
Stephen & Co	3 Feather Mews, London, London, E1 1DH, United Kingdom	4632	n/a	n/a	n/a
TANE - EMOR SA DE C.V	Chopo 461a, Edif. Ninguna, Int. Ninguna, 6430, Ciudad de Mexico, México	7,014.83	n/a	n/a	n/a
THE NAV PEOPLE	Beacon House, Winchester Rd, Burghclere, Newbury ,Berkshire, RG20 9JZ, United Kingdom	1,206.59	n/a	n/a	n/a
TRY & LILLY LIMITED	95 Kempston Street, Liverpool, Merseyside, L3 8HE, United Kingdom	3184.8	n/a	n/a	n/a
UK PACKAGING SUPPLIES LTD	100 Brantwood Road, Tottenham, London, N17 0XY, United Kingdom	3096	n/a	n/a	n/a
United Parcel Service (UPS)	Forest Road, Feltham, Middlesex, TW13 7DY, United Kingdom	9,113.42	n/a	n/a	n/a
VENTUR TRAVEL LTD	1 Albemarle Street, W1S 4HA, United Kingdom	7,817.63	n/a	n/a	n/a
VERIFONE SERVICES UK LTD	1 Mondial Way, Hayes, Slough, UB3 5AR, United Kingdom	439.18	n/a	n/a	n/a
Water Plus	Water Plus, South Court, Riverside Park, Campbell Rd, Stoke-on-Trent ST4 4DA, Staffordshire, ST4 4DA, United Kingdom	50.09	n/a	n/a	n/a

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Name	Postal Address	Amount of debt (£)	Details of Security	Date Security given	Value of Security
WENSUM LIMITED- MAURITIUS	Wensum Limited, La Brasserie Road, Forest Side, Curepipe, Mauritius	29812.93	n/a	n/a	n/a
Winchester City Council	Winchester City Council, City Offices, Colebrook Street, Winchester, Hampshire, SO23 9LJ, United Kingdom	59,425	n/a	n/a	n/a
HELIX PROPERTY ADVISERS RENT	No1 Savile Row, Head Office, Audley House, 9 North Audley Street, London, W1K 6DZ, United Kingdom	512,350	n/a	n/a	n/a
REGENCY REAL ESTATE	King Street (old office) + Grosvenor St (new office), 105 Piccadilly, , London, W1J 7NJ, United Kingdom	476,693	n/a	n/a	n/a
KNIGHT FRANK LLP - No 2 SR	No2 Savile Row, 55 Baker Street, , London, W1U 8AN, United Kingdom	206,081	n/a	n/a	n/a
St John's Foundation - Hospital Trust	Bath store, St John's Foundation Est.1174, 4-5 Chapel Court, , Bath, BA1 1SQ, United Kingdom	125,375	n/a	n/a	n/a
City Of Westminster - Business Rates	Rates, Westminster City Council, Business Rates, PO BOX 187, Erith, DA8 9EY, United Kingdom	59,425	n/a	n/a	n/a
London Borough of Hackney	Rates, Hackney Service Centre, 1 Hillman Street, , London, E8 1DY, United Kingdom	36,065	n/a	n/a	n/a
Savills Commercial Ltd - Liverpool R037	8 Princes Parade, Liverpool, L3 1DL, United Kingdom	30,871	n/a	n/a	n/a
LABTECH PROPERTY MGM LTD	Hackney store, Labs Dockray, 1-7 Dockray Place, London, United Kingdom, NW1 8QH, United Kingdom	27,117	n/a	n/a	n/a
Winchester City Council	Winchester store (landlord + rates), Winchester City Council, City Offices, Colebrook Street, Winchester, SO23 9LJ, , United Kingdom	20,502	n/a	n/a	n/a
Savills Commercial Ltd - CHESTER R031	Chester store, 16 Grosvenor Court, Foregate Street, Cheshire, CH1 1HN, United Kingdom	19,380	n/a	n/a	n/a
Chester City Council	1 The Arcade, Northwich, CW9 5AS	6,555	n/a	n/a	n/a
Bath & North East Somerset Council	Bath & North East Somerset Council, Lewis House, Manvers Street, Bath, BA1 1JG	2,641	n/a	n/a	n/a

Appendix F: Company Creditors

Included below is a full list of the Companies' creditors in the absence of a submitted Statement of Affairs, in accordance with Rule 3.35(1)(i) IR16.

Name	Postal Address	Amount of debt (£)	Details of Security	Date Security given	Value of Security
Broadland District Council	Thorpe Lodge, 1 Yarmouth Rd, Norwich NR7 0DU	2,369	n/a	n/a	n/a
Liverpool City Council	Liverpool City Council, Cunard Buildings, Water Street, Liverpool, L3 1AH	875	n/a	n/a	n/a
Birmingham City Council	Victoria Square, Birmingham, B1 1BB	377	n/a	n/a	n/a
EDF Energy	90 Whitfield Street, London, England, W1T 4EZ	29,554	n/a	n/a	n/a
HMRC	Debt Management - EIS C, HM Revenue and Customs, BX9 1SH	188,000	n/a	n/a	n/a
Consumer Creditors	Details withheld	715,564	n/a	n/a	n/a
Gieves & Hawkes Limited	Gieves & Hawkes Limited c/o FTI Consulting, 200 Aldersgate, Alderstage Street, EC1A 4HD	37,584,676	n/a	n/a	n/a
Marvinbond Limited	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, VG1110, Virgin Islands, British	8,920,179	n/a	n/a	n/a
HUK 110 Limited	84 Grosvenor Street, London, England, W1K 3JZ	1,200,000	Fixed & floating	16/6/22	1,200,000

Appendix G: Notice of Decision by Deemed Consent

Gieves & Hawkes Limited (“the Company”) – In Administration
Company Registration Numbers: 01455128

In the High Court of Justice, Business and Property Courts in Leeds Insolvency and Companies List (ChD),
CR-2022-LDS-000945

NOTICE IS GIVEN by Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson to the creditors of Gieves & Hawkes Limited that the following decision under Paragraph 51 of Schedule B1 of the Insolvency Act 1986 is sought from them by way of a Deemed Consent Procedure.

1. THAT the Joint Administrators’ Proposals are approved.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 15 December 2022, the Decision Date.

1. To object to this decision, creditors must send to me at my offices at FTI Consulting LLP, 200 Aldersgate Street, Aldersgate, London EC1A 4HD, a duly completed notice of objection by no later than 23.59 hours on 15 December 2022, the Decision Date, together with proof of their debt, (if not already been lodged) without which objections will be invalid.
2. Creditors must lodge proof of their debt (if not already lodged), by no later than 23.59 hours on 15 December 2022, without which, objections will be invalid.
3. Creditors should note that it is my responsibility to determine whether any objections received are sufficient for this Deemed Consent Procedure to end without a decision being made. If sufficient objections are received, then I will write to creditors to seek approval for this decision using a qualifying decision process.
4. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
5. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the resolution provided they have lodged proof of their debt.
6. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the resolution above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
7. Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to Court under Rule 15.35 of The Insolvency (England and Wales) Rules 2016 within 21 days of 15 December 2022, the Decision Date.

Creditors requiring further information regarding the above, should contact the Joint Administrators’ staff by email at gievesandhawkes@fticonsulting.com, or by phone on 020 3077 0254.

DATED THIS 30TH DAY OF NOVEMBER 2022



Christopher Jon Bennett

Joint Administrator

Appendix G: Notice of Decision by Deemed Consent

**Gieves & Hawkes Limited (“the Company”) – In Administration
Company Registration Numbers: 01455128**

**In the High Court of Justice, Business and Property Courts in Leeds Insolvency and Companies List (ChD),
CR-2022-LDS-000945**

Notice of Objection to Deemed Consent

If you agree with the proposed decisions, then you do not need to do anything, and can disregard this form.

The following decision is sought from the creditors of Gieves & Hawkes Limited by way of a Deemed Consent Procedure;

1. THAT the Joint Administrators’ Proposals are approved.

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

THIS DECISION IS OBJECTED TO BY

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

This form must be received at FTI Consulting LLP, 200 Aldersgate Street, Aldersgate, London EC1A 4HD by 23.59 hours on 15 December 2022, in order to be counted as an objection. It must be accompanied by proof of the debt, unless one has already been submitted. Failure to do so will lead to this objection being invalid.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 15 December 2022, the Decision Date.

Appendix H: Invitation to Form a Committee

Gieves & Hawkes Limited (“the Company”) – In Administration
Company Registration Numbers: 01455128

In the High Court of Justice, Business and Property Courts in Leeds Insolvency and Companies List (ChD),
CR-2022-LDS-000945

Invitation to Form a Creditors’ Committee

NOTICE IS GIVEN by Christopher Jon Bennett, Samuel Alexander Ballinger and Andrew James Johnson to the creditors of Gieves & Hawkes Limited of an invitation to establish a Creditors’ Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016.

1. Creditors are invited to determine whether a Creditors’ Committee should be established.
2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. The specified date for receipt of nominations for creditors to act as a member of the Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016 is 15 December 2022, the Decision Date.
5. Please complete the form sent with this notice and include the name and address of any person you wish to nominate as a member of the Committee. The completed document should be returned to FTI Consulting LLP, 200 Aldersgate Street, Aldersgate, London EC1A 4HD so that it is received by no later than 23.59 hours on 15 December 2022, the Decision Date.

Note: Further information on the rights, duties and the functions of a Committee is available in a booklet published by the Association of Business Recovery Professionals (R3). This booklet can be accessed at <https://www.fticonsulting.com/emea/cip/forms-and-information>.

If you require a hard copy of the booklet please contact the Joint Administrators’ staff by email at gievesandhawkes@fticonsulting.com, or by phone on 020 3077 0254.

Creditors requiring further information regarding the above, should either contact me at FTI Consulting LLP, 200 Aldersgate Street, Aldersgate, London EC1A 4HD, or contact the Joint Administrators’ staff by email at gievesandhawkes@fticonsulting.com, or by phone on 020 3077 0254.

DATED THIS 30TH DAY OF NOVEMBER 2022



Christopher Jon Bennett

Joint Administrator

Appendix H: Invitation to Form a Committee

**Gieves & Hawkes Limited (“the Company”) – In Administration
Company Registration Numbers: 01455128**

**In the High Court of Justice, Business and Property Courts in Leeds Insolvency and Companies List (ChD),
CR-2022-LDS-000945**

Invitation to Form a Creditors’ Committee

Please note that if creditors vote to establish a Committee, then unless at least 3 nominations for creditors to act as Committee members are received at the same time, it will be necessary to convene a further decision procedure to decide which creditors are to act as Committee members. That will involve incurring additional costs, so if you intend to vote to establish a Committee, please also nominate either yourself or another creditor to act as a Committee member.

Voting on Decision

1. THAT a Creditors Committee should be established For / Against

I wish to nominate the following creditor to act as a member of the Committee:

Name of nominated creditor _____
Address _____
Of (if applicable) _____
Representing (if applicable) _____

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____
Signature of creditor: _____
(Complete the following if signing on behalf of creditor, e.g. director/solicitor)
Capacity in which signing document: _____
Dated: _____

Note: The completed form should be delivered to FTI Consulting LLP, 200 Aldersgate Street, Aldersgate, London EC1A 4HD or by emailing it to gievesandhawkes@fticonsulting.com so that it is received by no later than 15 December 2022, the Decision Date.



Experts with Impact™