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1 Company details

Company number

Company name in full

→ **Filling in this form**

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)

Surname

3 Administrator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

4 Administrator's name ①

Full forename(s)

Surname

① **Other administrator**

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② **Other administrator**

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	d	m	m	y	y	y	y
To date	d	d	m	m	y	y	y	y

7 Progress report

I attach a copy of the progress report

8 Sign and date

Administrator's
signature



X

Signature date

d	d	m	m	y	y	y	y
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AM10

Notice of administrator's progress report

Presenter information

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

Contact name

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

Important information

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

Where to send

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

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

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

TO ALL KNOWN CREDITORS & MEMBERS

25 July 2024

Ref: SW/HO/AH/MODA01
Email: MFLcommunications@uk.ey.com

Dear Sir/Madam

Moda Furnishings LTD (in Administration) (the “Company”)

I write further to the Company entering administration on 14 July 2023 (the “Date of Appointment”), with T G Vance and I appointed to act as joint administrators (the “Joint Administrators”). The appointment was made by the directors of the Company under the provisions of paragraph 22 of Schedule B1 to the Insolvency Act 1986.

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016, to provide creditors with a report on the progress of the Administration. This report covers the period from 14 January 2024 to 13 July 2024 (the “Period”) and should be read in conjunction with the Joint Administrators’ progress report dated 6 February 2024 (the “Previous Report”) and the Joint Administrators’ Statement of Proposals (the “Proposals”) delivered to creditors on 28 July 2023. A copy of previous reports can be found at www.ey.com/en_uk/moda-furnishings-ltd

As licenced insolvency practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration. Statutory information about the Company, the Administration, and the office holders, is detailed in Appendix 1.

Summary of Progress since the Previous Report

Detailed below are the principal workstreams progressed during the Period.

Debtors - V12 Retail Finance (“V12”)

During the Period we have continued to work with V12 to seek final reconciliation of customer orders, which were bought with financing from V12, fulfilled post the Date of Appointment.

The Joint Administrators expect to bring this position to a close in coming months, with subsequent agreement of any amounts due from V12 relating to these fulfilled orders. We are unable to confirm at this stage the likely timing and quantum of any further amounts due.

LTO

The Company traded from seven leasehold properties (the “Properties”). As previously reported a LTO was granted to the Purchaser for the period 14 July 2023 to 13 April 2024.

As detailed in our Previous Report, the Purchaser terminated the LTO in respect of four of the Properties and one short term tenancy agreement came to an automatic end.

During the Period, one lease was assigned to the Purchaser and the LTO on the remaining property came to an automatic end and the Purchaser entered into new terms of occupation with the landlord directly.

All rent, service charge and insurance (if applicable) has been paid by the Purchaser for these Properties and we are in the process of reconciling the final accounts with the respective landlords.

HMRC claim position

As reported in the Proposals and our Previous Report, prior to the Administration the Company submitted a claim to HMRC to offset FY22 losses against FY21 tax paid, which remained outstanding on appointment.

In addition, a Terminal Loss Relief claim ("TLR Claim") has been submitted with the assistance of EY tax professionals, to reclaim tax paid in the three years prior to the Administration.

Both claims will be subject to offset by HMRC of their pre-appointment debt.

Whilst we have received an element of anticipated amounts due to the Company relating to these claims during the Period, as detailed in the section below, we continue to work towards bringing this claim to a conclusion. As HMRC has confirmed that the process of approval of the TLR Claim is ongoing, we are currently unable to confirm the timing and final quantum of any subsequent receipts from these claims.

As a result of this ongoing claim, the Joint Administrators have sought consent from the secured creditors to extend the administration.

Receipts and Payments in the Period

Detail with regard to specific receipts and payments received and incurred during the Period is attached at Appendix 2. Please note that these accounts do not reflect future estimated realisations or costs, including the Joint Administrators' remuneration and disbursements.

Receipts

V12 Retail Finance ("V12")

As previously reported, the Company's debtor ledger included amounts due from V12, the Company's interest free finance provider, relating to unfulfilled orders at the Date of Appointment. As part of the sales agreement with Giomani Design Limited (the "Purchaser"), and in consideration of Secure Trust Bank ("STB") releasing its fixed charge over stock, it was agreed that the Purchaser would endeavour to fulfil these orders to facilitate recovery of the outstanding V12 debtor balance, with the Purchaser charging a commission for doing so.

During the Period, £78k has been received from STB in relation to commission on V12 orders fulfilled since the Date of Appointment and this amount has subsequently been paid to the Purchaser as noted in the receipts and payments account at Appendix 2.

HM Revenue & Customs (“HMRC”)

During the Period £44.5k has been received from HMRC, which relates to the loss relief claims submitted both prior and post the Date of Appointment for tax paid by the Company in the three years prior to administration.

Further detail on this matter is outlined above.

License to Occupy (“LTO”) rental income

As previously reported in the Proposals and detailed above, the Purchaser was granted a LTO in respect of the Company’s seven leasehold trading properties. In accordance with the terms of the LTO, rent (plus service charge and insurance if applicable) is payable by the Purchaser (calculated on a daily rent rate under the terms of each lease).

During the Period amounts totalling £35k have been paid by the Purchaser.

Bank Interest

Bank interest of £3.7k in total was received in respect of funds held in the administration bank accounts for the Company during the Period.

Prepayments

As previously reported, the Statement of Affairs of the Company indicated a total book value of £928k for prepaid services, with an estimated to realise value of nil. During the Period, £467 has been received in respect of prepayments, bringing total realisations to date to £1.5k. We do not anticipate any further material realisations in this regard.

Payments

LTO rental expenditure

During the Period, £96.5k has been paid in respect of rent and other costs under the LTO. The difference with regards to LTO rental income received in the Period (noted above) is a timing difference, with all payments made representing amounts previously received from the Purchaser.

V12 payments to Giomani

As discussed above, £78k was received from STB in relation to V12 funds and has subsequently been paid out to the Purchaser upon receipt.

Legal fees

During the period, £12k of legal fees were paid out to DLA Piper UK LLP (“DLA”) in relation to professional services rendered pre-administration relating to the appointment of the Joint Administrators.

Insurance

During the Period, £1.4k of insurance costs were paid out to Aon UK Limited in relation to the Company's insolvency facility.

Bank Charges

During the Period, bank charges of £15 have been paid.

Joint Administrators' remuneration

The statutory provisions relating to remuneration are set out in Chapter 4, Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to the Joint Administrators.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

As creditors have not requisitioned a decision on the Proposals and a creditors' committee has not been formed, the Joint Administrators have sought approval for their remuneration from the secured creditors STB and Endless LLP ("Endless") (collectively the "Secured Creditors") by written resolutions, which were signed on 12 December 2023 and 20 December 2023 respectively.

The Joint Administrators remuneration has been fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Administration, in accordance with the fee estimate dated 28 July 2023 (the "Fee Estimate") which was circulated to creditors with the Proposals.

During the Period, the Joint Administrators have incurred time costs of £187k, but no remuneration has been drawn. An analysis of the time spent, and a comparison with the Fee Estimate is attached at Appendix 4 to this report.

We note that the total time costs incurred to date have exceeded the Fee Estimate. The time costs incurred to date are detailed at Appendix 4 alongside those included in the Fee Estimate by work category, with further narrative relating to the work undertaken in each category of work noted at Appendix 5.

We will not draw remuneration in excess of the Fee Estimate without the prior approval of the Secured Creditors.

The categories where we have exceeded the Fee Estimate are detailed below:

Administration & Planning

The work undertaken is required to progress the Administration and is a statutory requirement. This includes: day to day case management and progression; case reviews; time costs reporting; and, settlement of expenses of the Administration, such as professional fees and other payments; treasury and accounting functions including processing receipts and payments in relation to the LTO and reconciliation of the same. The work undertaken in this category has been more extensive than originally estimated.

Creditors

The work undertaken formed a part of the Joint Administrators' statutory duties. Assistance has been given to creditors with queries relating the amounts due to them from the Company and liaising with credit insurers in some cases. The work undertaken in this category has been more extensive than originally estimated.

Debtors

The material element of the work in this category has related to seeking realisations from the debtor balances relating to V12 funded sales. This work has had more complexity than initially anticipated and has subsequently been more extensive than originally estimated.

Employees

There were more ad hoc employee queries than previously estimated.

Enquiries & Investigations

The work undertaken formed a part of the Joint Administrators' statutory duties. The work involved took more time than originally estimated due to the level of customer/creditor interest received.

Immediate Tasks

The work undertaken formed a part of the Joint Administrator's statutory duties, and included: completing on appointment statutory duties; notification of the appointment of administrators to various stakeholders; and, practical tasks such as, collating information (financial and non financial), putting insurance in place, securing assets, speaking with the Company's directors and liaising with the Purchaser. The work undertaken in this category has been more extensive than originally estimated.

Job acceptance and Strategy

The work undertaken formed a part of the Joint Administrator's statutory duties. Planning of the strategy to be taken during the Administration to facilitate the best outcome for creditors, including considering exit routes from administration and implementing the most appropriate route. The work undertaken in this category has been more extensive than originally estimated.

Property

The work undertaken in relation to LTO management, correspondence with landlord/agents regarding the LTO's and dealing with the termination on various Properties has been more extensive than originally estimated.

Reporting

The time incurred reporting to the Secured Creditors has been more extensive than originally estimated due to the reporting on the evolution of key strategic work streams referred to in this report, and the additional correspondence required to facilitate an extension of the Administration.

Statutory Duties

The work undertaken formed part of the Joint Administrators' statutory duties and includes but is not limited to: ensuring that all documents are appropriately filed in line with statutory requirements; progress reports to creditors; preparation of documentation for the approval of the Joint Administrators' remuneration; and, the collection of books and records (physical and digital).

The work undertaken in this category has been more extensive than originally estimated.

VAT and taxation

The time incurred through preparation and submission of necessary VAT and Tax returns in the Period, and liaising with HMRC in regard to the loss claims noted in this report has been more extensive than originally estimated.

Joint administrators' statement of expenses incurred

A breakdown of expenses incurred in the Period and to date is included at Appendix 3 to this report, including a comparison against the estimate of expenses dated 28 July 2023.

During the Period the Joint Administrators have incurred expenses (excluding disbursements and pre-administration costs) totalling £191k (largely attributed to the LTO properties) plus applicable VAT.

Pre-administration costs

The payment of unpaid pre-administration costs as an expense of the administration is subject to approval under Rule 3.52, and not part of the Proposals subject to approval under paragraph 53. This means that they must be approved separately from the Proposals.

Specific written approval for the payment of pre-administration costs was received from the Secured Creditors.

A breakdown of the total pre-administration costs incurred and amounts paid pre-administration (if any) is attached at Appendix 3.

Payments due to EY for pre-administration work

As reported in the Proposals and the Previous Report, prior to the Administration the proposed Joint Administrators were engaged to undertake preparatory work for the proposed insolvency. This work was necessary to facilitate the successful execution of the pre-packed transaction, with key scope items including:

- ▶ negotiating and structuring the final offer with the Purchaser, including reviewing and providing comments on the sale agreement, LTO etc;
- ▶ facilitating discussions with the Purchaser to ensure a smooth transition for employees, customers, creditors etc; and
- ▶ undertaking planning for the period immediately post administration in order to deal with all matters effectively.

Fees totalling £79k (plus VAT) were incurred in completion of this pre-appointment work, which remain outstanding at the date of this report.

Payments to Other Professionals for pre-administration work

Name of firm	Service	How contracted to be paid	Amount paid in Period (£)
DLA Piper UK LLP	Legal advice	Time costs basis	11,953.50
Total			11,953.50

As noted in previous sections of this report, this payment was made during the Period and is included in the receipts and payments account attached at Appendix 2.

Distributions to Creditors

Secured Creditors

STB, the principal secured lender to the Company, had total indebtedness at the Date of Appointment of c.£2.8m. As previously reported, STB's indebtedness has been reduced in the Administration by £1.1m from asset realisations. This includes c.£86k paid to STB by V12 directly during the Period (which is net of any associated commissions detailed in this report), relating to orders financed by V12 prior to the Administration, but fulfilled post appointment.

Endless, the Company's second ranking secured lender, had total indebtedness at the Date of Appointment of c.£8.5m.

We estimate that that a further distribution will be paid to STB, which is dependent on the outcome of remaining asset realisation workstreams detailed in this report.

Notwithstanding the above, it is anticipated that STB and Endless will both suffer a shortfall in their indebtedness.

Preferential Creditors

All the employees of the Company transferred to the Purchaser as a result of the sale, in accordance with Transfer of Undertakings (Protection of Employment) Regulations 2006, therefore there are no employee preferential claims.

We currently estimate a claim from HMRC, as a secondary preferential creditor, totalling c.£1.7m in respect of claims relating to PAYE, NI and VAT, before off-setting any claim for tax losses. It is anticipated that the Company will have insufficient realisations to enable a distribution to preferential creditors however HMRC's debt may be extinguished following the settlement of the Company's TLR claim.

Non-preferential Creditors

According to the Director's Statement of Affairs, it is estimated that total non-preferential claims in the Company will total approximately £5.6m (excluding intercompany creditors).

As stated in the Previous Report, current estimates indicate that there will be insufficient floating charge asset realisations to enable a distribution to non-preferential creditors and therefore no work in relation to the adjudication of non-preferential creditor claims has taken place.

Prescribed Part

The Prescribed Part is a proportion of floating charge assets set aside for non-preferential creditors pursuant to section 176A of the Insolvency Act 1986. The Prescribed Part applies to floating charges created on or after 15 September 2003.

The Secured Creditors' respective floating charges were created after 15 September 2003. Consequently, section 176A of the Insolvency Act 1986 will apply to this Administration.

The Joint Administrators currently estimate, to the best of their current knowledge and belief, that the value of the Company's net property will be nil and therefore the value of the Prescribed Part is estimated to be nil. This may be subject to change, if the Company's TLR claim is successful and the Joint Administrators will report further in their next report.

Remaining work

The Joint Administrators will continue to deal with the Administration of the Company in line with the objectives of the Proposals, namely to achieve a better result for the Company's creditors as a whole than would be likely if the Company was wound up (without first being in administration).

Further tasks will include, but may not be limited to, the following:

- ▶ continuing to correspond with HMRC in relation to the Company's loss claims;
- ▶ finalising the V12 debtor position;
- ▶ ensuring that any obligations of the Company / Joint Administrators in the sale and purchase agreement with the Purchaser are satisfied;
- ▶ dealing with statutory reporting and compliance obligations;
- ▶ distributing amounts due to the secured creditor;

- ▶ dealing with non-preferential creditor enquiries;
- ▶ reviewing the Company's tax affairs and dealing with corporation tax, VAT and other tax matters which includes filing statutory returns;
- ▶ finalising the Administration, including the payment of all administration liabilities; and
- ▶ any other actions required to be undertaken by the Joint Administrators in order to fulfil the purpose of the Administration.

Extension of Administration

The Administration of the Company was due to automatically end on 13 July 2024. The decision was taken to seek consent from the Secured Creditors to an extension of the Administration, by a period of up to 12 months, in order to complete the remaining work outlined above. Consent was received from each of the Secured Creditors, and in accordance with the provisions of paragraph 78 of Schedule B1 of the Insolvency Act 1986, the Administration of the Company has been extended to 13 July 2025.

Next report

We will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

Yours faithfully
for the Company



S J Woodward
Joint Administrator

- Appendix 1 Statutory information
- Appendix 2 Joint Administrators' receipts and payments account for the Period
- Appendix 3 Summary of Joint Administrators' expenses incurred in the Period
- Appendix 4 Summary of the Joint Administrators' time costs incurred in the Period
- Appendix 5 Statement of Work completed in the Period
- Appendix 6 Statement of Joint Administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No.9

Samuel James Woodward is licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales and Timothy Vance is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointment.

The affairs, business and property of the Company is being managed by the Joint Administrators, Samuel James Woodward and Timothy Vance, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrator's appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

**Moda Furnishings Ltd – In Administration
Statutory Information**

**Information about the proceedings, the Company and the office holders, as required by
Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016**

Name of court:	In the High Court of Justice Business and Property Courts in Manchester Insolvency and Companies List (ChD)
Court reference:	CR2023 MAN 000891
Registered name of the company:	Moda Furnishings LTD
Registered office address of the company:	Ernst & Young LLP 2 St. Peters Square, Manchester, M2 3EY Formerly: Riverpark Trading Estate, Riverpark Road, Manchester, M40 2XP
Registered number:	08658516
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the joint administrators:	14 July 2023
Details of extension of the administration:	Administration extension of 12 months to 13 July 2025
Details of any changes of administrator:	None
Full names of the administrators:	Samuel James Woodward Timothy Graham Vance
Office holder numbers:	12030 and 26710
Administrators' addresses:	Ernst & Young LLP, 2 St. Peter's Square, Manchester, M2 3EY Ernst & Young LLP 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Telephone number:	+44 161 333 2761
Name of alternative person to contact with enquiries about the case:	Ayse Hassan

Moda Furnishings Ltd – In Administration

Summary of Joint Administrators' expenses incurred in the Period and a comparison to the initial Fee Estimate dated 28 July 2023

Type of Expense	Per Fee Estimate (£)	Paid in Previous Periods (£)	Paid in Period (£)	Estimated Future (£)	Total (£)
Payments made from the estate which are not disbursements (Note 1)					
Rent and other property costs	1,084,858.00	495,447.59	96,528.70	12,000.00	603,976.29
Contribution towards employee costs	50,000.00	50,000.00	-	-	50,000.00
Legal fees	5,000.00	-	-	5,000.00	5,000.00
Insurance	3,000.00	-	1,360.80	1,639.20	3,000.00
Commission on V12 debtors	-	-	78,292.55	-	78,292.55
Corporation tax	500.00	-	-	500.00	500.00
Bank charges	500.00	45.60	15.00	439.40	500.00
Statutory costs	250.00	94.00	-	156.00	250.00
	1,144,108.00	545,587.19	176,197.05	19,734.60	741,518.84
Category 1 disbursements (Note 2)					
Specific penalty bond	210.00	210.00	-	-	210.00
	210.00	210.00	-	-	210.00
Category 2 disbursements (Note 2)					
Internal bulk copying, printing and postage	6,250.00	0.47	2,760.26	3,489.27	6,250.00
Mileage	500.00	83.52	-	-	83.52
	6,750.00	83.99	2,760.26	3,489.27	6,250.00
Pre-administration costs unpaid as at date of administration					
Pre-administration EY costs	71,779.50	-	-	71,779.50	71,779.50
Pre-administration legal costs - Addleshaw Goddard LLP	67,256.45	50,000.00	-	17,256.45	67,256.45
Pre-administration legal costs - DLA Piper LLP	11,953.50	-	11,953.50	-	11,953.50
Total	1,302,057.45	595,881.18	190,910.81	112,259.82	898,968.29

Notes

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
 - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder.
 - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 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. Disbursements fall into either Category 1 or Category 2.

Moda Furnishings Ltd – In Administration
Summary of Joint Administrators' time costs incurred in the Period
and a comparison with the Fee Estimate dated 28 July 2023

	Per Fee Estimate			Actual in this reporting period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Administration & Planning	108.0	74,522.0	690	68.7	42,282.5	615	350.7	194,286.0	554
Creditors	66.8	51,838.0	776	14.1	9,695.0	688	87.3	58,425.5	669
Customers	140.3	88,217.0	629	2.0	680.0	340	71.5	35,005.0	490
Debtors	41.9	35,729.0	853	-	-	-	83.3	72,744.5	873
Employees	15.5	16,794.0	1,083	11.2	8,413.5	751	21.6	18,211.0	843
Enquiries & Investigations	47.4	30,845.0	651	-	-	-	131.1	65,754.0	502
Immediate Tasks	9.7	8,138.0	839	-	-	-	64.5	33,970.0	527
Job Acceptance & Strategy	1.5	2,157.0	1,438	-	-	-	2.0	2,820.0	1,410
Legal issues	12.6	12,702.0	1,008	-	-	-	-	-	-
Other Assets	65.3	49,011.0	751	5.0	4,750.0	950	49.5	37,500.0	758
Other Matters	57.9	44,109.0	762	5.0	4,525.0	905	41.0	23,150.0	565
Property	61.1	43,719.0	716	33.6	18,682.5	556	105.1	61,126.0	582
Reporting	149.5	107,727.0	721	64.5	38,157.5	592	182.8	146,452.5	801
Retention of Title	16.8	8,899.0	530	0.6	570.0	950	0.6	570.0	950
Statutory Duties	109.0	72,698.0	667	47.6	23,946.5	503	186.1	111,607.0	600
VAT & Taxation	110.8	84,866.0	766	64.4	34,607.0	537	162.3	105,968.5	653
Total	1,014.10	731,971	722	318.50	187,384	588	1,560.20	976,984	626

Appendix 5

Moda Furnishings Ltd – In Administration Statement of Work Completed in the Period

Outlined in the table below is supporting narrative explanation as to the work undertaken during the Period. This information is detailed on a category by category basis, aligned to the reporting of time costs in the table at Appendix 4.

Details of workstreams are presented below. This supporting information should be read in conjunction with all sections of this report.

Basis of work	Category of work	Description of work completed in the Period	Work done/In progress
Statutory	Administration & Planning	<ul style="list-style-type: none"> ▶ Case management of statutory tasks and compliance. This has included ensuring statutory compliance diaries are completed to reflect work done on the appropriate date. ▶ Treasury and accounting functions including: processing payments for services appropriately; processing receipts from asset realisations appropriately; ensuring bank accounts have been reconciled regularly; and, ensuring LTO receipts and payments are reconciled regularly. ▶ Time cost reports have been produced for ongoing monitoring and for the purposes of the progress report. ▶ Case reviews and general case progression. 	▶ In progress
Statutory	Creditors	<ul style="list-style-type: none"> ▶ Continued correspondence with creditors has progressed through the Period, including responding to various queries, updates on claim status and general interest in process. ▶ Assisting HP and asset finance creditors with the recovery of their assets. 	▶ In progress
Statutory	Customers	<ul style="list-style-type: none"> ▶ Extensive customer communications were prepared in order to assist customers with their claims. ▶ Dealing with customer queries via email, phone and letter. ▶ Monitoring and management of dedicated email enquiry addresses established to allow customers to contact the Joint Administrators. 	▶ In progress
Statutory	Employee Matters	<ul style="list-style-type: none"> ▶ Dealing with ad hoc queries in relation to TUPE transfer. ▶ Tasks associated with the Company's pension scheme. 	▶ In progress
Asset realisations	Other Assets	<ul style="list-style-type: none"> ▶ Dealing with other assets outside of the SPA (other debtors and pre-payments). 	▶ In progress
Statutory	Other Matters	<ul style="list-style-type: none"> ▶ Updating and reconciling Joint Administrators' estimated outcome statement. Monitoring strategy and case progression. 	▶ In progress
Asset realisations	Property	<ul style="list-style-type: none"> ▶ LTO management; invoicing rent, paying rent to landlord and reconciling the LTO account. ▶ Correspondence with landlord/agents regarding the LTO. ▶ Dealing with LTO termination on various Properties and liaising with the landlord/agents/Purchaser in this regard. 	▶ In progress

Basis of work	Category of work	Description of work completed in the Period	Work done/In progress
Statutory	Reporting	<ul style="list-style-type: none"> ▶ In addition, time has been incurred reporting to the Secured Creditors. 	▶ In progress
Statutory	Statutory Duties	<ul style="list-style-type: none"> ▶ Preparation of statutory progress reports to creditors and members. ▶ Preparation of documentation for the approval of the Joint Administrators' remuneration. 	▶ In progress
Statutory	VAT & Taxation	<ul style="list-style-type: none"> ▶ Correspondence with HMRC in relation to the Company's TLR claim. ▶ Preparation and submission of necessary VAT and Tax returns in the Period. 	▶ In progress

Moda Furnishings Ltd – In Administration

Statement of Joint Administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No.9

Joint Administrators' charging policy for remuneration

The Joint Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the Company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established specifically for this engagement. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time.

Administrators' charging policy for expenses

Statement of Insolvency Practice No. 9 divides expenses into two categories:

► Category 1 expenses are defined as specific expenditure relating to the Administration of the insolvent's affairs and referable to payment to an independent third party. Such expenses can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No. 9, it is our policy to disclose Category 1 expenses drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the expenses drawn.

► Category 2 expenses are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No. 9 provides that such expenses are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to seek approval for Category 2 expenses before they are drawn.

It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn.