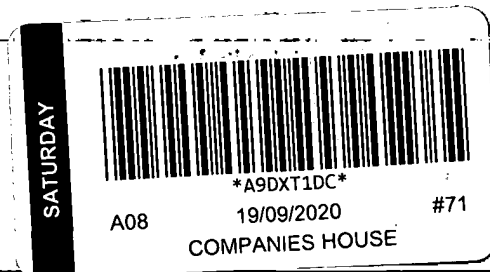


# CVA4

## Notice of termination or full implementation of voluntary arrangement



Companies House



### 1 Company details

|                      |               |   |   |   |   |   |   |   |
|----------------------|---------------|---|---|---|---|---|---|---|
| Company number       | 0             | 5 | 9 | 4 | 4 | 7 | 5 | 8 |
| Company name in full | Mucho Mas Ltd |   |   |   |   |   |   |   |

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

### 2 Supervisor's name

|                  |        |
|------------------|--------|
| Full forename(s) | Damian |
| Surname          | Webb   |

### 3 Supervisor's address

|                      |                      |
|----------------------|----------------------|
| Building name/number | 25 Farringdon Street |
| Street               |                      |
| Post town            | London               |
| County/Region        |                      |
| Postcode             | E C 4 A 4 A B        |
| Country              |                      |

### 4 Supervisor's name ①

|                  |         |
|------------------|---------|
| Full forename(s) | Gordon  |
| Surname          | Thomson |

① Other supervisor  
Use this section to tell us about another supervisor.

### 5 Supervisor's address ②

|                      |                      |
|----------------------|----------------------|
| Building name/number | 25 Farringdon Street |
| Street               |                      |
| Post town            | London               |
| County/Region        |                      |
| Postcode             | E C 4 A 4 A B        |
| Country              |                      |

② Other supervisor  
Use this section to tell us about another supervisor.

# CVA4

## Notice of termination or full implementation of voluntary arrangement

### 6 Date voluntary arrangement fully implemented or terminated

Date 

|   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|
| d | d | m | m | y | y | y | y |
| 2 | 7 | 0 | 8 | 2 | 0 | 2 | 0 |

### 7 Attachments

- I have attached a copy of the notice to creditors
- I have attached the supervisor's report

### 8 Sign and date

Supervisor's signature

Supervisor's signature

X *Tari V*

X

Signature date

|   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|
| d | d | m | m | y | y | y | y |
| 1 | 7 | 0 | 9 | 2 | 0 | 2 | 0 |



# CVA4

## Notice of termination or full implementation of voluntary arrangement



### 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 **Thomas Beat**

Company name **RSM Restructuring Advisory LLP**

Address **25 Farringdon Street**

Post town **London**

County/Region

Postcode **E C 4 A 4 A B**

Country

DX

Telephone **0203 201 8000**



### 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 and dated the form.



### Important information

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



### Where to send

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

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



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

**Mucho Mas Ltd**  
**('the Company')**

**In the High Court of Justice, No. 991 of 2019**

**Joint Supervisors' final failure report**

**Damian Webb and Gordon Thomson**  
**Joint Supervisors ('Supervisors')**

**RSM Restructuring Advisory LLP**  
**25 Farringdon Street, London, EC4A 4AB**  
**Tel: 0203 201 8000**  
**Email: [restructuring.london.core@rsmuk.com](mailto:restructuring.london.core@rsmuk.com)**



**Sections**

1. Introduction
2. Failure
3. Receipts and payments
4. Distribution to creditors
5. Assets
6. Exercise of discretion
7. Costs and disbursements

**Appendices**

- A. Notice of termination
- B. Summary of receipts and payments
- C. Supervisors' time cost analysis
- D. Supervisors' current charge out and disbursement rates
- E. Supervisors' category 2 disbursement table
- F. Charging, expenses and disbursements policy statement

## 1. Introduction

I refer to the appointment of Damian Webb and Allan Kelly as Supervisors of the Company Voluntary Arrangement ('CVA') approved by creditors on 6 January 2020.

The purpose of the report is to provide creditors with a final report on the Company Voluntary Arrangement, which has been formally terminated. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

A copy of the report has been sent to the court, the Registrar of Companies and to the Company.

### Change in Nominee

As a result of Allan Kelly leaving RSM Restructuring Advisory LLP, by Court Order dated 6 July 2020 ('the Order') he was removed as Supervisor and Gordon Thomson (IP No 24974) of RSM Restructuring Advisory LLP was appointed in his place.

In accordance with the terms of the Order, Allan Kelly was released from office with effect from 19 August 2020. The costs of the application were met by RSM Restructuring Advisory LLP. The Order also provided that each creditor of the estate was at liberty to apply to vary or discharge the Order 28 days from the notice issued to creditors on 22 July 2020.

## 2. Failure

The CVA proposals were approved by creditors on 6 January 2020 in order to achieve the following purposes:

- permit capital investment into the Company's sites and thereby maximise the return to creditors;
- secure the employment of the majority of the Company's workforce;
- enhance the profitability of the business;
- rationalise the Company's leasehold obligations, where necessary; and
- materially improve the Company's balance sheet.

Following approval of the proposals, the Company continued to trade well with positive like-for-like sales and significant growth in its delivery channel.

The Covid-19 pandemic and the subsequent lockdown dramatically impacted the casual dining sector and in March 2020 the Company shut all its restaurants and furloughed 98% of its staff.

Since the lockdown, the Company re-opened six restaurants for delivery and opened their first dark kitchen in partnership with Deliveroo. However, despite reopening these sites, the directors concluded that the Company would not be able to recover from the losses attributed to the lockdown period.

The most recent management accounts showed an operating loss of c£700k for the three months ended 28 June 2020. The EBITDA loss for the same period was c£550k.

The Company engaged Harper Dennis Hobbs ("HDH") to liaise with landlords in an attempt to consensually negotiate a reduction in the current CVA rent levels and associated arrears. However, they were unable to gain the required traction.

The directors were of the opinion that they would not be able to trade out of this situation and a further restructuring was required. This was due to levels of debt which were considered unsustainable. Management reported the following debts:

- HMRC £1.6m;
- Landlords to Sep 20 £579k; and
- Other unsecured creditors c£6.4m.

These numbers include the pre-CVA debts which are reinstated via the failure of the CVA.

The directors anticipated that once the current Government protection / moratorium ended, the Company would have been subject to creditor action from which it could not recover – ie it would be



## **Mucho Mas Ltd - Proposed Voluntary Arrangement contd.**

unable to pay its debts as they fall due. The Company would most likely have been placed in Liquidation, meaning the employees would have been made redundant and trading would have ceased, significantly reducing the value of the business and associated return to creditors.

As a result, the directors did not want to worsen the position for creditors and sought advice relating to the Company's current position.

Given the financial difficulties the Company faced as a result of the lockdown, the directors approached RSM Restructuring Advisory LLP on 13 May 2020 to consider its options. The directors had attempted to drive trading to a sustainable level but faced significant losses which required resources above those of the Company. They explored additional finance and consensual rent negotiations in the interim but were unable to achieve the requisite funding or cost reductions.

The directors concluded on 3 June 2020 that should the Company continue to trade without a restructuring plan, it would worsen the position for creditors. As the Company was insolvent (it couldn't pay its debts as they fell due), the directors agreed that an accelerated merger and acquisition process and Administration was the best option available. Accordingly, the directors and RSM Restructuring Advisory LLP commenced the collation of the information required to begin the accelerated merger and acquisition process.

A copy of the Notice of Termination for the CVA is attached at Appendix A.

### **3. Receipts and payments**

There have been no transactions in the CVA and therefore receipts and payments summary is blank.

### **4. Distributions to creditors**

#### **4.1 Secured creditors**

The CVA did not affect the rights of any secured creditor in respect of any secured liabilities due from the Company.

#### **4.2 Preferential creditors**

The CVA did not affect the rights of any preferential creditor in respect of any liabilities due from the Company.

#### **4.3 Unsecured creditors**

The statement of affairs reflected total unsecured creditors of £9.2m.

No dividend will be distributed to any class of creditors as no funds have been realised and the CVA has been formally terminated.

### **5. Assets**

#### **5.1 Voluntary contributions**

No contributions have been received in the CVA.

The first contribution was payable by 31 July 2020, however given the significant losses made in the three months ending 30 June 2020, the Company did not have sufficient cash to pay this. Further, the Company was liaising with the Supervisors regarding the available options to restructure the business.

**6. Exercise of discretion**

There has been no extension of the period of the CVA.

**7. Costs and disbursements**

A Guide to Supervisors' Fees, which provides information for creditors in relation to the remuneration of a Supervisor, can be accessed at <https://rsmuk.ips-docs.com/> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

**7.1 Nominees' fees**

The basis of the Joint Nominee's fees was dealt with in the Proposal.

The Nominee's fees related to assisting the directors of the Company in the preparation of the Proposal, reporting to court on the Proposal and in calling and chairing the meetings of the Company and of the creditors.

The Company paid £35,000 in relation to our fees as Nominees prior to the approval of the CVA.

Our disbursements as Nominees were dealt within the proposals and amounted to £1,129 and have been written off in full. No category 2 disbursements were incurred by us as Nominees.

Disbursements charged to the estate as a consequence of the Nominees' services are exempt of VAT. Certain third-party disbursements may include VAT. However, where the Nominees' services are exempt of VAT this VAT cannot be recovered.

**7.2 Supervisors' costs**

The basis of the Supervisors' remuneration was dealt with in the Proposal and was estimated to be £100,000 (exempt of VAT).

Total time costs of £40,797, representing 123 hours, has been incurred and has been written off in full, hence RSM Restructuring Advisory LLP has no outstanding fees in relation to the CVA of the Company. RSM Restructuring Advisory LLP is not a creditor of the Company and therefore has no influence on the objectivity of the Administrators.

Following the above, the Company will not treat RSM Restructuring Advisory LLP as a creditor or be required to include them in the Directors' Statement of Affairs.

An analysis of the total time spent analysed by grade of staff and by activity, together with details of current charging rates is enclosed.

**7.3 Other professional costs**

No professional costs have been paid in the reporting period.

As this matter is now concluded, there will be no further reports to creditors in respect of the CVA.





**Mucho Mas Ltd - Proposed Voluntary Arrangement  
contd.**

If you have any queries on the contents of this report, please do not hesitate to contact Thomas Beat of my office.

Yours faithfully



**Damian Webb**  
**RSM Restructuring Advisory LLP**  
**Joint Supervisor**

restructuring.london.core@rsmuk.com

Encls

Damian Webb and Gordon Thomson are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

**Appendix A**

**Notice of termination**

**In the High Court of Justice No. 991 of 2019**

**Mucho Mas Ltd**

**Company number: 05944758**

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**Certificate of non-compliance pursuant to Clause 32 (completion or termination of the CVA) of Part V of the Directors' proposal**

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Notice is hereby given, in accordance with Clause 29 (Completion or Termination of the CVA) of the Directors' proposal for a Company Voluntary Arrangement in respect of the Company dated 10 December 2019, the Company has failed and shall be deemed terminated with effect from 27 August 2020.

Dated: 15 September 2020



**Damian Webb**  
**RSM Restructuring Advisory LLP**  
**Joint Supervisor**

**Name, address & contact details of Supervisor appointed on 6 January 2020**

**Primary Office Holder**

Damian Webb  
25 Farringdon Street, London, EC4A 4AB  
Tel: 020 3201 8000  
Email: restructuring.london.core@rsmuk.com  
IP Number: 14970

**Joint Office Holder:**

Gordon Thomson  
25 Farringdon Street, London, EC4A 4AB  
Tel: 0203 201 8000  
Email: restructuring.london.core@rsmuk.com  
IP Number: 24974



**Appendix B**

**Supervisors' receipts and payments account**

**From 6 January 2020 to date**

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|                                |            |
|--------------------------------|------------|
| <b>ASSET REALISATIONS</b>      | <b>NIL</b> |
| <b>COST OF REALISATIONS</b>    | <b>NIL</b> |
| <b>CREDITORS DISTRIBUTIONS</b> | <b>NIL</b> |
| <b>BALANCE</b>                 | <b>NIL</b> |

Appendix C

Supervisors' time cost analysis for the period from 6 January 2020 to date

| Hours Spent                                     | Partners   | Directors / Associate | Managers   | Assistant Managers | Administrators | Support Staff | Total Hours | Total Time Costs | Average Rates |
|-------------------------------------------------|------------|-----------------------|------------|--------------------|----------------|---------------|-------------|------------------|---------------|
| Administration and Planning                     | 0.0        | 2.5                   | 2.4        | 1.0                | 5.6            | 0.0           | 11.5        | £ 2,742.50       | 238.48        |
| Appointment                                     | 0.0        | 0.0                   | 1.6        | 0.0                | 0.0            | 0.0           | 1.6         | £ 552.00         | 345.00        |
| Background Information                          | 0.0        | 0.0                   | 4.8        | 0.8                | 11.3           | 0.3           | 32.4        | £ 11,583.00      | 357.50        |
| Case Management                                 | 0.3        | 14.9                  | 4.8        | 0.0                | 1.1            | 0.0           | 2.4         | £ 687.50         | 286.46        |
| Director(s)/debtor/bankrupt                     | 0.0        | 0.2                   | 1.1        | 0.0                | 1.1            | 0.0           | 2.4         | £ 408.00         | 120.00        |
| Pension Scheme                                  | 0.0        | 0.0                   | 0.0        | 0.0                | 3.4            | 0.0           | 3.4         | £ 430.00         | 159.26        |
| Post-appointment - general                      | 0.0        | 0.4                   | 0.0        | 0.0                | 2.3            | 0.0           | 2.7         | £ 907.00         | 394.35        |
| Pre-appointment matters                         | 0.0        | 1.9                   | 0.0        | 0.4                | 0.0            | 0.0           | 2.3         | £ 180.00         | 300.00        |
| Receipts and Payments                           | 0.0        | 0.0                   | 0.4        | 0.0                | 0.2            | 0.0           | 0.6         | £ 2,778.50       | 448.15        |
| Tax Matters                                     | 0.4        | 0.0                   | 1.1        | 0.0                | 3.2            | 1.5           | 6.2         | £ 20,268.50      | 321.21        |
| Total                                           | 0.7        | 19.9                  | 11.4       | 2.2                | 27.1           | 1.8           | 63.1        |                  |               |
| Realisation of Assets                           | 0.0        | 2.0                   | 0.0        | 0.0                | 3.7            | 0.0           | 5.7         | £ 1,461.00       | 256.32        |
| Land and Property                               | 0.0        | 0.0                   | 0.0        | 0.0                | 3.7            | 0.0           | 3.7         | £ 1,461.00       | 256.32        |
| Total                                           | 0.0        | 0.2                   | 0.0        | 0.0                | 0.0            | 0.0           | 0.2         | £ 115.00         | 575.00        |
| Trading                                         | 0.0        | 0.2                   | 0.0        | 0.0                | 0.0            | 0.0           | 0.2         | £ 115.00         | 575.00        |
| Total                                           | 0.0        | 0.0                   | 0.0        | 0.0                | 0.0            | 0.0           | 0.0         | £ 115.00         | 575.00        |
| Creditors                                       | 7.5        | 3.5                   | 5.6        | 0.0                | 0.0            | 0.0           | 16.6        | £ 8,632.00       | 520.00        |
| 1st creditors/shareholders meetings and reports | 0.0        | 0.0                   | 0.0        | 0.0                | 2.6            | 0.0           | 2.6         | £ 402.00         | 154.62        |
| Other Creditor Meetings and Reports             | 0.0        | 0.0                   | 0.0        | 0.0                | 3.5            | 0.0           | 3.5         | £ 980.00         | 280.00        |
| Secured Creditors                               | 0.0        | 0.0                   | 0.0        | 0.0                | 18.5           | 0.1           | 31.0        | £ 8,833.00       | 284.94        |
| Unsecured Creditors                             | 0.4        | 8.9                   | 3.1        | 0.0                | 0.1            | 0.1           | 53.7        | £ 18,847.00      | 350.97        |
| Total                                           | 7.9        | 12.4                  | 8.7        | 0.0                | 24.6           | 0.1           | 53.7        |                  |               |
| Case Specific Matters - Legal Matters           | 0.0        | 0.0                   | 0.0        | 0.0                | 0.5            | 0.0           | 0.5         | £ 105.00         | 210.00        |
| Legal Matters                                   | 0.0        | 0.0                   | 0.0        | 0.0                | 0.5            | 0.0           | 0.5         | £ 105.00         | 210.00        |
| Total                                           | 0.0        | 0.0                   | 0.0        | 0.0                | 0.5            | 0.0           | 0.5         | £ 105.00         | 210.00        |
| Total Hours                                     | 8.6        | 34.5                  | 20.1       | 2.2                | 55.9           | 1.9           | 123.2       | £ 40,796.50      | 331.14        |
| Total Time Cost                                 | £ 5,333.00 | £ 17,355.00           | £ 7,146.50 | £ 616.00           | £ 8,915.00     | £ 1,431.00    | £ 40,796.50 |                  |               |
| Total Hours                                     | 8.6        | 34.5                  | 20.1       | 2.2                | 55.9           | 1.9           | 123.2       | £ 40,796.50      | 331.14        |
| Total Time Cost                                 | £ 5,333.00 | £ 17,355.00           | £ 7,146.50 | £ 616.00           | £ 8,915.00     | £ 1,431.00    | £ 40,796.50 |                  |               |
| Average Rates                                   | 620.12     | 503.04                | 355.55     | 280.00             | 159.48         | 753.16        | 331.14      |                  |               |



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**Appendix D**

**RSM Restructuring Advisory LLP**

**Supervisors' current charge out and disbursement rates**

| <b>Hourly charge out rates</b>  | <b>Rates at commencement</b><br>£ | <b>Current rates</b><br>£ |
|---------------------------------|-----------------------------------|---------------------------|
| Partner                         | 625                               | 625                       |
| Directors / Associate Directors | 450 to 575                        | 450 to 575                |
| Manager                         | 345                               | 345                       |
| Assistant Managers              | 280                               | 280                       |
| Administrators                  | 105 to 210                        | 105 to 210                |
| Support staff                   | 90 to 190                         | 90 to 190                 |

| <b>'Category 2' disbursement rates</b> |                                       |
|----------------------------------------|---------------------------------------|
| Internal room hire                     | Location dependent                    |
| Subsistence                            | £25 per night (from 3 September 2013) |
| Travel (car)                           | 42.5p per mile (from 1 April 2011)    |
| 'Tracker' searches                     | £10 per case                          |

Appendix E

RSM Restructuring Advisory LLP

Supervisors' category 2 disbursements table

| <b>Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest</b> |                   |                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|
| <b>Recipient, type and purpose</b>                                                                                                                 | <b>Paid<br/>£</b> | <b>Unpaid<br/>£</b> |
| Total                                                                                                                                              | NIL               | NIL                 |



## Appendix F

### RSM Restructuring Advisory LLP

#### Charging, expenses and disbursements policy statement

##### Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP (London) are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

##### Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A decision regarding the approval of category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP (London) will be sought from the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.