



## Pubs Code Adjudicator

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Iain Wright MP  
Chair, Business, Energy and Industrial  
Strategy Select Committee  
House of Commons  
London  
SW1A 0AA  
[wrighti@parliament.uk](mailto:wrighti@parliament.uk)

25 November 2016

Dear Mr Wright,

I have been asked by Minister James to review the oral evidence that I gave to the Business Innovation and Skills Select Committee on 10 May in order to identify any technical inaccuracies and, if necessary, correct the record.

I want to be sure that I have been as accurate as I possibly can be with the Committee. Therefore referring to the transcript of my response to Question 27 there are three particular matters as set out below;

1. I referred to “debenture shares”. This is incorrect terminology and I should have stated “debenture loan notes”.
2. I referred to having shares in the “operating company”. To be clear the reference to the shares should have been in respect of Fleurets Holdings Limited.
3. I stated that the shares which had converted to non-voting, non-dividend bearing status were held as security in respect of a director’s loan account. This was incorrect. Having checked the position I now know that the loan account is unsecured.

Please accept my apologies for these inaccuracies in what was a very unfamiliar and quite stressful situation.

In my response at Question 28 I undertook to ask whether the monies owed to me by Fleurets could be repaid more quickly than in accordance with the terms of the pre-existing agreements in place.



I therefore wrote to Fleurets to enquire whether they would vary the existing contractual arrangements to redeem the Debenture Loan Notes and repay the Director's Loan Account that is owing to me following my resignation as a Director and departure from the firm on 29 April 2016. Subsequently I have had a response in which Fleurets have stated that they are unable to change the schedule of payments for reimbursement of the total amount owing to me.

Fleurets' position is that the relevant agreements were put in place in order to make resignations and retirements from the firm affordable over a period of time, so as not to put undue strain on capital resources. I am aware that there are recent and forthcoming retirements from Fleurets where similar arrangements will apply, and therefore it will be difficult for them to consider special arrangements or to set other precedents.

I hope this clarifies matters, however if you have any further queries please let me know.

Please note that this letter has been copied to Minister James.

Yours sincerely

**Paul Newby**

**PUBS CODE ADJUDICATOR**