Wilko’s disappearance would leave an enormous hole on the high street

Discount retailer Wilko has failed despite catering to precisely the sort of cost-conscious, value driven consumer whose number has been swelled by the cost-of-living squeeze.

While direct competitors B&M, Home Bargains and Poundland, as well as limited-range supermarkets Lidl and Aldi have thrived, **its 400 stores and 12,500 jobs are now under threat**.

Founded 93 years ago in Leicester as Wilkinsons by James Kemsey Wilkinson, the homeware-to-stationary has succumbed to an unsustainable debt burden despite a rebrand and multiple changes of management.

The most recent turnaround plan came at the turn of year when Wilkinson’s great-grandaughter, Lisa Wilkinson, was removed as chairwoman, and Mark Jackson became the third chief-executive in as many years.

Despite recording a £36.8m loss in 2022 it paid a dividend of £3m to its owners, led by the Wilkinson family, and tried to restructure its debt.

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A sale-and-leaseback of a distribution centre raised £48m and **a two-year £40m loan from restructuring specialists Hilco was agreed**.

In its last accounts, dating to January last year, it warned it would have "insufficient committed financing" to withstand a "severe but plausible downturn in trading activity", and forecast that sales would continue to decline.

That downturn has now arrived, threatening the viability of a chain that will leave an enormous hole on the high street if its 400 stores – many of them taken on following the collapse of Woolworths, should it follow suit.

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