In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

THURSDAY

A8Y7H6G1
A11 06/02/2020 #109
COMPANIES HOUSE

1 Company details

Company number	0 0 8 2 6 1 0 2
Company name in full	Arjobex Limited T/A Polyart

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

2 Administrator's name

Full forename(s)	Glyn
Surname	Mummery

3 Administrator's address

Building name/number	Jupiter House, Warley Hill Business Park
Street	The Drive
Post town	Brentwood
County/Region	Essex
Postcode	C M 1 3 3 B E
Country	

4 Administrator's name ❶

Full forename(s)	Geoffrey Paul
Surname	Rowley

❶ **Other administrator**
Use this section to tell us about *another administrator.*

5 Administrator's address ❷

Building name/number	2nd Floor
Street	110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	

❷ **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	14 07 2019
To date	13 01 2020

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X X
Signature date	05 02 2020

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	Alexandra Thurgood
Company name	FRP Advisory LLP
Address	Jupiter House
	Warley Hill Business Park
Post town	The Drive
County/Region	Brentwood
Postcode	E s s e x
Country	
DX	cp.brentwood@frpadvisory.com
Telephone	01277 50 33 33

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.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email 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

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 14/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	POST APPOINTMENT SALES		
	Sales	277,019.22	2,632,704.78
	Rental Income: 11B & C Stephenson R	33,697.98	67,395.96
	Suppliers Overpayments	2,072.60	3,941.16
	VAT Refund for Euro Account	99,464.99	299,302.51
	Apportionments - Raw Mat/Consumabl	180,956.57	180,956.57
	Apportionments - Wages, Pension, PA	42,116.63	42,116.63
	Apportionments - Utilities & Leases	2,976.36	2,976.36
	Apportionments - Subscriptions	30,461.94	30,461.94
	Stock - Raw Mat, Consumables etc	247,245.48	247,245.48
	Stock - WIP/Finished Goods	50,842.34	50,842.34
	Funds from Euro Account	361,604.86	361,604.86
		1,328,458.97	3,919,548.59
	TRADING EXPENDITURE		
	PAYE/NI	56,732.91	392,156.65
	Pensions & Life Insurance	27,002.99	138,366.69
	Unite Union	286.67	2,285.48
	Cleaning/Site Maintenance	5,959.54	20,888.98
	Utilities (Electricity/Water/Gas)	126,137.97	324,240.93
	Photocopier Rental	966.07	2,065.15
	Suppliers - Raw Materials	89,435.83	757,115.42
	Suppliers - Sundry	5,530.04	19,904.12
	Suppliers - Engineering/Consumables	28,775.13	112,919.86
	Bank Charges - Trading	50.40	160.24
	Patent Renewal/Index Subscription Fe	8,257.60	42,094.07
	Business Rates	22,381.12	22,381.12
	Car Leasing Costs	2,444.48	12,060.28
	Wages	115,929.07	871,279.34
	IT Expenses	5,250.00	5,818.50
	Insurance	62,624.66	62,624.66
	Telephone	1,490.24	9,649.51
	ROT Settlements	NIL	38,115.93
		(559,254.72)	(2,834,126.93)
	TRADING SURPLUS/(DEFICIT)	**769,204.25**	**1,085,421.66**

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 14/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	ASSET REALISATIONS		
Uncertain	Goodwill	50,000.00	50,000.00
Uncertain	Land and Buildings	1,250,000.00	1,250,000.00
Uncertain	Investment Property	NIL	NIL
Uncertain	Plant, Machinery, Vehicles, Equip etc	424,994.00	424,994.00
Uncertain	Stock/Raw Materials	NIL	NIL
Uncertain	Inventory Spare Parts	NIL	NIL
907,924.00	Book Debts	NIL	819,310.46
Uncertain	Prepayments	NIL	NIL
257,292.00	VAT Refund	NIL	265,170.59
11,268.00	Cash at Bank	NIL	11,270.51
	Petty Cash	325.73	325.73
20,000.00	HMRC Duty Deferment Deposit Refun	NIL	20,000.00
	Business Rates Refund	7,668.52	17,009.86
	Bank Interest Gross	6,618.36	7,196.05
	Rental Income - 11 Stephenson Road	NIL	NIL
	FIT Income Compensation	14,023.00	14,023.00
	Trading Surplus/(Deficit)	769,204.25	1,085,421.66
Uncertain	Current/Treasury Account	1.00	1.00
	Customer Contracts	1.00	1.00
	Data	1.00	1.00
	Sales Information	1.00	1.00
	Rights of Action	1.00	1.00
	Software Licenses	1.00	1.00
		2,522,839.86	3,964,727.86
	COST OF REALISATIONS		
	PR Consultancy Fees	595.00	595.00
	Professional Fees	2,420.00	2,420.00
	Administrators Pre Appt Fees	NIL	7,456.00
	Administrators Remuneration - Time C	547,758.00	847,758.00
	Administrators Disbursements - Cat 1	198.46	1,333.88
	Administrators Disbursements - Cat 2	3,584.32	6,375.40
	Pre Appt Legal Fees & Disbursements	NIL	25,802.28
	Post Appt Legal Fees & Disbs	390,348.82	390,348.82
	Post Appt Agents Fees & Disbs - Hilco	19,769.90	25,769.90
Uncertain	Post Appt Agents Fees - Ernst & Youn	NIL	NIL
	Post Appt Agents Fees - Fenn Wright	1,500.00	2,750.00
	Bonding	NIL	1,100.00
Uncertain	Corporation Tax	NIL	NIL
	Statutory Advertising	NIL	69.93
	VAT Irrecoverable	49.64	768.74
	Computer Consumables	NIL	NIL
	Petty Cash	NIL	500.00
	Pension Advisory Fees	5,236.50	5,236.50
	Climate Change agreement scheme	NIL	19,124.00
Uncertain	Storage Costs	NIL	NIL
	Rates refund received in error	NIL	9,341.34
	Insurance - No 11 Stephenson Road	NIL	NIL
	Property Valuation Costs - Kemsleys	1,250.00	1,250.00
	Bank Charges - Floating	(31.00)	43.80
Uncertain	Business Rates Recovery Fees - CAPA	2,300.56	2,300.56
Uncertain	Accountancy Fees	2,530.00	2,530.00
		(977,510.20)	(1,352,874.15)

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 14/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	PREFERENTIAL CREDITORS		
(1,840.00)	Employees - Pension	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(1,426,749.73)	Trade & Expense Creditors	NIL	NIL
(63,482.79)	HMRC - PAYE	NIL	NIL
(55,000,000.00)	Pension Protection Fund	NIL	NIL
(16,841.00)	Employees- Pension	NIL	NIL
(5,682.50)	Associated Companies	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2,000,100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(57,318,212.02)		**1,545,329.66**	**2,611,853.71**
	REPRESENTED BY		
	Vat Recoverable - Floating		5,324.60
	IB Current Floating		2,605,071.98
	IB Cur Flt-Wages HoldAcc/NIB 19.8.19		1,457.13
	Vat Payable - Floating		(2,246.54)
	Vat Control Account		2,246.54
			2,611,853.71

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 14/07/2019 To 13/01/2020 €	From 14/01/2019 To 13/01/2020 €
	POST APPOINTMENT SALES		
	Sales: Arjobex SAS	206,957.73	2,455,783.56
	Supplier Overpayments	NIL	NIL
		206,957.73	2,455,783.56
	TRADING EXPENDITURE		
	Suppliers - Raw Materials	31,927.50	1,596,571.34
	Suppliers - Sundry	NIL	2,294.50
	Suppliers - Engineering/Consumables	NIL	2,779.60
	Bank Charges	23.34	704.76
	Patent Renewal Fee - Trade Marks	NIL	3,420.00
	ROT Settlement	NIL	98,992.78
	IT Expenses	342.00	647.55
	Insurance	NIL	6.99
	VAT reclaim converted to sterling	50,017.53	339,041.18
	Funds transferred to Sterling Account	411,253.21	411,253.21
		(493,563.58)	(2,455,711.91)
	TRADING SURPLUS/(DEFICIT)	**(286,605.85)**	**71.65**

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 14/07/2019 To 13/01/2020 €	From 14/01/2019 To 13/01/2020 €
	ASSET REALISATIONS		
	Trading Surplus/(Deficit)	(286,605.85)	71.65
		(286,605.85)	71.65
		(286,605.85)	**71.65**
	REPRESENTED BY		
	Vat Receivable		71.65
			71.65

Note:

FRP

ARJOBEX LIMITED T/A POLYART (IN ADMINISTRATION) ("THE COMPANY")

The High Court of Justice NO. 000319 OF 2019

The Administrator's Progress Report for the period 14/07/2019 – 13/01/2020 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules 2016

5 February 2020

Contents and abbreviations

FRP

The following abbreviations may be used in this report:

AL	Arjobex Limited
AAI	Arjobex America Inc.
AHSAS	Arjobex Holdings SAS (Immediate parent of AL)
APL	Arjobex Polyart Limited
ASAS	Arjobex SAS
BSA	Business Sale Agreement
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
FW	Fenn Wright (Property Agents & Valuers)
FRP	FRP Advisory LLP
Hilco	Hilco Valuation Services (Chattel Agents)
HMRC	HM Revenue & Customs
JLT	JLT Speciality Ltd (Insurance Brokers) – Now known as Marsh Ltd
PC	Prudentia Capital
PEA	Pre-Emption Agreement (entered into with APL relating to No. 11 Stephenson Road, Clacton on Sea, Essex
PPF	Pension Protection Fund
Proposals	The Joint Administrators formal proposals to creditors dated 01.03.19
QFCH	Qualifying Floating Charge Holder

Contents and abbreviations

FRP

ROT	Retention of Title
SSA	Sequana SA (Ultimate Parent Company)
SIP	Statement of Insolvency Practice
The Administrators	Glyn Mummery and Geoffrey Paul Rowley of FRP Advisory LLP
The Company	Arjobex Limited T/A Polyart (In Administration)
The Insolvency Rules	The Insolvency (England and Wales) Rules 2016
The Period	The reporting period 14/07/2019 to 13/01/2020
WG&M	Weil, Gotshal & Manges (London) LLP (Solicitors)
Working Capital Assets	Stock, parts, raw materials, WIP, finished/partly finished goods -pursuant to the sale of the business and certain assets to APL.

1. Progress of the Administration

Background/the Proposals

This report should be read in conjunction with our previous reports to creditors dated 1 March 2019 and 7 August 2019, which set out full background information behind the Company, the reasons which led to it being placed into Administration, the Administrators formal proposals for conducting and achieving the purpose of the Administration and general progress within the Administration.

The Administrators Proposals were agreed by creditors on 22 March 2019, subject to a modification regarding the basis of the Administrators remuneration (see later comments). The decision for the Administrators discharge from liability was rejected at that point but is now being re-sought (see later comments).

Statutory information regarding the Company and the administration appointment is attached at Appendix A.

The objective of the administration

The Administrators previously advised that they did not think that objective (a) of the Administration, as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, being to rescue the Company as a going concern, was capable of being achieved. This was because of the extent of the S75 liability due to the PPF, which has now been formally demanded in the sum of £55m. Accordingly, there was no realistic prospect of the Company proposing a CVA due to the extent of its outstanding liabilities.

As such, the Administrators advised they would pursue objective (b) in the first instance, namely, to achieve a better result for the Company's creditors as a whole than would be likely if the Company had been wound-up (without first being in administration).

In our last report, we set out the reasons which demonstrated how and why objective (b) had been met.

Work undertaken during the period

Attached, at Appendix B, is a Schedule of Work undertaken during the Period together with a summary of work still to be completed.

An overview of key actions/information is set out below: -

Trading

We continued to trade the Company throughout the Administration up to the point when the sale of the business and certain assets to APL was completed on 25 July 2019.

The Administrators maintained a daily presence on site during the period of trading and necessary procedures were implemented to control trading and monitor performance.

Trading up to the date of the sale of the business was substantially cash positive, resulting in a trading surplus of over £1m.

Sale of Business & Certain Assets

Chattel Agents, Hilco, had previously been instructed to compile an inventory and valuation of the Company's physical assets/intellectual property and Property Agents, FW, were instructed to undertake valuations of the Company's two freehold properties situate at 10 & 11, Stephenson's Road, Clacton on Sea, Essex.

In respect of the physical assets/intellectual property, it was evident there was a substantial difference between the "in-situ" and "ex-situ" values extended by Hilco, thereby re-enforcing our view that asset realisations would be substantially augmented through a successful sale of the Company's business and assets, as part of a sale of the wider Arjobex Division.

1. Progress of the Administration

Given the inter-dependency between the four companies that made up the Arjobex Division, it was clear that the best, and realistically only viable option, for selling the business and assets, and maximising value, was via a sale of the Arjobex Division as a package.

After a protracted period of marketing, undertaken in conjunction with the French Liquidators who had been appointed in respect of SSA and AHSAS, two offers were eventually received, and meetings were subsequently arranged with the respective bidders, with the French Liquidators in attendance.

A co-ordinated approach between the French Liquidators and the Administrators was agreed and both offers were presented to the French Court at a hearing held in early July 19. At that hearing, the Judge decided to conduct a "best & final bid" exercise, with the bid from PC subsequently being afforded "preferred bidder" status.

It was agreed by all parties that the sale of the shares in AHSAS (the immediate parent company of both ASAS and AAI) by the French Liquidators and the sale of the business and certain assets of AL should be conducted simultaneously and on an accelerated basis, with a target date for completion of both transactions of 12 July 2019.

In the event, due to the complexity of the transactions, it was not possible to complete the sale(s) within that timeframe, with completion of the business and certain assets of AL taking place on 25 July 2019.

A breakdown of the sale price achieved for AL, compared to the professional valuations extended, is set out below: -

Asset	Note	Consideration	Market Value – In - Situ (or OMV)	Market Value – Ex-Situ (or OMV)
F/H – No. 10 Stephenson Rd, Clacton, Essex	1)	£1,250,000	£1,250,000	£1,250,000
Plant, Machinery, Equipment (Chattels) etc.	2)	£424,994	£958,500	£377,500
Intellectual Property/Goodwill/ Patents/ Trademarks	3)	£50,000	£70,000/£50,000	Nil
Holding Debt	4)	£1	N/A	N/A
Customer Data		£1	N/A	N/A
Data		£1	N/A	N/A
Sales Information		£1	N/A	N/A
Rights of Action		£1	N/A	N/A
Software Licences		£1	N/A	N/A
Working Capital Assets	5)	£298,087	Uncertain	Uncertain
Total		**£2,203,087**	**£2,278,500/ £2,228,500**	**£1,627,500**

Notes

1) No. 10 Stephenson Road was valued in February 19 at £1.25m by professional Agents, FW. The property was intrinsic to the business and therefore there was no prospect of selling it in isolation. The offer received for the property was referred to FW who subsequently confirmed

that the offer was within their expected realisation range and, therefore, was acceptable.

2) The chattel/physical assets etc. were valued by chattel agents, Hilco in January 19. It subsequently became apparent that on a break-up basis, given the age of the assets and potential high maintenance/repair costs going forward, that the ex-situ value of the assets could be substantially less. Hilco also advised that the costs of disposal in a break-up could be considerable. The offer for the assets was referred to Hilco who confirmed that the offer was above their ex-situ value and, in the absence of any other offers, should be accepted. It should be noted that the under-bidder was unwilling to place any value on these assets.

3) The IP was valued by Hilco in March 19. In a breakup, Hilco advised that there would be no likely realisable value for IP. The consideration paid was within their in-situ valuation range and was, therefore, accepted.

4) At the date of Administration, a debt of £1.039m was owed by AHSAS to AL. The full circumstances behind the creation of this debt was set out in our Proposals Report dated 1 March 2019. Other than its shareholdings in subsidiary companies, AHSAS had no realisable assets. With it being subject to *Sauvegard* proceedings in France, there was little prospect of achieving any recovery in respect of this debt. In the interest of the wider deal, it was agreed that the debt would be assigned to APL for £1.

5) As part of the transaction, APL agreed to purchase the Working Capital Assets. The aggregate value of these items amounted to £298,087, plus VAT (on a £ for £ basis) and payment was received in full during the Period, in accordance with the terms of the BSA. To support this element of deferred consideration, a first legal charge was obtained from APL over the Company's former freehold property situate at 10 Stephenson Road, Clacton on Sea, Essex, which was subsequently released. In the absence of a sale, given the unique nature of much of the stock, the value realised would have been substantially less.

6) Excluding Working Capital Assets (see note 5), the consideration of £1,725,000 was settled in full upon completion.

<u>Other aspects of sale</u>

- Re-imbursement in respect of apportionments, raw materials and consumables (either on site and/or ordered which had not been delivered) was subject to preparation and agreement of a final account with APL. This was agreed and settled in the sum of approx. £257k plus VAT, slightly lower than the original estimate of £270k, plus VAT.

- The Administrators entered into a six-month PEA with APL, in respect of the Company's freehold investment property situate at 11 Stephenson Road, Clacton on Sea, Essex, located next door to the Company's former trading premises. This PEA was agreed to afford time for APL to consider whether the property was strategic to the future of the business and, if so, to make an offer to purchase it. The PEA expired on 24 January 2020 without it being exercised.

- At the time of our last report, we advised that that an offer for the freehold had been received from an un-connected party at a level which had been recommended for acceptance by our agents, FW. Nevertheless, prior to acceptance of this offer, the Administrations instructed FW to test further the market, via a short- term intensive marketing campaign. This strategy resulted in a further offer being received, at a level substantially in excess of the earlier offer.

- At this stage, the Administrators are not at liberty to disclose the level of the offer, as to do so could jeopardise the transaction. Further information will be provided to creditors in due course.

- Book Debts of approx. £89k, due to the Company by ASAS and outstanding at the date of completion of the BSA were subsequently settled in full.

1. Progress of the Administration

FRP

Employees/TUPE consultation

- Our consultation with the Union representatives in respect of the sale of the business and certain assets was completed during the Period. No redundancies were necessary.

Receipts and Payments Accounts

Copies of the Administrators Receipts & Payments Accounts for the Period and cumulatively, for both the sterling and Euro accounts, are attached, at Appendix C, together with Trading Accounts for each currency.

Further narrative around key assets/payments is set out in the Schedule of Work, attached at Appendix B.

The Euro accounts were closed following the cessation in trading.

The trading account shows a substantial cash positive position in excess of. £1m.

Assets still to Realise

Assets still to realise are as follows: -

1. Freehold (investment) property situate at No. 11 Stephenson Road, Clacton on Sea, Essex. Our earlier comments advise that we are now pursuing a sale to an alternative party, following the PEA not being exercised. An offer has been recommended for acceptance by FW, which we now intend to progress. Subject to completion, the realisation should be substantially in excess of £1m.
2. In the meantime, rental income of approx. £5.5k pm plus VAT continues to be received into the Administration estate.
3. Any VAT reclaims and/or re-imbursements due to the Company.

Investigations

Part of my duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I have reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have regarding the way in which the Company's business has been conducted.

Further details of the conduct of my investigations are set out in the Schedule of Work attached. I confirm that no further investigations or actions were required.

Extension to the initial period of appointment

The PEA entered into with APL in respect of No. 11 Stephenson Road, Clacton on Sea, Essex, which is binding on the Administrators, ran for a period of six months from 25 July 2019.

In the light of the above, at the time of our last report, we sought creditors agreement to extend the Administration for a period of twelve months from the expiry date of the Administration i.e. to 13 January 2021.

This was subsequently approved by creditors on 29 August 2019, by way of a decision procedure, subject to the following modification proposed by the PPF: -

"The Company being moved into CVL within one month of the earlier of a sale of No. 11 Stephenson Road or exercise of the PEA in relation to that property".

Anticipated exit strategy

The Company will exit Administration into Creditors Voluntary Liquidation, which is in accordance with one of the exit routes proposed in the Administrators Proposals and approved by creditors.

1. Progress of the Administration

As there has been no sale of the property and the PEA was not exercised, we have informed the PPF that it is our intention to keep the Company in Administration for the time being, to allow time for the sale of the property to be concluded, to which it has agreed.

Subject to the sale progressing, we estimate that the likely timescale for the Company to exit Administration into CVL will be approx. three months.

Administrators discharge from liability

In readiness for exit from Administration, the Administrators are seeking creditors approval to the Administrators discharge from liability, in accordance with paragraph 98 of Schedule B1 to the Insolvency Act 1986, 30 days from the date the Company enters into liquidation.

This will be determined by way of a "decision procedure" and a Voting Form for completion and return is enclosed in this respect.

2. Estimated Outcome for the creditors

The estimated outcome for creditors was set out in the Administrators proposals and subsequently updated in our Progress Report dated 7 August 2019.

Outcome for the secured creditors

There are no secured creditors.

Outcome for the preferential creditors

A preferential claim for £1,840 was outstanding, relating to unpaid pension contributions for December 2018, the month before the date of Administration.

A claim was submitted to the National Insurance Fund ("NIF") which subsequently settled the claim directly with the pension provider.

Potential preferential claims in respect of arrears of wages for the period 1 January 2019 to 13 January 2019 were settled in full as an expense of the Administration at the end of that month.

No other preferential claims are expected to arise.

Outcome for the unsecured creditors

There will be enough funds available to make a distribution to unsecured creditors in due course.

In our last report, we indicated that the projected dividend for creditors had been increased from 2p in the £, as advised in our Proposals, to approx. to 5p in the £.

At this stage, we see no reason to alter this estimate.

It should be noted that the costs and expenses of any subsequent Liquidation have not been included at this stage, or any tax liabilities that may arise from the sale of the business and certain assets, or the sale or the remaining freehold property, which could impact on the final dividend level.

Accountants, Rickard Luckin, have been instructed to assist with these computations and any liabilities arising, which will be settled either as an expense of the Administration, or subsequent Liquidation.

This distribution will be paid by a subsequently appointed Liquidator in due course.

Prescribed Part

As there are no holders of a Qualifying Floating Charge, the Prescribed Part does not apply in this instance.

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

FRP

Administrators' remuneration

Following circulation of the Administrators' proposals the creditors passed a resolution that the Administrators' remuneration should be calculated on a time cost basis, subject to the following modification: -

> *"The Joint Administrators Fees plus VAT should be approved on a time cost basis charged at the charge out rates prevailing at the time the work is undertaken, capped at the sum set out in the fees estimate (£600,000) without further approval. The fee estimate is subject to a 20% discount applying to the remuneration drawn by the Administrators applicable to all costs incurred after cessation of trading, including any managed wind down and dealing with the final effects of trading".*

In our last Progress Report, we explained the additional work that had been undertaken and the reasons why an increase in the fee cap was necessary. In effect, the Administrators proposed that they be able to recover in full their time costs up to and including 31 July 2019, being £847,758, with all subsequent time costs subject to a 20% discount being applied to our prevailing charge out rates.

Accordingly, a revised fee estimated was provided seeking an increase in the fee cap from £600,000 to £1,091,827 which, after taking account the proposed discount of 20%, resulted in overall projected fees of £1,043,013.

This fee request was approved by creditors, by way of a decision procedure, on 29 August 2019.

A breakdown of our time costs incurred during the period of this report and to date is attached, at Appendix D. To date fees of £847,758, excluding VAT, have been drawn from the funds available, of which £547,758 was drawn during the Period.

The remuneration anticipated to be recovered by the Administrators based on time costs, is not likely to exceed the sum provided in the fees estimate circulated to creditors with our last Progress Report.

The Administrators are unable to draw fees based on time costs exceeding the total amount set out in the fees estimate without further approval of the creditors. As stated, no further fee increase is anticipated in respect of the Administration.

Subsequent Liquidation

When the Company is placed into Liquidation, with the Administrators' appointed as Liquidators', the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the Liquidators' remuneration, in accordance with the Insolvency Rules.

For the avoidance of doubt, while the basis of the Administrators' fees will be that utilised by the Liquidators', the Liquidators' will revert to creditors for approval regarding the quantum of any fees to be drawn in the Liquidation under that basis, at the appropriate time.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in Appendix D.

Administrators' expenses

An estimate of the Administrators' expenses was set out in the Administrators' Proposals and further explanations, by category, where expenses had exceeded original forecasts, were given in our last Progress Report. Attached, at Appendix E, is a Statement of Expenses that have been incurred during the Period. It is currently expected that the expenses incurred or anticipated to be incurred are not likely to exceed the details provided in our last Progress Report, with the exception of the following: -

Trading expenditure

As previously reported, the original projection for trading expenditure assumed that there would be a sale of the business and assets by 30 April 2019. In the event trading continued for a further three months, with the business and certain assets eventually sold on 25 July 2019, resulting in a commensurate increase in costs.

Similarly, staff costs, including wages, pensions, other benefits etc., together with associated tax liabilities, increased due to the extended period of trading.

Accordingly, it is not our intention to comment specifically on individual movements across trading expenditure, given that trading overall generated a surplus of £1m.

Non-trading expenditure

Legal fees

In our last report, we explained why legal fees due to WG&M had increased from an initial estimate of £125,000 to approx. £376,000, with a revised legal fee estimate of £450,000.

During the Period, WG&M have continued to undertake work and provide advice in relation to the sale of the business and certain assets, the PEA/ tenancy issues relating to No. 11 Stephenson Road, and other sundry matters.

During the Period, costs and disbursements of £22,514.40 plus VAT were incurred by WG&M, with £390,349 being settled during the Period.

Further legal work still to be completed primarily relates to conveyancing formalities associated with the sale of No. 11 Stephenson Road. At this stage, we estimate that final legal costs and disbursements will be contained within the revised fee estimate of £450,000.

Agent/property valuation costs

As previously reported, fees totalling £2,750 plus VAT were paid to property agents, FW, in respect of the valuation of the Company's 2 x freehold properties and recommendations in respect of certain offers received.

A further fee of £1,250 plus VAT was agreed with property agents, Kemsleys to review and provide a recommendation (2nd opinion) in respect of the offer received for No. 11 Stephenson Road.

Total agent costs, therefore, amount to £4,000 plus VAT, against an original combined projection of £1,500.

Further agency fees (commission at 1.5%, plus sundry disbursements) will fall due upon completion of the sale of No.11 Stephenson Road.

PR consultancy fees

A fee of £595 plus VAT was paid to City Press Services Ltd, in relation to press enquiries and announcements.

Professional fees

A cross charge of £2,420 plus VAT was settled in respect of centralised costs incurred by Arjowiggins Sourcing Ltd – In Administration.

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

Accountancy fees

Accountants, Rickard Luckin, were instructed to provide professional advice to the Administrators in respect of taxation, VAT and other associated matters. Fees of £2,530 plus VAT were paid to them during the Period. This work is ongoing and further costs will continue to accrue. An update on costs will be given when we next report.

Business rates recovery fees

A fee of £2,301 was paid to agents CAPA, calculated at 30%, for dealing with a business rate review which resulted in a refund of £7,669 being received during the Period. This cost had not previously been projected.

Business rate refund

A refund of £9,341 had been received (wrongly) from Tendring District Council in a prior period, included in the amount of £17,010, shown under the heading "Business Rates Refund".

This sum was duly refunded and is shown as a separate line in the attached Receipts & Payments Account.

VAT irrecoverable

Vat irrecoverable of approx. £50 was incurred during the Period, increasing Vat irrecoverable to approx. £769, against our last budget of £719.

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in Appendix E only).

Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link https://creditors.frpadvisory.com/info.aspx and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Administrators' pre-appointment costs

The Administrators' pre-appointment costs amounting to £35,208, plus disbursements of £50 (both plus VAT), broken down as to £7,456 (FRP) and £27,802 (WG&M) were approved by creditors on 22 March 2019.

The costs due to FRP have been settled in full from available funds, with £25,802 paid to WG&M, being slightly less than originally advised.

Appendix A

Statutory Information regarding the Company and the appointment of the Administrators

ARJOBEX LIMITED T/A POLYART (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	Polyart
Company number:	00826102
Registered office:	FRP Advisory LLP Jupiter House, Warley Hill Busness Park, The Drive, Brentwood, CM13 3BE
Previous registered office:	10 Stephenson Road, Gorse Lane Industrial Estate, Clacton On Sea, Essex, CO15 1UW
Business address:	10 Stephenson Road, Gorse Lane Industrial Estate, Clacton On Sea, Essex, CO15 1UW

ADMINISTRATION DETAILS:

Administrator(s):	Glyn Mummery & Geoffrey Paul Rowley
Address of Administrator(s):	FRP Advisory LLP Jupiter House, Warley Hill Business Park, The Drive, Brentwood, Essex, CM13 3BE
Date of appointment of Administrator(s):	14/01/2019
Court in which administration proceedings were brought:	The High Court of Justice Business & Property Courts England & Wales, Insolvency & Companies List (Chd)
Court reference number:	CR – 2019 - 000319
Appointor details:	Director - David Owen Ronald Lawton
Previous office holders, if any:	None
Extensions to the initial period of appointment:	12m extension to 13 January 2021 agreed by creditors, subject to certain modifications (see narrative in main report for further information)
Date of approval of Administrators' proposals:	22 March 2019

FRP

Schedule of Work

The table below sets out a detailed summary of the work undertaken by the office holder to date and details of the work it is anticipated will be undertaken by the office holder throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below. The fee basis for the different categories or work are set out in this table together with an estimate of the estimated fee for each category of work where this can be estimated. Where the fee basis proposed is time costs, further details of the estimated time costs to be incurred are set out in the fee estimate accompanying this schedule.

Where work undertaken results in the realisation of funds (from the sale of assets; enhanced recoveries and potentially a reduction in creditor claims if the business has continued to trade and/or is sold following appointment; recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case, work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK
• The records received are complete and up to date. • The initial Schedule of Work assumed that the business/assets etc. were sold by 30 April 2019 and trading the business within Administration does not go beyond that period. This assumption was revised to reflect the sale of the business and certain assets on 25 July 2019 and the fact that trading within the Administration ceased on that date. • There are no matters to investigate or pursue and no financial irregularities are identified. • The initial fee proposal and the revised fee proposal, represented work to be undertaken in the Administration only, notwithstanding that there may be cross over (incomplete) issues that carry through to any subsequent Liquidation. A separate fee proposal for work to be undertaken in Liquidation will be circulated after the Company is placed into Liquidation. • A committee of creditors is not appointed. • There are no exceptional queries from stakeholders. • Full co-operation of the directors and other relevant parties is received as required by legislation. • There are no health and safety or environmental issues to be dealt with.

- The Administration is concluded within twenty-four months (original estimation twelve months) from the date of Administration, either by exit into CVL, CVA, Compulsory Liquidation or dissolution.

	Category				Revised Cost Estimate at 07.08.19	Costs 14.07.19 to 13.01.20	Total Costs to date
1.	**ADMINISTRATION AND PLANNING** **Work undertaken during Period**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**	**Fee Basis - Time Costs**	**£199,884**	**£28,137**	**£209,981**
	Work which falls within the Administration and Planning category generally would not add financial benefit to the Administration but, is either required by statute or is necessary to ensure general compliance and case progression.						
			General matters				
	• Necessary Administrative and strategy work. • Undertaking periodic file reviews at 10 months to ensure compliance and to monitor progression of the Administration and outstanding matters to be dealt with		• Regular reviews of the case and the ongoing strategy as required under legislation and by the Joint Administrators' Regulatory Professional Bodies ("RPBs") to ensure that all compliance and statutory matters are attended to and that the case is progressed in a timely manner. • Undertaking periodic file reviews to ensure compliance and to monitor progression of the Administration and outstanding				

	and dealing with various other sundry matters. • General case administration such as filing and the maintenance of case files. • Corresponding with the Company's accountants and directors and requesting information to assist in general enquiries. • Gathering information and completion of documents as required and attending to any other matters as and when they arise. • Completing check lists and diary management systems.		matters to be dealt with and dealing with various other sundry matters. • Ongoing. IPS up-dated, as appropriate. • Ongoing. • Ongoing. • Ongoing. • Closure of case – closing internal systems/bank accounts etc.				
	Regulatory Requirements						
	• Ongoing adherence to Money Laundering Regulations.		• Ongoing.				

	Case Management Requirements						
	• Determine and document case strategy. Holding regular FRP team meetings in respect thereof.		• Continue to monitor strategy and document any proposed changes and implementation thereof. Holding regular team meetings in respect thereof.				
	• Administering the insolvent estate bank accounts throughout the duration of the case. Ensuring all accounts are regularly reconciled to produce accurate and timely reports to all creditors when required. Processing and recording of all receipts and payments throughout the appointment on IPS and providing internal and external reports as required.		• Case accounting work to process all receipts and payments including associated adjustments to ensure accurate bank reconciliations and production of reports can be achieved always. Continued updating and maintenance of records on the IPS system.				
	• Maintaining a trading account for the period of trading. Finalising the period of trading and settling outstanding purchase commitments (see later comments).		• Completed.				
	• Maintaining case specific paper and electronic files for the duration of the appointment. Filing all papers and correspondence received and maintaining a diary system to ensure all matters are discharged in accordance with legislation.		• Ongoing.				
	• Compiling a forecast of the work that has been or is anticipated will be undertaken		• Ongoing. Continuing to maintain a record and forecast of the work that has been or				

	throughout the duration of the case, circulating this to creditors together with other such documentation as required to inform creditors of the overall position. • Regularly reviewing the case as required by the regulatory bodies to ensure all statutory matters are adhered to and the case is progressing. Up-dating and completing check lists on a timely basis. • Completing a case review at ten months to ensure compliance/case progression. • Ongoing liaison with HMRC re outstanding tax matters. • Continuing to monitor ongoing insurance requirements via specialist insolvency brokers, JLT (now Marsh) and reducing levels of cover, upon disposal of assets. Paying any premiums due. • Maintaining a staff presence on site at periodic intervals in the lead up to the sale of the business and assets. Attending site thereafter, to attend to any outstanding matters, including retrieval and transfer of the Company's books and records to safe storage.		is anticipated to be undertaken throughout the duration of the case and circulating creditors, as appropriate. • Ongoing. • Conducting case reviews periodically. • Ongoing liaison regarding final tax position and clearance for the period of the Administration. • Continue to maintain insurance, pending disposal of remaining asset, being No. 11 Stephenson Road. Cancel the insurance upon disposal and seek to obtain any refund of premiums due. • No further presence anticipated.				

	• Correspondence with the former advisors to the Company/debtor requesting third party information to assist in general enquiries.	• Completed.				
2.	**TRADING** **Work undertaken during Period**	**TRADING** **Future work to be undertaken**		**£429,902**	**£39,382**	**£411,519**
	The benefit to creditors for trading the business in administration is to transfer to a purchaser the business and assets effectively as a going concern. By preserving the trading business, a higher return will generally be achieved for the business/assets than would be possible if the business ceased trading and its assets were sold piecemeal. There is, therefore, a financial benefit in continued trading.					
	• It was concluded that the optimum outcome for maximising realisations and preserving continuity of employment for staff would best be achieved by continuing to trade the Company in Administration, while trying to secure a sale of the business and assets. Trading on also enabled book debts of £823k to be realised early, which may have been at risk in the event of an immediate cessation of trade due to disruption of supply to ASAS. Trading of the business ceased on 25 July 2019, upon completion of the sale of the business and certain assets to APL.	• Completed.				

	• Preparation and close review of cash flows/P&L accounts on weekly basis to control/monitor trading performance. Trading was substantially cash positive during the extended period of trading.		• Completed.				
	• Continued liaison with key/critical suppliers. Organising supplies and settling amounts due.		• Completed.				
	• Monitoring the revised internal systems/controls put in place at the outset to ensure that all purchasing commitments were pre-approved by members of the Administration team, prior to orders being placed. Close liaison with the Company's Purchase Ledger Team in this regard and reviewing/approving future purchase commitments.		• Completed.				
	• Holding weekly meetings/consultation with Union representatives to up-date them on progress of the Administration/proposed sale of the business for cascading to employees. Preparation of bulletins and minutes for circularisation.		• Completed.				
	• Adhere to FRP's internal protocols to obtain approval to continue to trade, by		• Completed.				

	way of report to independent partner. Reporting regularly to the Office Holders on trading performance thereafter and obtaining appropriate sign offs.						
	• Producing a final account/valuation of stock, raw materials, parts, together with finished goods, WIP etc. as at 24 July 2019, with the assistance of Hilco. Providing this to APL within 7 days of 25 July 2019. The final account was provisionally assessed at approx. £298k, plus VAT.		• Completed.				
	• The BSA provided for settlement within 30 days and, following review by APL, payment was received in full.		• Completed.				
	• Preparing an account of "apportionments" and raw materials and consumables (either on site and/or ordered which had not been delivered) and forwarding this to APL within 7 days of 25 July 2019. The apportionment calculation indicated an amount due to the Company of £270k. Following adjustments, however, the account was agreed at a slightly lower amount of approx. £257k, with payment subsequently being received in full.		• Completed.				
	• Post cessation of Administration trading, liaising with suppliers and settling outstanding purchase commitments.		• Completed.				

	Making arrangements to close accounts which had been specifically opened for Administration trading.					
3.	**ASSET REALISATION** **Work undertake during Period**	**ASSET REALISATION** **Future work to be undertaken**		**£194,296**	**£90,731**	**£176,294**
	Work undertaken which falls within this category will generally add financial benefit to the Administration.					
	One of the main purposes of an insolvency process is to realise the insolvency assets and to ensure a fair distribution of the proceeds to the creditors in the correct order of priority as set out by legislation. Sale of Business • The Company's business and assets were marketed for sale over an extended period, as part of a wider sale of the Arjobex Division, which comprised 2 x French companies, ASAS, AHSAS and 1 American based company, AAI. • Conducting extensive negotiations with the preferred bidder in respect of the offer received for the business and assets of AL. Liaising with WG&M and holding multiple conference calls with the respective	• Completed. • Completed. NFA.				

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solicitors and the offeror for the business to finalise terms.

Reviewing draft Asset Sale Agreement, the PEA and other associated documentation. Liaising closely with WG&M in this respect.
On 25 July 2019, the Administrators completed a sale of the business and certain assets to an un-connected party, APL, as part of a wider offer for the sale of the shares in AHSAS, conducted by its French Liquidator. The offer for the AL assets was broken down as follows: -

<table>
<tr><td>F/H – No. 10 Stephenson Road</td><td>£1,250,000</td></tr>
<tr><td>Plant, Machinery, Eqp. Etc.</td><td>£424,994</td></tr>
<tr><td>Intellectual Property/Goodwill</td><td>£50,000</td></tr>
<tr><td>Holding Debt</td><td>£1</td></tr>
<tr><td>Data, Sales Info, Rights of Action, Software licences</td><td>£5</td></tr>
<tr><td>Working Capital Assets</td><td>£298,087 (Est.)</td></tr>
<tr><td>Total</td><td>£2,203,087</td></tr>
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Completed. NFA.
Completed. NFA.
Completed. NFA.

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	• Simultaneously, the French Liquidators completed a sale of the shareholding in APL to PC.						
	• The consideration was either at open market value of in excess of "ex-situ" values.		• Completed. NFA.				
	• Prior to acceptance, the offers were referred to both Hilco (in respect of the physical assets) and FW (in respect of the F/H at No. 10 Stephenson Road) who both advised that the offers should be accepted.		• Completed. NFA.				
	• The base consideration of £1.725m was received in full upon completion, with payment for the Working Capital Assets (£298k) and apportionments (£257k) subsequently being settled after final accounts were agreed (see earlier comments).		• Completed. NFA.				
	• It was agreed to compromise the Holding Debt of £1.039m due from AHSAS for £1. AHSAS acted as a holding company and had no other realisable assets. The compromise was agreed in the interest of the wider deal.		• Completed. NFA.				
	• The Administrators entered into a six-month PEA with APL, in respect of the Company's freehold investment property		• In the event, the option to purchase under the PEA was not exercised. The Administrators will, therefore, look to				

	situate at 11 Stephenson Road, Clacton on Sea, Essex, located next door to the main trading premises. This was to allow time for APL to consider whether the property was strategic to their forward planning for the business. Mechanisms were built into the PEA which allowed for the pre-emption to be ended earlier, if an acceptable offer for the freehold, capable of legal completion, was received in the meantime.		dispose of the property on the open market (see later comments).				
	Freeholds						
	• The Company's main trading premises at No. 10 Stephenson Road, Clacton, Essex, was included as part of the sale of the business and certain assets to APL (see earlier comments).		• Completed. NFA.				
	• The principal remaining asset to realise is the freehold (investment) property situate at No. 11 Stephenson Road, Clacton Essex. As the option to purchase under the PEA has not been exercised, the Administrators are now free to dispose of the property at will.		• Completed. NFA.				
	• At the time of our last report, we advised that that an offer for No. 11 had been received from an un-connected party at a level which had been recommended for acceptance by our agents, FW. Nevertheless, prior to acceptance of this		• The Administrators will make every effort to complete the sale as quickly as possible.				

	offer, the Administrations instructed FW to test further the market, via a short- term intensive marketing campaign, while awaiting the outcome of a decision from the holder of the PEA. This strategy resulted in a further offer being received from an unconnected party, at a level in excess of the earlier offer.						
	• For confidentiality reasons, the Administrators are unable to disclose details of the precise offer, except to say that it is substantially in excess of the £1m estimated to realise figure extended in the Estimated Outcome Statement provided to creditors with our last report.		• Further information regarding the sale will be provided to creditors upon completion.				
	• The offer has been recommended for acceptance by FW and it is the intention to endeavour to complete the sale over the coming weeks.		• Completed. NFA.				
	• During the Period, we have sought further legal advice from WG&M regarding the terms of the occupation of certain areas of No. 11 by a third-party tenant. Details of the tenancy have been provided to the prospective purchaser. In the meantime, the Administrators have continued to collect rental of approx. £5,317 pm, and will continue to do so, pending completion of any sale.		• Ongoing collection of rent, pending sale.				

	• The Administrators have instructed accountants, Rickard Luckin, to provide taxation advice in respect of the sale of the 2 x freeholds and other tax matters arising in the Administration.		• Ongoing. Submission of appropriate tax returns in due course.				
	Plant, Machinery, Equipment Etc. • Completing a sale of the Company's physical assets, together with its intellectual property, comprising patents, trademarks etc.		• Completed. See earlier comments.				
	Stock/Raw Materials/Spares/Consumables (Working Capital Assets) • Completing a sale of the Company's Working Capital Assets.		• Completed. See earlier comments.				
	Office Furniture and Equipment • Completing a sale of the Company owned office furniture & equipment (including computer equipment).		• Completed. See earlier comments.				
	Intellectual Property • Completing a sale of the Company's intellectual property, comprising many patents and trademarks.		• Completed. See earlier comments.				

	Leased Assets						
	• The Company had in place several lease agreements in respect of Company vehicles for use by staff. While no equity accrued under these agreements, the Administrators assisted the purchaser, APL, in the novation of the various agreements.		• Completed – see earlier comments.				
	Book Debts						
	• Book debts totalling £89k owed by ASAS were outstanding at the date of completion of the sale of the business and certain assets to APL. The book debts were subsequently settled in full.		• Completed. NFA.				
	• A potential refund of £84k due to the Company in respect of an R&D Tax Credit, was not realisable due to HMR&C exercising Crown set-off.		• Completed NFA.				
	Business Rates						
	• With the involvement of agents, CAPA, a business rate refund of £7,669 was realised during the period. The refund was subject to a 30% fee due to CAPA, in accordance with the terms agreed.		• Completed. NFA.				
	Insurance						

	• Insurance was arranged via specialist insolvency brokers, JLT Speciality (now March). This ensures that all available assets are protected until such time as they are realised. Cover has reduced in line with asset disposals.	• The only remaining cover required is in respect of No. 11 Stephenson Road. Cover will continue until such time that the property is sold. Settle premiums as and when they fall due.				
4.	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken during Period**	**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**		**£106,127**	**£64,735**	**£125,206**
	Some of the work undertaken which falls within this category may add some financial benefit to the Administration, such as the submission of VAT returns/reclaims etc. However the majority of work within this category will not add financial benefit to the Administration but, is either required by statute or is necessary to ensure general compliance and case progression.					

	• Monitoring the insolvency bond put in place in respect of both Administrators to protect the assets available for creditors.		• Ongoing monitoring. Cancellation of bond upon closure of Administration.				
	• Reporting to members / creditors on a six-monthly basis, as required by legislation, providing an update on the progress of the Administration during each reporting period and filing statutory reports as required.		• *Continuation of reporting, in accordance* with statutory requirements.				
	• Seeking an up lift as to the basis of the Insolvency Practitioners fees from the Company's creditors, by way of a decision procedure.		• Up-lift agreed, subject to certain modifications (see main body of report for further information).				
	• Seeking a 12m extension to the Administration period, with the approval of creditors.		• Approved, subject to certain modifications. See main body of report for further information.				
	• Monitor closely receipt of any written requests for a physical meeting to be convened and, if the appropriate thresholds have been met, dispatch the necessary notice for a meeting, in accordance with insolvency rules.		• Completed. No request for physical meetings received.				
	• Compiling a forecast of the work that has been or is anticipated to be undertaken throughout the duration of the Administration, circulating this to all		• Completed – see comments above.				

	known creditors together with such other documentation as is required to enable the relevant approving creditors to assess and vote on the fee basis proposed.						
	• Process fees and disbursements from time to time as funds allow, having given due consideration to all other costs of the process as prescribed under the IA86, in accordance with the fee/Cat 2 resolutions approved by creditors.		• Ongoing processing of fees/ disbursements, in accordance with the prescribed legislation and the resolutions approved by creditors.				
	• Notifying creditors of their right to set up a creditors' committee.		• No request for a Creditors Committee received. Reminding creditors of the right to form a Committee at the necessary time. Setting up a Committee if the required thresholds have been met.				
	• Dealing with all tax and VAT matters arising following appointment and submitting returns at prescribed times throughout the process as required.		• Ongoing completion and submission of the requisite returns during the Administration. Accountants, Rickard Luckin have been instructed to provide advice and assist the Administrators with sundry tax matters.				
	• The Administrators have had extensive dialogue and communication with the PPF in relation to the Wiggins Teape Pension Scheme and the Company's potential liability thereunder.		• Continued liaison with the PPF. The PPF have issued a formal demand in the sum of £55m in the Administration, to reflect the Company's joint and several liability thereunder. Adjudication of the claim will be undertaken by a subsequently				

			appointed Liquidator and could involve the instruction of an Actuary.				
	• We have continued to settle members monthly pension contributions and life insurance contributions since the date of our appointment up to the date of the sale of the business, when the contracts of employment for all staff were transferred to APL, pursuant to TUPE.		• Completed.				
	• The Company's December 18 pension contributions, on behalf of members, was paid over to PPL, but not remitted to Aviva, due to the subsequent Administration of Performance Papers Ltd. A claim totalling approx. £18k for the December contributions has been lodged with the National Insurance Fund. Confirmation has been received that this claim has now been settled in full, with the NIF making payment to Aviva direct.		• Completed. NFA.				
			• In readiness for exit from Administration into CVL, seeking creditors approval, by way of a decision procedure, for the Administrators discharge from liability 30 days after the filing of their final report. A Voting Form is attached in this respect.				
			• Continuing to maintain a record and forecast of the work that has been or is anticipated to be undertaken throughout				

			the duration of the case, circulating this to all known creditors together with such other documentation as is required to enable the relevant approving creditors to continue to assess the costs and expenses incurred versus projections and to challenge, if appropriate, in accordance with the relevant insolvency rules. Provision of appropriate documentation /cost forecasts to support any future fee requests. • Place legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims. • Dealing with the statutory requirements to bring the case to a close and for the office holders(s) to obtain their release from office; this includes preparing final reports for stakeholders, convening final meetings, statutory advertising and filing the relevant documentation with the High Court/ Registrar of Companies, as applicable.				

5	**INVESTIGATIONS** **Work undertaken during Period**		**INVESTIGATIONS** **Future work to be undertaken**		**£40,080**	**£5,877**	**£11,037**
	Some of the work undertaken which falls within this category may add some financial benefit to the Administration, should any assets or potential claims come to light during the investigation; however, the majority of work within this category will not add financial benefit to the Administration but is required by statute.						
	An IP has a duty to review the books and records of the Company and other information available to identify the assets that may be available to realise for the benefit of the insolvency estate. Furthermore, there may be other antecedent or voidable transactions that are identified which if pursued could swell the funds available for the insolvency estate. • As advised in our last Progress Report, the Administrators have investigated the demise of the Company and the conduct of the directors and submitted a report to the Department for Business, Energy & Industrial Strategy ("DBEIS") in accordance with the Company Directors Disqualification Act. No further action is considered necessary.		• Completed.				

	• The Company's books and records have been uplifted from the Company's premises and are now held at a third-party secure storage facility. A full back-up of the Company's electronic records has been obtained. All personal data held will be stored and destroyed in due in accordance with GDPR requirements.		• Completed.				
6	**CREDITORS** **Work undertaken during Period**		**CREDITORS** **Future work to be undertaken**		**£90,564**	**£23,130**	**£67,524**
	This category of work is necessary to ensure that the claims of the creditors can be recorded, where necessary, for future distribution purposes. It also involves communication with creditors, by way of various modes, on a regular basis in relation to any matters arising and also in respect of the progress of the Administration. A large aspect of work may not add financial benefit to the Administration but is required to enable the Administrators to fulfil their day to day responsibilities and duties.						
	Secured Creditors • There are no holders of security or qualifying floating charges.		• N/A				

	Preferential Creditors • At the date of Administration, as no redundancies were made and the Company continued to trade during the Administration, the Administrators settled wages for the entirety of January as an expense of the Administration and continued to settle wages up to and including 25 July 2019, being the date when the business was sold to APL and the contracts of employment of all staff were transferred to APL, pursuant to TUPE.		• Completed. NFA.				
	• A preferential claim for £1,840 in respect of outstanding pension contributions for Dec 18 has been processed through the National Insurance Fund. As stated earlier, this claim was settled in full, with payment being made directly by the NIF to Aviva.		• Completed. NFA.				
	• Apart from the above, no other preferential claims are expected to arise.		• NFA.				
	• Pension contributions which should have been paid by the Company of approx. £16k will also be claimed from the National Insurance Fund and will rank as an unsecured claim.		• Any claim will be adjudicated in the subsequent liquidation.				

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	<u>Unsecured claims</u>						
	• Dealing with all queries and correspondence received from creditors on an ongoing basis and recording the same.		• Ongoing communication.				
	• Liaising with HMRC to establish its claim and seeking tax advice to minimise claims and maximise returns to creditors where appropriate.		• Ongoing.				
	• Ongoing liaison with the principal creditor, the PPF, in relation to its claim of £55m.		• Ongoing.				
	<u>Lease/Finance Creditors</u>						
	• Liaising with the respective lease companies and settling monthly instalments for the period up to the date of the sale of the business and assets. Assisting APL with the novation of any agreements, following its acquisition of the business on 25 July 2019.		• Completed.				
	<u>Employees</u>						
	• Following acceptance of the offer from APL, a consultation process was commenced with the elected employee representatives. Liaising with APL in respect of "proposed measures" pursuant to TUPE Regulations and sharing such		• Completed.				

	measures with the Employee Representatives for cascading down to the employees they represent. Keeping the Employees Representatives fully appraised of the sales process.	• The adjudication of unsecured creditor claims, including the claim of the PPF, and the paying of a dividend to unsecured creditors will be the responsibility of a subsequently appointed Liquidator in due course.				
7	**LEGAL AND LITIGATION** **Work undertaken during Period**	**LEGAL AND LITIGATION** **Future work to be undertaken**		**£30,975**	**Included in other categories of work**	**Included in other categories of work**
	Certain aspects of legal work such as work associated with the Administration appointment will not add financial benefit to the Administration but is necessary to ensure that the Administrators have been validly appointed and can fulfil their statutory duties. Other aspects of legal work will add financial benefit such as work associated with asset realisations/sale of the business, including the drafting of a Sale & Purchase Agreement and sundry advice relative thereto.					

	Aspects of time costs to be incurred relating to legal work to be undertaken are covered elsewhere within the Schedule of Work. In summary, during the Period, our instructed solicitors, WG&M, have provided legal advice and assistance in respect of the following areas: -						
	a) Reviewing and advising on the lease entered into by the Company and a third-party occupier re No. 11 Stephenson Road.		• Completed.				
	b) Reviewing and advising on key purchase contracts entered into by the Administrators during the period of trading, including a 12m contract with Scottish Power.		• Completed.				
	c) Extensive involvement in the sale process, including providing advice on the parallel sale process being conducted in France re AHSAS, given the need to co-ordinate the respective sales. Drafting of sale documentation for up-loading to the Data Room.		• Completed.				
	d) Preparation of a Business Sale Agreement and associated documents. Providing advice to the Administrators on key terms to be		• Completed.				

	included and negotiating the same with APL's solicitors, in conjunction with the Administrators. e) Providing advice and drafting a Pre-Emption Agreement ("PEA") in respect of No. 11 Stephenson Road. Agreeing terms with APL's/PC's solicitors. The PEA was not ultimately exercised. f) Advising the Administrators on all TUPE related issues and the consultation process undertaken with the Company's employees. g) Generally assisting the Administrators throughout the Administration in respect of any legal matters arising.		• Completed. NFA. • Completed. • Completed. • WG&M will be instructed to deal with all necessary legal/conveyancing formalities in respect of the sale of No. 11 Stephenson Road, Clacton, Essex.				
	TOTAL ESTIMATED FEES				**£1,091,827**	**£251,993**	**£1,001,560**

Appendix C

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Receipts and Payments account for the Period and cumulative, for the Sterling/Euro Accounts, including Trading Accounts

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 14/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	POST APPOINTMENT SALES		
	Sales	277,019.22	2,632,704.78
	Rental Income: 11B & C Stephenson R	33,697.98	67,395.96
	Suppliers Overpayments	2,072.60	3,941.16
	VAT Refund for Euro Account	99,464.99	299,302.51
	Apportionments - Raw Mat/Consumabl	180,956.57	180,956.57
	Apportionments - Wages, Pension, PA	42,116.63	42,116.63
	Apportionments - Utilities & Leases	2,976.36	2,976.36
	Apportionments - Subscriptions	30,461.94	30,461.94
	Stock - Raw Mat, Consumables etc	247,245.48	247,245.48
	Stock - WIP/Finished Goods	50,842.34	50,842.34
	Funds from Euro Account	361,604.86	361,604.86
		1,328,458.97	3,919,548.59
	TRADING EXPENDITURE		
	PAYE/NI	56,732.91	392,156.65
	Pensions & Life Insurance	27,002.99	138,366.69
	Unite Union	286.67	2,285.48
	Cleaning/Site Maintenance	5,959.54	20,888.98
	Utilities (Electricity/Water/Gas)	126,137.97	324,240.93
	Photocopier Rental	966.07	2,065.15
	Suppliers - Raw Materials	89,435.83	757,115.42
	Suppliers - Sundry	5,530.04	19,904.12
	Suppliers - Engineering/Consumables	28,775.13	112,919.86
	Bank Charges - Trading	50.40	160.24
	Patent Renewal/Index Subscription Fe	8,257.60	42,094.07
	Business Rates	22,381.12	22,381.12
	Car Leasing Costs	2,444.48	12,060.28
	Wages	115,929.07	871,279.34
	IT Expenses	5,250.00	5,818.50
	Insurance	62,624.66	62,624.66
	Telephone	1,490.24	9,649.51
	ROT Settlements	NIL	38,115.93
		(559,254.72)	(2,834,126.93)
	TRADING SURPLUS/(DEFICIT)	**769,204.25**	**1,085,421.66**

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 14/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	ASSET REALISATIONS		
Uncertain	Goodwill	50,000.00	50,000.00
Uncertain	Land and Buildings	1,250,000.00	1,250,000.00
Uncertain	Investment Property	NIL	NIL
Uncertain	Plant, Machinery, Vehicles, Equip etc	424,994.00	424,994.00
Uncertain	Stock/Raw Materials	NIL	NIL
Uncertain	Inventory Spare Parts	NIL	NIL
907,924.00	Book Debts	NIL	819,310.46
Uncertain	Prepayments	NIL	NIL
257,292.00	VAT Refund	NIL	265,170.59
11,268.00	Cash at Bank	NIL	11,270.51
	Petty Cash	325.73	325.73
20,000.00	HMRC Duty Deferment Deposit Refun	NIL	20,000.00
	Business Rates Refund	7,668.52	17,009.86
	Bank Interest Gross	6,618.36	7,196.05
	Rental Income - 11 Stephenson Road	NIL	NIL
	FIT Income Compensation	14,023.00	14,023.00
	Trading Surplus/(Deficit)	769,204.25	1,085,421.66
Uncertain	Current/Treasury Account	1.00	1.00
	Customer Contracts	1.00	1.00
	Data	1.00	1.00
	Sales Information	1.00	1.00
	Rights of Action	1.00	1.00
	Software Licenses	1.00	1.00
		2,522,839.86	3,964,727.86
	COST OF REALISATIONS		
	PR Consultancy Fees	595.00	595.00
	Professional Fees	2,420.00	2,420.00
	Administrators Pre Appt Fees	NIL	7,456.00
	Administrators Remuneration - Time C	547,758.00	847,758.00
	Administrators Disbursements - Cat 1	198.46	1,333.88
	Administrators Disbursements - Cat 2	3,584.32	6,375.40
	Pre Appt Legal Fees & Disbursements	NIL	25,802.28
	Post Appt Legal Fees & Disbs	390,348.82	390,348.82
	Post Appt Agents Fees & Disbs - Hilco	19,769.90	25,769.90
Uncertain	Post Appt Agents Fees - Ernst & Youn	NIL	NIL
	Post Appt Agents Fees - Fenn Wright	1,500.00	2,750.00
	Bonding	NIL	1,100.00
Uncertain	Corporation Tax	NIL	NIL
	Statutory Advertising	NIL	69.93
	VAT Irrecoverable	49.64	768.74
	Computer Consumables	NIL	NIL
	Petty Cash	NIL	500.00
	Pension Advisory Fees	5,236.50	5,236.50
	Climate Change agreement scheme	NIL	19,124.00
Uncertain	Storage Costs	NIL	NIL
	Rates refund received in error	NIL	9,341.34
	Insurance - No 11 Stephenson Road	NIL	NIL
	Property Valuation Costs - Kemsleys	1,250.00	1,250.00
	Bank Charges - Floating	(31.00)	43.80
Uncertain	Business Rates Recovery Fees - CAPA	2,300.56	2,300.56
Uncertain	Accountancy Fees	2,530.00	2,530.00
		(977,510.20)	(1,352,874.15)

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 14/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	PREFERENTIAL CREDITORS		
(1,840.00)	Employees - Pension	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(1,426,749.73)	Trade & Expense Creditors	NIL	NIL
(63,482.79)	HMRC - PAYE	NIL	NIL
(55,000,000.00)	Pension Protection Fund	NIL	NIL
(16,841.00)	Employees- Pension	NIL	NIL
(5,682.50)	Associated Companies	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2,000,100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(57,318,212.02)		**1,545,329.66**	**2,611,853.71**
	REPRESENTED BY		
	Vat Recoverable - Floating		5,324.60
	IB Current Floating		2,605,071.98
	IB Cur Flt-Wages HoldAcc/NIB 19.8.19		1,457.13
	Vat Payable - Floating		(2,246.54)
	Vat Control Account		2,246.54
			2,611,853.71

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 14/07/2019 To 13/01/2020 €	From 14/01/2019 To 13/01/2020 €
	POST APPOINTMENT SALES		
	Sales: Arjobex SAS	206,957.73	2,455,783.56
	Supplier Overpayments	NIL	NIL
		206,957.73	2,455,783.56
	TRADING EXPENDITURE		
	Suppliers - Raw Materials	31,927.50	1,596,571.34
	Suppliers - Sundry	NIL	2,294.50
	Suppliers - Engineering/Consumables	NIL	2,779.60
	Bank Charges	23.34	704.76
	Patent Renewal Fee - Trade Marks	NIL	3,420.00
	ROT Settlement	NIL	98,992.78
	IT Expenses	342.00	647.55
	Insurance	NIL	6.99
	VAT reclaim converted to sterling	50,017.53	339,041.18
	Funds transferred to Sterling Account	411,253.21	411,253.21
		(493,563.58)	(2,455,711.91)
	TRADING SURPLUS/(DEFICIT)	**(286,605.85)**	**71.65**

Arjobex Limited T/A Polyart
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 14/07/2019 To 13/01/2020 €	From 14/01/2019 To 13/01/2020 €
	ASSET REALISATIONS		
	Trading Surplus/(Deficit)	(286,605.85)	71.65
		(286,605.85)	71.65
		(286,605.85)	**71.65**
	REPRESENTED BY		
	Vat Receivable		71.65
			71.65

Note:

Appendix D

Details of the Administrators' time costs and disbursements for the period and cumulatively

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Arjobex Limited T/A Polyart (In Administration)
Time charged for the period 14 January 2019 to 13 January 2020

	Appointment Taker / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	**113.65**	**125.60**	**204.70**	**368.25**	**812.20**	**209,980.75**	**258.53**
Admin & Planning	8.20	0.20	4.20	278.30	290.90	47,373.00	162.85
Case Accounting		1.30	17.00	23.55	41.85	8,844.00	211.33
Travel		85.00	109.40	63.50	257.90	70,702.50	274.15
Case Control and Review	1.70	11.60	21.40		34.70	9,688.50	279.21
Case Accounting - General	1.65	13.10	2.50		17.25	6,326.75	366.77
General Administration	101.50	4.70	38.35	0.70	145.25	59,879.00	412.25
Insurance	0.20	3.20	4.90		8.30	2,279.00	274.58
Fee and WIP			0.45	2.20	2.65	445.00	167.92
Strategy and Planning		6.50	6.50		13.00	4,225.00	325.00
Media	0.40				0.40	218.00	545.00
Asset Realisation	**201.70**	**177.80**	**14.40**	**1.30**	**395.20**	**176,293.50**	**446.09**
Asset Realisation	32.80	4.80	2.80	0.20	40.60	20,111.00	495.34
Freehold/Leasehold Property	2.80	26.80	0.95	1.10	31.65	11,911.00	376.33
Chatel Assets		1.10			1.10	412.50	375.00
Debt Collection	1.10	0.20	1.50		2.80	1,117.00	398.93
Legal-asset Realisation	24.00	0.30			24.30	13,192.50	542.90
Sale of Business	141.00	144.60	9.15		294.75	129,549.50	439.52
Creditors	**49.50**	**64.65**	**64.20**	**3.10**	**181.45**	**67,524.00**	**372.14**
Unsecured Creditors	30.40	3.75	1.75		35.90	18,324.25	510.42
Employees	13.70	55.90	19.85	3.10	92.55	32,777.75	354.16
HP/ Leasing	0.50	0.30	0.75		1.55	535.00	345.16
ROT	0.30	2.70	40.50		43.50	12,401.50	285.09
Landlord			0.50		0.50	100.00	200.00
TAX/VAT - Pre-appointment		1.00	0.35		1.35	455.00	337.04
Pensions - Creditors	4.60	1.00	0.50		6.10	2,930.50	480.41
Investigation	**1.90**	**9.10**	**25.25**		**36.25**	**11,036.50**	**304.46**
Investigatory Work		0.40	5.15		5.55	1,351.00	243.42
CDDA Enquiries		1.00	3.10		4.10	1,227.50	299.39
IT - Investigations			0.50		0.50	147.50	295.00
Forensic			16.50		16.50	4,537.50	275.00
GDPR Work	1.90	7.70			9.60	3,773.00	393.02
Statutory Compliance	**53.70**	**189.45**	**112.10**	**2.50**	**357.75**	**125,206.25**	**349.98**
Statutory Compliance - Gener	2.20	9.85	5.20	0.30	17.55	6,277.75	357.71
Statutory Reporting/ Meetings	45.50	101.20	43.30	1.30	191.30	72,166.50	377.24
Appointment Formalities	2.00	1.00	2.90		5.90	2,270.50	384.83
Statement of Affairs		0.30			0.30	122.50	408.33
Bonding/ Statutory Advertising		0.10		0.20	0.30	72.50	241.67
Tax/VAT - Post appointment	1.60	56.10	57.80		115.50	34,928.50	302.41
Pensions- Other	2.40	20.90	2.90	0.70	26.90	9,368.00	348.25
Trading	**276.30**	**230.30**	**712.84**	**6.95**	**1,226.39**	**411,519.00**	**335.55**
Trading forecasting/ Monitorir	6.40	14.00	68.45		88.85	27,997.00	315.10
Case Accounting - Trading	0.30				0.30	148.50	495.00
Trade-sales/ Purchase	47.60	103.60	495.69		646.89	189,095.00	292.31
Trading - General	222.00	108.20	145.85	6.95	483.00	192,108.50	397.74
IT - Trading / Sale support		4.50			4.50	1,600.00	355.56
Legal-trading			2.85		2.85	570.00	200.00
Total Hours	**696.75**	**796.90**	**1,133.49**	**382.10**	**3,009.24**	**1,001,560.00**	**332.83**

FRP Charge out rates	From
Grade	1st May 2017
Appointment taker / Partner	450-545
Managers / Directors	340-465
Other Professional	200-295
Junior Professional & Support	125-175

Disbursements for the period	
14 January 2019 to 13 January 2020	
Category 1	
Advertising	69.93
Parking	19.70
Sundries/General	61.24
Travel	1,282.68
Bonding	1,100.00
Petty Cash	500.00
Subsistence	47.71
Courier	12.8
Category 2	
Car/Mileage Recharge	6,375.40
Grand Total	**9,469.46**

Appendix D

Details of the Administrators' time costs and disbursements for the period and cumulatively

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Arjobex Limited T/A Polyart (In Administration)
Time charged for the period 14 July 2019 to 13 January 2020

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	**10.30**	**22.30**	**34.10**	**46.45**	**113.15**	28,137.00	**248.67**
Admin & Planning	8.20		3.20	38.00	49.40	11,053.00	223.74
Case Accounting		1.00	2.20	6.25	9.45	1,972.50	208.73
Travel		5.00			5.00	1,875.00	375.00
Case Control and Review	0.30	7.60	5.65		13.55	4,028.00	297.27
Case Accounting - General	0.90	4.10			5.00	2,028.00	405.60
General Administration	0.90	3.30	22.35		26.55	6,198.00	233.45
Insurance		1.30	0.25		1.55	537.50	346.77
Fee and WIP			0.45	2.20	2.65	445.00	167.92
Asset Realisation	**102.90**	**92.10**	**8.80**		**203.80**	90,731.00	**445.20**
Asset Realisation	22.30	2.40			24.70	13,053.50	528.48
Freehold/Leasehold Property		11.30	0.75		12.05	4,387.50	364.11
Legal-asset Realisation	14.00	0.30			14.30	7,742.50	541.43
Sale of Business	66.60	78.10	8.05		152.75	65,547.50	429.12
Creditors	**35.70**	**6.40**	**3.60**	**3.10**	**48.80**	23,130.25	**473.98**
Unsecured Creditors	29.10	1.70	1.25		32.05	16,747.00	522.53
Employees	4.60	4.70	1.75	3.10	14.15	5,173.25	365.60
HP/ Leasing	0.50		0.25		0.75	322.50	430.00
TAX/VAT - Pre-appointment			0.35		0.35	70.00	200.00
Pensions - Creditors	1.50				1.50	817.50	545.00
Investigation	**0.40**	**1.10**	**19.95**		**21.45**	5,877.00	**273.99**
Investigatory Work		0.40	3.45		3.85	859.00	223.12
Forensic			16.50		16.50	4,537.50	275.00
GDPR Work	0.40	0.70			1.10	480.50	436.82
Statutory Compliance	**36.40**	**114.45**	**22.95**		**173.80**	64,735.75	**372.47**
Statutory Compliance - General	0.80	3.95			4.75	1,917.25	403.63
Statutory Reporting/ Meetings	33.60	77.10			110.70	45,572.50	411.68
Tax/VAT - Post appointment	1.60	27.80	22.65		52.05	15,001.00	288.20
Pensions- Other	0.40	5.60	0.30		6.30	2,245.00	356.35
Trading	**27.30**	**37.10**	**59.20**		**123.60**	39,381.50	**318.62**
Trading forecasting/ Monitoring	1.20				1.20	654.00	545.00
Trade-sales/ Purchase	14.30	28.50	13.60		56.40	20,214.00	358.40
Trading - General	11.80	6.10	42.75		60.65	17,093.50	281.84
IT – Trading / Sale support		2.50			2.50	850.00	340.00
Legal-trading			2.85		2.85	570.00	200.00
Total Hours	**213.00**	**273.45**	**148.60**	**49.55**	**684.60**	**251,992.50**	**368.09**

FRP Charge out rates

Grade	From 1st May 2017
Appointment taker / Partner	450-545
Managers / Directors	340-465
Other Professional	200-295
Junior Professional & Support	125-175

Disbursements for the period
14 July 2019 to 13 January 2020

Category 1	
Travel	59.60
Subsistence	7.65
Courier	12.8
Category 2	
Car/Mileage Recharge	685.09
Grand Total	**765.14**

Appendix E

Statement of Expenses incurred in the Period

FRP

Arjobex Limited t/a Polyart - In Administration
Statement of expenses for the period ended
13 January 2020

Expenses	Period to 13 January 2020 £
Office Holders' remuneration (Time costs)	251,992
Trading Expenditure	-
PAYE/NIC	-
Pensions and Life Insurance	-
Unite Union	-
Cleaing/Site Maintenance	1,531
Utilities (Electricity/Water/Gas)	38,414
Suppliers - Raw Materials	-
Suppliers - Sundry	1,377
Suppliers - Engineering/Consumables	14,042
Patent Renewal Fees	206
Business Rates	-
Car Leasing Costs	1,003
Wages	321
IT Expenses	-
Insurance	5,962
Telephone	51
ROT Settlements	-
Bank Charges	-

Appendix E

Statement of Expenses incurred in the Period

VAT Reclaim converted to Sterling	-
Costs of Realisations	-
Administrators Disbs - Cat 1	13
Administrators Disbs - Cat 2	433
Post Appt Legal Fees & Disbursements	245,683
Post Appt Agents Fees & Disbs - Hilco	19,770
Post Appt Agents Fees & Disbs - E&Y	-
Post Appt Agents Fees & Disbs - Fenn & Wright	-
Bonding	-
Corporation Tax	-
Statutory Advertising	-
VAT Irrecoverable	50
Petty Cash	-
Pension Advisory Fees	5,237
Climate Change Agreement Scheme	-
Storage Costs	-
Insurance of Assets	-
Property Valuation Costs - Kemsleys	-
Bank Charges	-
Business Rates	-
Accountancy Fees	4,950
Computer Consumables	-
PR Consultancy Fees	595
Total	**591,630**

Appendix F

Form AM10, formal notice of the progress report

FRP