

AM23

Notice of move from administration to dissolution



Companies House

For further information, please
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www.gov.uk/companieshouse

1 Company details

Company number 0 2 7 8 8 0 2 6

Company name in full Biotechnica Services Limited

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

2 Court details

Court name High Court of Justice

Court number C R 2 0 2 1 B H M 0 0 0 0 3 3

3 Administrator's name

Full forename(s) Matthew

Surname Ingram

4 Administrator's address

Building name/number 4B Cornerblock

Street 2 Cornwall Street

Post town Birmingham

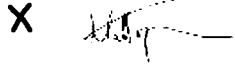
County/Region West Midlands

Postcode B 3 2 D X

Country United Kingdom

AM23

Notice of move from administration to dissolution

5	Administrator's name ①	
Full forename(s)	Benjamin John	① Other administrator Use this section to tell us about another administrator.
Surname	Wiles	
6	Administrator's address ②	
Building name/number	The Shard	② Other administrator Use this section to tell us about another administrator.
Street	32 London Bridge Street	
Post town		
County/Region	London	
Postcode	S E 1 9 S G	
Country	United Kingdom	
7	Final progress report	
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8	Sign and date	
Administrator's signature	Signature 	
Signature date	^d 0 ^d 2 ^m 0 ^m 2 ^y 2 ^y 0 ^y 2 ^y 2	

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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 Emily Clark

Company name Kroll Advisory Ltd.

Address The Shard

32 London Bridge Street

Post town

County/Region London

Postcode

S E 1 9 S G

Country United Kingdom

DX

Telephone +44 20 7089 4700



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

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Final Progress Report to Creditors

2 February 2022

Biotechnica Services Limited (In Administration)

Joint Administrators' Final Progress Report for the period from 12 August 2021 to 2 February 2022 with a summary of the Administration

Kroll Advisory Ltd.
The Shard
32 London Bridge Street
London
SE1 9SG

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1. Introduction

The Joint Administrators were appointed on the Appointment Date by an order of the High Court of Justice, Business and Property Courts of England and Wales in Birmingham, Insolvency and Companies List (Chd). The Court reference number is CR-2021-BHM-000033. The appointment was made by the Directors.

This report is the Joint Administrators' Final Progress Report and provides creditors with a final account of the Administration of the Company, together with a summary of the Administration as a whole.

The Joint Administrators have also explained the exit route from the Administration and the outcome for each class of creditor.

You will find other important information in this Final Progress Report, such as the costs the Joint Administrators incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this Final Progress Report is attached at Appendix 9.

2. Creditor Summary

Summary of Proposals

The Joint Administrators' Proposals for achieving the purpose of the Administration, namely achieving a better result for the Company's creditors, as a whole, than would be likely if the Company were wound up (without first being in Administration), were approved on 31 March 2021, without modifications. For further details, please refer to the Proposals.

There were no major amendments to, or deviations from the Proposals. A summary of the Proposals is included at Appendix 2.

Progress to Date

As previously reported, a sale of certain business and assets of the Company to the Purchaser completed on 12 February 2021. The sale consideration totalled £90,000, of which £40,000 related to assets owned by SCI, and therefore those sums were paid to SCI, with the remaining balance of £50,000 paid to the Company.

The Joint Administrators were made aware of two business rates refunds due to the Company by Goodman Nash Ltd. Sums of £17,990 were realised into the Administration estate in this regard.

The Joint Administrators conducted investigations into the affairs of the Company to uncover any actions which could be taken against third parties to increase recoveries for creditors. The investigations into the Company's affairs have now concluded and the Joint Administrators have complied with their obligations to report to BEIS.

Further, the Joint Administrators have finalised all outstanding corporation tax and VAT matters, including submitting the final corporation tax and VAT returns.

Outcome for Creditors

IGF provided funding to the Company by way of a confidential invoice discounting facility. According to the SOA, the total indebtedness to IGF as at the Appointment Date was approximately £2,415,198 subject to accruing interest and charges, of which, the majority was in relation to SCI's facility, cross guaranteed by the Company.

The Company has repaid £53,703 of the invoice discounting indebtedness to IGF. There will be no further distributions in this regard. Realisations of £1,845,502 have been paid to IGF from SCI's Administration to date.

HSBC hold second ranking fixed and floating charges over all of the Company's assets, following the provision of a term loan to the Group, cross guaranteed by all members of the Group. As at the Appointment Date, HSBC had an outstanding balance of approximately £1,330,000. There have been insufficient realisations to allow a distribution to HSBC from the Company's Administration.

According to the SOA, there are no Preferential Creditors. As previously reported, HMRC submitted a preferential claim totaling £19,665. There are insufficient realisations to pay a dividend to Preferential Creditors.

There have been insufficient realisations to enable a distribution to unsecured non-preferential creditors.

Please note, this report provides creditors with a final account of the Administration of the Company, together with a summary of the Administration as a whole. The Previous Report and the Proposals are available to view at the Creditors' Portal and paper copies can be provided free of charge by writing to Emily Clark at Emily.Clark@Kroll.com.

Unless otherwise stated, all amounts in this Final Progress Report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides a final update on the strategy for the Administration and progress made, including a summary of the information provided in the Previous Report.

3.1 Strategy and Progress to Date

In accordance with Schedule B1, Paragraph 3(1) of the Act, the purpose of an Administration is to achieve one of the following hierarchical objectives:

- Rescuing the company as a going concern; or
- Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration); or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

The Joint Administrators consider the second objective has been achieved via the sale of the business and assets to the Purchaser. Further background details regarding the sale can be found in the Proposals.

3.2 Asset Realisations

Realisations during the Cumulative Period and Reporting Period are set out in the attached receipts and payments account at Appendix 3.

There are no further realisations expected and all assets have been realised. Summaries of the most significant realisations during the Administration are provided below:

3.2.1 Sale of Business and Certain Assets of the Company

As previously reported, the Group instructed Kroll to initiate a sale process of the Group, including the Company, as a going concern on 5 January 2021, with an initial deadline for offers on 13 January 2021.

Two offers deemed capable of acceptance were received by Kroll. Following a review of the offers and negotiations, the business and assets of the Company were sold to the Purchaser on 12 February 2021. The breakdown of the sale consideration is summarised below:

Asset	Allocation (£)	Charge
Plant and machinery	17,000	Floating – Paid to SCI
Inventory and raw materials	49,993	Floating
Plant and machinery	23,000	Fixed – Paid to SCI
Accreditation licences	1	Floating
Business records	1	Floating
Customer contracts	1	Floating
Information technology	1	Floating
Work in progress	1	Floating
Business intellectual property	1	Fixed
Goodwill	1	Fixed
Total sale consideration	90,000	

The cash consideration of £90,000 was paid on completion, of which £50,000 was remitted to the Company, with £40,000 being remitted direct to SCI in respect of its assets.

Part of the sale of the Company's business and assets included a LTO the Property owned by SCI.

Prior to formal acceptance, the Agent's recommendation was sought as to whether the offer should be accepted, and the Agent recommended that the offer from the Purchaser be accepted.

Further details of the sale process can be found in the SIP 16 disclosure which is included as an Appendix 12 to the Proposals.

3.2.2 Book Debts

According to the SOA, the outstanding debts due to the Company totalled £61,589 as at the Appointment Date. These debts were assigned to IGF under an invoice discounting agreement created on 21 April 2020.

As at the date of this report £53,703 has been collected from the book debts, of which £10,000 has been retained by the Joint Administrators as a contribution towards the Administration costs. There will be no further book debt collections.

3.2.3 Stock / Raw Materials

According to the SOA, as at the Appointment Date, the Company had stock / raw materials with a book value of £221,692. The Agent attended the Company's sites to value this. A summary of these valuations can also be found in the Proposals. It should be noted that the realisable value of the Company's stock and raw materials was significantly lower than its book value. The reason for this was due to the ageing and mix of stock, the requirement for significant further raw materials to convert the existing raw materials into stock and that the Company had significant raw materials which were subject to retention of title claims from creditors. The stock and raw materials were included in the sale to the Purchaser, for the consideration of £49,993, which is in line with the SOA estimated to realise value.

3.2.4 Cash at Bank

According to the SOA, as at the Appointment Date, the Company had cash at bank of £2,299. The Joint Administrators requested that these funds be transferred to the Administration bank account; however, there have been no realisations from this source, as the monies previously held in the Company's account have been offset by bank charges or were due to HSBC.

3.2.5 Other Assets

According to the SOA, as at the Appointment Date, the Company's prepayments and intercompany balances had book values of £9,335 and £254,964 respectively.

As previously reported, no realisations have been made regarding the prepayments (which had a realisable value of £nil in the SOA). A pre-Administration refund of £119 was received from HSBC.

Furniture and equipment, with a book value of £8,368 (and realisable value of £nil) were included in the sale of the business and assets to the Purchaser.

The intercompany debt in the amount of £254,964 is due to the Company from other members of the Group, the majority of which relates to the Company's parent, Stan Chem Group Limited which was placed into CVL on 11 June 2021, and no realisations will be received.

3.2.6 Rates Refund

The Joint Administrators were made aware of two business rates refunds due to the Company in respect of the pre-Administration period by Goodman Nash Ltd. As a result, Goodman Nash Ltd was instructed which resulted in a total of £17,990 being received into the Administration estate. A fee of £4,286 was paid to Goodman Nash Ltd, being the agreed rate of 25% of the total rates collected.

3.2.7 Investigations

The Joint Administrators reviewed the affairs of the Company to establish if there were any actions which could be taken against third parties to increase recoveries for creditors. This did not lead to any further realisations to the estate.

The Joint Administrators have filed their confidential report with BEIS regarding the conduct of the Directors of the Company who served in the three years prior to the Appointment Date.

There are no outstanding lines of enquiry.

3.3 Costs

Payments made in the Reporting Period are set out in the attached receipts and payments account at Appendix 3. Creditors should refer to the expenses schedule at Appendix 4 for further details in relation to costs.

4. Outcome for Creditors

4.1 Secured Creditors

IGF

In consideration for the monies advanced under the invoice discounting agreement, the Company granted IGF a debenture created on 21 April 2020, which confers fixed and floating charges over all of the assets of the Company.

According to the SOA, the total indebtedness to IGF as at the Appointment Date was approximately £2,415,198 subject to accruing interest and charges. As part of IGF's security, it holds a cross guarantee against the assets and liabilities of the other companies within the Group.

According to the SOA, the debtor book subject to IGF's invoice discounting facility totaled £61,589. To date, collections total £53,703 which have been paid directly to IGF, in addition to realisations of £1,845,502 received from SCI's Administration to date.

IGF will not be repaid in full.

HSBC

HSBC hold second ranking fixed and floating charges over all the Company's assets, following the provision of a term loan to the Group, cross guaranteed by all members of the Group. As at the Appointment Date, HSBC had an outstanding balance of approximately £1,330,000. There are insufficient realisations to allow a distribution to HSBC from the Company's Administration.

4.2 Preferential Creditors

The Company had no employees upon the Appointment Date, as all staff were employed by SCI.

According to the SOA, there are no Preferential Creditors, however, HMRC submitted a secondary preferential claim totalling £19,665 during the Administration.

There have been insufficient realisations to pay a dividend to any Preferential Creditors.

4.3 Unsecured Creditors

According to the SOA, non-preferential unsecured creditors total £57,632. Claims totalling £18,298 have been received to date.

Based on the asset realisations and costs of the Administration, there are insufficient realisations to enable a distribution to the non-preferential unsecured creditors of the Company.

4.4 Prescribed Part

The Prescribed Part is calculated as a percentage of net property, as follows:

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the unsecured creditors would be disproportionate to the benefits.
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £600,000 or £800,000 if the floating charge has been created on or after 6 April 2020.

The Company granted floating charges to the Secured Creditors and the Prescribed Part provisions therefore applied. However, the net property of the Company is nil and therefore the Prescribed Part does not apply.

5. Other Matters

5.1 Creditors' Committee

A creditors' committee was not established in the Administration.

5.2 Joint Administrators' Receipts and Payments Account

A detailed receipts and payments account for the Reporting Period and the Cumulative Period is shown at Appendix 3.

5.3 Statement of Creditors' Rights

Further information regarding the remuneration and expenses of the Joint Administrators, including creditors' rights to challenge such costs is provided at Appendix 7, Statement of Creditors' Rights.

6. Fees, Expenses and Pre-Administration Costs

6.1 Fees and Expenses

6.1.1 Time Costs

The Joint Administrators remuneration was fixed by reference to time properly given by them and their staff and a fee estimate of £100,763 was approved by the Secured Creditors on 4 May 2021.

Time has been charged in six-minute units. Details of the time charged for the Reporting Period and the Cumulative Period are attached at Appendix 5.

Time costs incurred in the Reporting Period total £31,004, which represents 94 hours at an average hourly rate of £329.

Time costs incurred in the Cumulative Period total £127,344, which represents 407 hours at an average hourly rate of £313.

These costs exceeded the estimate provided in the Proposals due to the Joint Administrators dealing with matters that were not foreseen at the outset of the Administration. These include dealing with a complex foreign debtor realisation and higher than expected creditor correspondence. Therefore, due to the increased complexity, the Joint Administrators incurred additional time in carrying out their duties.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

6.1.2 Fees

In the Cumulative Period, the Joint Administrators have drawn remuneration of £44,354.

In the Reporting Period, the Joint Administrators have drawn remuneration of £16,854, in accordance with the fee approval provided by the Secured Creditors.

Details of the total fees drawn by the Joint Administrators for the Cumulative Period and Reporting Period are detailed in the receipts and payments account attached at Appendix 3.

6.1.3 Expenses

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Joint Administrators and then reimbursed to the Joint Administrators from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1 Expenses) and those that do (Category 2 Expenses).

Category 1 Expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 Expenses are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

The Joint Administrators provided in the Proposals an estimate of expenses for the Administration, totalling £3,541. This was for information purposes only and could possibly change over the course of the Administration.

In the Reporting Period, Category 1 Expenses of £2,900 were incurred and paid in full. In the same period, no Category 2 Expenses were incurred.

In the Cumulative Period, Category 1 Expenses of £12,687 were incurred and £7,832 were paid. No Category 2 Expenses were incurred.

Details of expenses charges are attached at Appendix 4. No further expenses will be paid.

6.1.4 Additional Information

Attached at Appendix 6 is a narrative summary of the work carried out to assist creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and any financial benefit to creditors.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out in Appendix 7.

6.2 Pre-Administration Costs

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner before the Company entered Administration but with a view to it doing so.

On 4 May 2021, the pre-Administration costs were approved by the Secured Creditors to be paid out of the assets of the Company. Details of the pre-Administration costs were reported in the Proposals and the following breakdown illustrates what has been paid to date:

Pre-Administration costs	Paid (£)	Unpaid (£)	Total (£)
Kroll - fees	12,500.00	23,397.00	35,897.00
The Agents (Liquidity) - fees	3,000.00	0.00	3,000.00
The Agents (Liquidity) - disbursements	212.50	0.00	212.50
The Solicitors (Pinsent Masons) – fees	10,000.00	29,578.18	39,578.18
The Solicitors (Pinsent Masons) – disbursements	210.40	394.40	604.80
Total	25,922.90	53,369.58	79,292.48

The unpaid pre-Administration costs will not be paid.

7. Conclusion of the Administration

The Joint Administrators have now concluded the Administration. This is the Joint Administrators' Final Progress Report on the Administration and no further reports will be issued.

The Joint Administrators have filed a copy of this Final Progress Report with the Registrar of Companies, together with the requisite notice to dissolve the Company.

The Administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be automatically dissolved three months after that date.

The Joint Administrators will be discharged from liability in respect of any actions as Joint Administrators from the date the notice is registered at the Registrar of Companies.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against the Joint Administrators.

If you require further information or assistance, please do not hesitate to contact Emily Clark at Emily.Clark@kroll.com.

Yours faithfully
For and on behalf of
Biotechnica Services Limited



Matthew Ingram
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Matthew Ingram and Benjamin Wiles, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1 – Statutory Information

Company information

Company and trading name	Biotechnica Services Limited	
Date of incorporation	9 February 1993	
Registered Number	02788026	
Company Directors	Thomas Engelen Leszek Litwinowicz	
Shareholder	Stan Chem Group Limited	
Trading address	Viking Road Gapton Hall Industrial Estate Great Yarmouth NR31 0NU	
Registered office	Current: The Shard 32 London Bridge Street London	Former: 4 Kings Road Reading, Berkshire RG1 3AA

Administration information

Administration Appointment	The Administration appointment granted in the High Court of Justice, Business and Property Courts of England and Wales in Birmingham, Company and Insolvency List (ChD), CR-2021-BHM-000033	
Appointor	Directors	
Appointment Date	12 February 2021	
Joint Administrators	Matthew Ingram and Benjamin Wiles	
Original purpose	Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration)	
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1	
Current Administration expiry date	11 February 2022	
Prescribed Part	The Prescribed Part is applicable in this case. However, it is anticipated that there will be insufficient net asset realisations from the floating charge to enable a distribution under Prescribed Part	
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations	

Appendix 2 – Approved Proposals

The following proposals were deemed approved by creditors on 31 March 2021 without modifications:

General

- To continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;
- To do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient in order to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's creditors; and
- Seek an extension to the Administration period if considered necessary.

Distributions

- To make distributions to the secured and preferential creditors where funds allow;
- To make distributions to the unsecured creditors from the Prescribed Part, where applicable; and
- To make further distributions to the unsecured creditors over and above the Prescribed Part, if funds become available and apply to Court for authority to do so, where applicable.

End of Administration

That the Joint Administrators might use any or a combination of the following exit route strategies in order to bring the Administration to an end:

- Apply to Court for the Administration order to cease to have effect from a specified time and for the return of control to the Directors;
- Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Matthew Ingram and Benjamin Wiles of Kroll, would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Petition the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Matthew Ingram and Benjamin Wiles of Kroll, would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies if the Joint Administrators consider that Liquidation is not appropriate because (1) the Company has no remaining property which might permit a distribution to its creditors, and (2) all outstanding matters have been satisfactorily completed; and
- Alternatively, the Joint Administrators may allow the Administration to end automatically.

Resolutions Approved by the Secured Creditors

The following resolutions were approved by the Secured Creditors on 4 May 2021 without modifications:

- That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.
- That the Joint Administrators' fee estimate in the total sum of £100,762.50 is approved.
- The Joint Administrators be authorised to draw their Company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), which have been charged in accordance with Kroll's policy.
- That the unpaid pre-Administration costs totalling £79,292.48 as detailed in the Joint Administrators' statement of pre-Administration costs, is approved for payment as an expense of the Administration.
- That the Joint Administrators be discharged from all liability in respect of any actions as Joint Administrators upon filing their Receipts and Payments account with the Registrar of Companies or their appointment otherwise ceasing.

Appendix 3 – Joint Administrators' Receipts and Payments Account

Biotechnica Services Limited (In Administration)

Joint Administrators' Receipts and Payment Accounts

Statement of Affairs	Reporting Period From 12 August 2021 to 2 February 2022	Cumulative Period From 12 February 2021 to 2 February 2022
Estimated to Realise Values		
(£)	(£)	(£)
Secured Assets		
49,271.00 Amounts due to IGF	3,500.00	53,702.80
Goodwill	-	1.00
Intellectual Property	-	1.00
	3,500.00	53,704.80
Costs of Realisation		
Joint Administrators' Remuneration	-	10,002.00
IGF Adjustments	283.80	282.41
	(283.80)	(10,284.41)
Secured Creditors		
(2,415,198.00) IGF Book Debts	3,500.00	43,420.39
	(3,500.00)	(43,420.39)
Asset Realisations		
50,000.00 Inventory and Raw Materials	-	49,993.00
Funds due to the Purchaser - received in error	283.80	34,622.40
Rates Refund	-	17,989.93
Sundry Refunds	119.11	119.11
Accreditation Licences	-	1.00
Business Records	-	1.00
Customer Contracts	-	1.00
Furniture and Equipment	-	1.00
Work in Progress	-	1.00
Bank Interest Gross	0.05	0.05
2,299.00 Cash at bank	-	-
	402.96	102,729.49
Costs of Realisation		
Joint Administrators' Remuneration	16,853.58	34,351.58
Joint Administrators' Disbursements	-	225.00
Bank charges	0.74	0.74
Pre Insolvency Remuneration	-	12,500.00
Funds Due to the Purchaser - received in error	283.80	34,622.40
Legal Fees (Pre Insolvency)	-	10,000.00
Rates Agents Fees	-	4,286.42
Agent's (Fees Pre Insolvency)	-	3,000.00
Legal Fees	2,000.00	2,000.00
Accountant's Fees	900.00	900.00
Re-Direction of Mail	-	321.00
Agent's Disbursements (Pre Insolvency)	-	212.50
Legal Disbursements (Pre Insolvency)	-	210.40
Statutory Advertising	-	99.45
	(20,038.12)	(102,729.49)
Unsecured Creditors		
(13,593.00) Inter-Company	-	-
(100.00) Issued and Called up capital	-	-
(44,039.00) Trade & Expense Creditors	-	-
	-	-
Total	(19,918.96)	-
Represented By		
Floating Bank Account		-
Total		-

Appendix 4 – Analysis of Expenses Incurred

Biotechnica Services Limited (In Administration)

Summary of the Joint Administrators' Expenses for the Administration

Notes	Company	Type of Expense	Activity	Fee Basis	Proposals Original Estimated Cost (£)	Reporting Period		Cumulative Period	
						Amount Paid (£)	Amount Incurred (£)	Amount Paid (£)	Amount Incurred (£)
*1	Category 1 Expenses								
2	Professional Advisors								
3	Legal post-appointment Fees - Pinsent Masons LLP	Legal Fees	Ad-hoc legal advice.	Time Costs	1,395.20	2,000.00	2,000.00	2,000.00	6,855.10
4	LB Group Ltd (Chartered Accountants)	Accountancy Fees	Preparation of post-appointment corporation tax returns.	Time Costs	1,000.00	900.00	900.00	900.00	900.00
5	Goodman Nash Ltd	Business Rates Recovery	Recovery of business rates refunds due to the Company.	Percentage of Realisations	0.00	0.00	0.00	4,286.42	4,286.42
	Other Costs								
6	Courts Advertising Ltd	Statutory Compliance	Statutory Advertising of the appointment in the London Gazette	Fixed Fee Per Unit	99.45	0.00	0.00	99.45	99.45
7	Royal Mail	Statutory Compliance	Redirection of mail from the Properties to Kroll Advisory Ltd.	Fixed Fee	321.00	0.00	0.00	321.00	321.00
8	Total Data Management	Statutory Compliance	Collection and storage of the Company's books and records.	Fixed Fee Per Unit	500.00	0.00	0.00	0.00	0.00
9	AON UK Limited	Bond	Statutory bond for the assets.		225.00	0.00	0.00	225.00	225.00
	Total Category 1 Expenses				3,540.65	2,900.00	2,900.00	7,831.87	12,686.97
10	Category 2 Expenses								
	No Category 2 Expenses have been incurred				0.00	0.00	0.00	0.00	0.00
	Total Expenses				3,540.65	2,900.00	2,900.00	7,831.87	12,686.97

Notes to Expenses Schedule

- 1 Category 1 Expenses are payments to independent third parties where there is specific expenditure directly referable to the Administration.
- 2 The Joint Administrators' choice of professional advisors is based on their perception of the experience and ability of the respective firms / individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.
- 3 Legal costs incurred do not generally provide a direct benefit to creditors, except where these relate to the sale of business or recovery of assets. Other legal costs incurred are required to ensure compliance with legal and statutory requirements, including a security time costs incurred by Pinsent Masons LLP were higher as a result of providing advice regarding a complex foreign debtor realisation.
- 4 The Joint Administrators instructed accountants to complete a post-appointment tax return. This has no direct benefit to creditors but is necessary to comply with tax regulations.
- 5 Agent's instructed to recover the business rates refunds due to the Company. This expense resulted in realisations of £17,990.
- 6 Statutory advertising of the Notice of Appointment in the London Gazette is required under insolvency legislation.
- 7 Redirection of mail from the properties to Kroll's registered office.
- 8 Books and records of the Company will be stored off site with an external provider for one year from the conclusion of the Administration/Liquidation. In addition, it is a statutory requirement that books and records of the Joint Administrators/Liquidators must be kept after the conclusion of the Administration/Liquidation. Due to the Coronavirus pandemic, all records have been stored electronically and no cost will be incurred.
- 9 It is a statutory requirement for insolvency practitioners to have a bond on each case to which they are appointed. The cost is based on the value of the assets.
- 10 Category 2 Expenses are costs that are directly referable to the Joint Administrators and are payments from associates. All Category 2 expenses need approval before payment from the Administration estate.
- * Category 1 Expense estimate has been exceeded due to the fee paid to Goodman Nash Ltd, however, this resulted in increased recoveries of £17,990.
- The above costs exclude VAT.

Appendix 5 – Analysis of Time Charged

Biotechnica Services Limited (In Administration)

Analysis of the Joint Administrators' Time Costs for the Reporting Period

	Hours				Total Hours	Time Costs £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant			
Administration and Planning							
Case Review & Case Diary Management	0.00	0.40	1.90	1.80	4.10	1,244.00	303.41
Cashiering & Accounting	0.00	1.50	6.70	8.10	16.30	5,013.50	307.58
Statutory Matters (Meetings, Reports & Notices)	0.00	1.90	25.40	7.10	34.40	11,788.00	342.67
Strategy, Planning & Control	0.00	1.90	3.30	4.80	10.00	3,070.50	307.05
Tax Compliance / Planning	0.00	1.60	6.30	7.70	15.60	4,500.00	288.46
Creditors							
Communications with Creditors / Employees	0.00	0.00	0.30	1.60	1.90	386.00	203.16
Secured Creditors	0.00	1.00	0.50	0.00	1.50	635.00	423.33
Realisation of Assets							
Book Debts	0.00	0.30	0.00	0.00	0.30	133.50	445.00
Freehold & Leasehold Property	0.00	3.50	2.70	0.00	6.20	2,776.00	447.74
Other Tangible Assets	0.00	0.20	3.60	0.00	3.80	1,457.00	383.42
	Total Hours:	0.00	12.30	50.70	31.10	94.10	329.47
	Total Fees Claimed: (£)	0.00	5,828.50	19,539.00	5,636.00	31,003.50	

Biotechnica Services Limited (In Administration)

Analysis of the Joint Administrators' Time Costs for the Cumulative Period

	Hours				Total Hours	Time Costs £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant			
Administration and Planning							
Case Review & Case Diary Management	0.00	2.30	7.30	9.80	19.40	5,541.50	285.64
Cashiering & Accounting	0.00	3.70	17.35	37.90	58.95	15,473.50	262.49
Dealings with Directors & Mangement	0.00	0.00	0.55	0.40	0.95	273.00	287.37
IPS Set Up & Maintenance	0.00	0.00	0.70	0.60	1.30	382.00	293.85
Insurance	0.00	0.00	1.60	0.90	2.50	788.00	315.20
Statement of Affairs	0.00	1.20	0.60	0.30	2.10	810.00	385.71
Statutory Matters (Meetings, Reports & Notices)	0.00	13.50	45.75	37.80	97.05	30,196.50	311.14
Strategy, Planning & Control	5.50	11.90	9.30	16.60	43.30	16,168.00	373.39
Tax Compliance / Planning	0.00	1.70	10.20	11.00	22.90	6,598.50	288.14
Creditors							
Dealings with creditors & employees	0.00	1.30	10.55	27.00	38.85	9,756.50	251.13
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	1.50	1.50	240.00	160.00
Secured Creditors	0.00	5.60	4.80	0.80	11.20	4,484.50	400.40
Investigations							
CDDA Reports & Communication	0.00	3.50	19.30	18.85	41.65	12,117.50	290.94
Financial Review & Investigations	0.00	0.00	6.20	0.00	6.20	2,356.00	380.00
Realisation of Assets							
Book Debts	0.00	3.50	0.75	5.10	9.35	2,670.50	285.61
Freehold & Leasehold Property	0.00	3.50	3.00	2.70	9.20	3,334.00	362.39
Goodwill and Intellectual Property Rights	0.00	0.00	0.00	0.10	0.10	16.00	160.00
Hire Purchase & Lease Assets	0.00	0.00	0.00	0.10	0.10	16.00	160.00
Other Intangible Assets	0.00	0.20	0.00	0.00	0.20	89.00	445.00
Other Tangible Assets	0.00	13.40	20.90	0.00	34.30	13,905.00	405.39
Plant & Machinery, Fixtures & Motor Vehicles	0.00	0.00	1.10	0.00	1.10	418.00	380.00
Sale of Business	0.00	1.90	1.30	1.80	5.00	1,710.00	342.00
Total Hours:	5.50	67.20	161.25	173.25	407.20		312.73
Total Fees Claimed: (£)	4,125.00	30,622.00	61,639.00	30,958.00		127,344.00	

Appendix 6 – Narrative of Work Caried Out in the Cumulative Period

SIP 9 narrative

Administration and planning	<ul style="list-style-type: none">• Monitoring and reviewing the Administration strategy;• Briefing staff on the Administration strategy and matters in relation to workstreams;• Regular case management and reviewing of process including regular team update meetings and calls;• Reviewing and authorising junior staff correspondence and other work;• Dealing with queries arising during the appointment;• Reviewing matters affecting the outcome of the Administration;• Allocating and managing staff / case resourcing and budgeting exercises and reviews;• Drafting the Proposals, the Previous Report and the Final Progress Report; and• Complying with internal filing and information recording practices, including documenting strategy decisions.
Creditors	<ul style="list-style-type: none">• Updating the list of unsecured creditors;• Responding to enquiries from creditors regarding the Administration and submission of their claims;• Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; and• Providing written and oral updates to the Secured Creditors regarding the progress of the Administration and case strategy.
Investigations	<ul style="list-style-type: none">• Managing and reviewing the Company's books and records;• Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation;• Obtaining records from third parties;• Conducting interviews with counterparties and officeholders;• Enquiring with counterparties who has raised disputes against the Company;• Reviewing pre-appointment transactions; and• Documenting investigations.
Statutory and compliance	<ul style="list-style-type: none">• Ensuring compliance with all statutory obligations within the relevant timescales;• Uploading information to the Creditors' Portal;• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;• Monitoring the fees estimate; and• Monitoring the expenses estimate.
Cashiering	<ul style="list-style-type: none">• Preparing statutory receipts and payments accounts; and• Renewing bonding and complying with statutory requirements.
Asset realisations	<ul style="list-style-type: none">• Collating information from the Company's records regarding assets;• Monitoring book debt collections;

- Assisting with the collection of a foreign book debt;
- Instructing Goodman Nash Ltd to realise business rates refunds;
- Liaising with finance companies in respect of assets subject to finance agreements;
- Liaising with suppliers on retention of title claims;
- Liaising with third parties regarding costs incurred;
- Reviewing and agreeing invoices;
- Reviewing costs incurred to ensure recorded accurately; and
- Arranging payments to agents and solicitors in a timely manner.

Tax

- Analysing and considering the tax effects of asset sales;
- Instructing LB Group Ltd to submit a Corporation Tax return for the sale of the business;
- Submitted tax returns relating to the periods during the Administration;
- Analysing VAT related transactions; and
- Dealing with post appointment tax compliance.

Appendix 7 – Statement of Creditors' Rights

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)
Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Emily Clark at Emily.Clark@Kroll.com.

Information for creditors on remuneration and expenses of Administrators

Information regarding the fees and expenses of Administrators, including details of the expenses policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Administration: A Creditor's Guide to Insolvency Practitioner Fees". This can be viewed and downloaded from the website at:

www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets

Should you require a copy, please contact this office.

Creditors' requests for further information

If you would like to request more information about the Joint Administrators' remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications are by unsecured creditors (including the unsecured creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Emily Clark at Emily.Clark@Kroll.com.

Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agent	Liquidity Services UK Limited independent agents who were instructed to value the assets of the Company
the Appointment Date	12 February 2021 being the date of appointment of the Joint Administrators
BEIS	Department for Business, Energy & Industrial Strategy
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
the Company / Biotechnica	Biotechnica Services Limited (In Administration) (Company Number: 02788026)
the Cumulative Period	The period from the Appointment Date to the date of the report, i.e. the whole period of the Administration
the Creditors' Portal	https://www.ips-docs.com
CVL	Creditors' Voluntary Liquidation
the Directors	Mr Thomas Engelen and Mr Leszek Litwinowicz, being the Directors of the Company as at the Appointment Date
Final Progress Report	The Joint Administrators final progress report for the whole Administration period
the Group	The ultimate parent Stan Chem Holdings Limited (09053137), Stan Chem Group Limited (08817926), and its subsidiaries Biotechnica Services Limited (02788026), Stan Chem International Limited (01336946), Hexachem (Pty) Limited and SCI US.
HMRC	HM Revenue and Customs
HSBC	HSBC Bank, holder of fixed and floating charges over the assets of the Company and holder of a legal mortgage over the freehold property of SCI.
IGF	IGF Business Credit Limited, being the provider of an invoice discounting facility to SCI and Biotechnica, and the first ranking secured creditor over SCI and Biotechnica's assets.
the Joint Administrators	Matthew Ingram and Benjamin Wiles of Kroll Advisory Ltd., the Shard, 32 London Bridge Street, London, SE1 9SG

Word or Phrase	Definition
Kroll	Kroll Advisory Ltd., The Shard, 32 London Bridge Street, London, SE1 9SG.
LTO	Licence to occupy
Preferential Creditors	A creditor with a claim that ranks in priority to other unsecured creditors, to floating charge holders and the prescribed part. Preferential debts are either 'ordinary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full.
the Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to unsecured creditors
the Purchaser	Central Pharma Biotechnica Limited (Company Number: 13182798), the purchaser of the business and certain assets of the Company
the Property	Viking Road, Gapton Hall Industrial Estate, Great Yarmouth NR31 0NU
the Proposals	Joint Administrators' Report to Creditors and Statement of Proposals dated 18 March 2021
the Previous Report	The Joint Administrators' progress report to creditors dated 7 September 2021
the Reporting Period	The period from 12 August 2021 to 2 February 2022
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditors	IGF and HSBC, the holders of fixed and floating charges over the Company's assets
SCI	Stan Chem International Limited (In Administration) (Company Number: 01336946)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SIP 16	Statement of Insolvency Practice 16 – Industry best practice for Insolvency Practitioners in relation to the requirement for disclosure of information with respect to a 'Pre-Packaged' sale of business and/or assets of the Company
SOA	Statement of Affairs, documentation supplied by the Directors outlining the Company's financial position as at the Appointment Date
the Solicitors or Pinsent Masons	Pinsent Masons LLP, the legal advisors to the Joint Administrators and to Kroll in the lead up to the Administration

Word or Phrase	Definition
VAT	Value added tax

Appendix 9 – Notice About This Report

This report has been prepared by Matthew Ingram and Benjamin Wiles, the Joint Administrators of the Company, solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Matthew Ingram and Benjamin Wiles are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Kroll Advisory Ltd. does not assume any responsibility and will not accept any liability to any person in respect of this progress report or the conduct of the Administration.