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1 Company details

Company number 03040413

Company name in full Kew Media International Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Simon

Surname Kirkhope

3 Administrator's address

Building name/number FTI Consulting LLP

Street 200 Aldersgate

Aldersgate Street

Post town London

County/Region Greater London

Postcode EC1A 4HD

Country United Kingdom

4 Administrator's name ①

Full forename(s) Andrew

Surname Johnson

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number FTI Consulting LLP

Street 200 Aldersgate

Aldersgate Street

Post town London

County/Region Greater London

Postcode EC1A 4HD

Country United Kingdom

② 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	^d 2	^d 8	^m 0	^m 2	^y 2	^y 0	^y 2	^y 1
To date	^d 2	^d 7	^m 0	^m 8	^y 2	^y 0	^y 2	^y 1

7 Progress report


☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 2	^d 4	^m 0	^m 9	^y 2	^y 0	^y 2	^y 1
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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 Isabel Hardaway

Company name FTI Consulting

Address 200 Aldersgate

Aldersgate Street

Post town London

County/Region Greater London

Postcode EC1A 4HD

Country

DX

Telephone 0044 7583 103020

**Checklist**

We may return forms completed incorrectly or with information missing.

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- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

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Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

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JOINT ADMINISTRATORS' REPORT FOR THE PERIOD 28 FEBRUARY 2021 TO 27 AUGUST 2021

EXPERTS WITH **IMPACT**[™]

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Glossary

Abbreviation / Term	Meaning / Definition
Act	Insolvency Act 1986 (as amended)
Administration	The Administration of KMD
APA	Asset Purchase Agreement
Appointment date	28 February 2020
Joint Administrators / we / our / us / Administrators	Simon Ian Kirkhope and Andrew James Johnson
BEIS	Department for Business, Energy and Industrial Strategy
c.	Approximately
Hilco	Hilco Valuation Services
KMD /the Companies	Kew Media Distribution (comprising of Kew Media International Limited, Kew Media Group UK Holdings Limited and Kew Media Group UK Limited)
KMG	Kew Media Group Inc.
KMIL	Kew Media International Limited
KMGUKH	Kew Media Group UK Holdings Limited
KMGUK	Kew Media Group UK Limited
KMGUS	Kew Media Group US Inc
CDDA	Company Directors Disqualification Act 1986
FTI / FTI UK	FTI Consulting LLP
FTI Canada	FTI Consulting Inc.
The Group	Kew Media Group Inc. (including its subsidiaries)
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England & Wales
NDA	Non-Disclosure Agreement
The Period	28 February 2021 to 27 August 2021
The Proposals	Statement of Proposals dated 21 April 2020
Preferential Creditors	Principally employee claims for unpaid wages (max £800 per employee), holiday pay, and certain unpaid pension contributions
Prescribed Part	Amount set aside for unsecured creditors from floating charge net realisations in accordance with S.176A of the Act
Quiver	Quiver Entertainment Inc
RPS	Redundancy Payments Service
Rules	Insolvency (England and Wales) Rules 2016 (as amended)
Secured Debt	US\$41 million term loan and a US\$67.5 million revolving credit facility, secured in favour of Truist Bank as agent for a syndicate of lenders, with fixed and floating charge security over the assets of KMD (as well as a series of other group companies)
Secured Lenders	Holders of the Secured Debt
Sch B1	Schedule B1 to the Act
SIP	Statement of Insolvency Practice
SIP 2	Investigations by office holders in administration and insolvent liquidations
SIP 7	Presentation of financial information in insolvency proceedings
SIP 9	Remuneration of insolvency office holders
WIP	Work-in-progress (our time costs to date)

1. Introduction

- 1.1 Andrew Johnson and I were appointed joint administrators of KMIL, KMGUKH, and KMGUK on 28 February 2020 by the Secured Lenders of KMD.
- 1.2 Pursuant to Rule 18.6 of the Rules, we are required to provide creditors with a report setting out what has happened in the Administrations in the six months since our last report. This report covers the period from 28 February 2021 to 27 August 2021.
- 1.3 Full details of the statutory information relating to our appointment are set out in Appendix A.
- 1.4 During this period the Joint Administrators have continued to undertake work required to conclude the Administrations, including but not limited to:
 - Post-transaction support to the purchaser of KMD's titles;
 - Lodgment of required returns and forms with HMRC;
 - Considering available options in relation to subsidiary entities held by the Companies;
 - Supporting continuing investigations by the Receiver of KMG; and
 - Preparing for a prescribed part dividend to be declared to the unsecured creditors of KMIL and KMGUKH.
- 1.5 This report together with the appendices, contain information in relation to the activities undertaken, receipts and payments in the insolvency estate (Appendix B) and the Administrators' time costs in accordance with Statement of Insolvency Practice 9 ("SIP9") (Appendix D) for the Period and since the date of the Administrators' appointment.
- 1.6 Further details surrounding the Administrations of KMD can be found in the Administrators' Proposals dated 21 April 2020, which continue to be available online at:

<https://www.fticonsulting-emea.com/cip/kew-media>
- 1.7 FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. The privacy and security of personal information is very important to us. You can find more information on how FTI uses your personal information at:

<https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>
- 1.8 No Creditors' Committee has been formed in the administration of the Companies.
- 1.9 The estimated return to creditors is set out in Section 3 of this report.

2. Progress of the Administrations

Library Sale

- 2.1 As disclosed in the Proposals, on appointment the Administrators initiated a sale process to sell the distribution rights for KMD's library of titles as a sale of the library would be a means to best preserve, to the extent possible, the end-to-end relationship between producer, distributor and customer, which was considered the best opportunity to attempt to preserve value for each of these parties.
- 2.2 Full details of the sales process were included in our Proposals dated 21 April 2020 and our report dated 24 September 2020, both of which are available here:

<https://www.fticonsulting-emea.com/cip/kew-media>

- 2.3 Pursuant to an APA dated 2 May 2020, the preferred purchaser (Quiver) acquired such right, title and interest that KMD had in all titles in the library, to the extent that the right, title and interest was able to be assigned.
- 2.4 We continue to provide such assistance as is required to stakeholders regarding the transition of the library to Quiver.

Other Asset Realisations

Book Debt Collection

- 2.5 Since appointment it had become clear that the value of the book debts at appointment were overstated due to a combination of old debts being carried that were not collectable, as well as debtors having already made payments which had not been correctly allocated in the accounting records. The collectability of book debts and accrued income was uncertain given the complexity of contractual arrangements underpinning distribution agreements (and consequently accounts receivable), and the discrepancies in KMD's accounting records.
- 2.6 As part of the sale to Quiver, it acquired book debts in relation to KMD's library that were still outstanding as at 22 April 2020. Accordingly, no further recoveries of book debts are expected.
- 2.7 A small amount of book debts (£3,868) received by PayPal relating to the period prior to 22 April 2020 was received during the Period.

Subsidiary Companies

- 2.8 The Companies own a number of shares in dormant entities or entities with immaterial development assets, which fall within the Secured Lenders' security net. All but one of these entities have no value. It is understood that the director of one entity ("the Development Entity") has sold its assets, with part of the consideration having been received, with an element of deferred consideration (which is conditional on the level of liabilities that have been assumed by the purchaser) potentially payable. As the assumed liabilities have not yet been able to be quantified by the purchaser, the deferred consideration is yet to be paid.
- 2.9 There are no other known creditors of the Development Entity, except for the Secured Lenders. As such, the Development Entity is expected to be liquidated and the proceeds (after costs of liquidation) are expected to be payable to the Secured Lenders as they have security over the assets of the Development Entity.
- 2.10 As KMD is the sole shareholder of the Development Entity, it will be necessary for the administrators to sign resolutions on behalf of KMD to place the Development Entity into liquidation.
- 2.11 All other subsidiaries of KMD are expected to be struck off in due course.

Employees

- 2.12 We maintained a skeleton staff to assist us in trading KMD to a point where a sale of the library could be achieved and to assist with the collection of the book debts. Following the transition period, all KMD employees who remained employed were made redundant by 29 May 2020.
- 2.13 A preferential dividend has been declared for both KMIL and KMGUKH, with preferential creditors paid in full. No further preferential dividends are expected to be declared.

Unsecured Creditor Queries

- 2.14 We have continued to address queries received from unsecured creditors, including in respect of amounts owed by KMD prior to the appointment of the Administrators. We continue to respond to individual queries from unsecured creditors as they are received.

Prescribed Part Dividend

- 2.15 During the Period, the Administrators began preparing for the prescribed part dividend to unsecured creditors of KMIL and KMGUKH to be declared. This included confirming how claims would be treated and writing to creditors seeking further information in respect to their claims. We anticipate the notice of intended dividend will be issued in the next 2 weeks.

Premises

- 2.16 Following the transition period, the records located at KMD's premises on Shaftsbury Avenue, London, were collected and the keys were returned to the landlord. As KMD no longer occupies the property or derives any benefit from it, it is no longer responsible for any ongoing costs. We have requested a formal surrender of the lease, but to date this has not yet been agreed by the landlord.

Taxation

- 2.17 On appointment, corporation tax, PAYE and VAT notifications were issued to HMRC. VAT returns for the quarterly periods ending 30 June 2020 through to 30 June 2021 have been submitted. We are in the process of de-registering KMD for VAT after which future returns will only be submitted should they be required. Pre-appointment VAT returns have not been submitted to HMRC due to the standard of the books and records received by KMD.
- 2.18 Pre-appointment corporation tax returns for the years ending 31 December 2018 and 31 December 2019, as well as for the period to 27 February 2020, have been prepared and submitted to HMRC. A corporation tax return for the period ending 27 February 2021 is currently being prepared and additional corporation tax returns will be prepared and submitted to HMRC as required.
- 2.19 In addition, the Administrators also arranged for documentation to be submitted to HMRC to allocate prior year Group losses to other members of the Group to facilitate their sale. We continued to liaise with HMRC in relation to queries they had raised regarding the Group's pre-administration tax affairs and have concluded the position with HMRC this Period.

Statutory Investigations

- 2.20 As previously reported, we have submitted final returns regarding director conduct for all three entities to the Department for Business, Energy and Industrial Strategy. The content of our reports in relation to this is confidential. As a consequence of the investigations conducted in accordance with SIP2, it was concluded that no economically viable courses of recovery action were available to the administrators in the UK.
- 2.21 Broader investigations in respect of the Group and potential sources of recovery are ongoing in conjunction with FTI Canada, the Receiver of KMG. To the extent that allegations of misconduct received from stakeholders relate to the wider Group, these have been passed to the Receivers to assist in their ongoing investigations. We are not yet in a position to determine whether these investigations will result in any additional actions relating to KMD, or any recoveries to the estate.

Other Work Undertaken

- 2.22 In order to maximise the return to the Secured Lenders (and as a consequence reduce their claims against the estate), we supported the Receiver of KMG with various information requests to facilitate the sale of various production companies that formed part of the wider Group.
- 2.23 Where necessary we continue to provide support in relation to ad hoc queries relating to these disposals.
- 2.24 An overview of all work undertaken is provided in Appendices C and D.

Remaining Steps

2.25 The remaining steps that need to be taken ahead of concluding the Administrations include:

- Any investigations and/or recovery actions potentially arising out of the KMG investigation process, or separate actions if appropriate;
- Distribute realisations to creditors in accordance with any relevant statutory provisions;
- Resolve any taxation/VAT issues including submission of appropriate post-appointment returns; and
- Take the required steps to bring the Administrations to an orderly conclusion.

Exit Route and Extensions

2.26 In order to allow sufficient time for the remaining steps set out above to be taken, we sought consent of the relevant creditors of the Companies to extend the period of the Administrations, pursuant to paragraph 76(2)(b) of Sch B1.

2.27 On 15 January 2021, consent was sought from the Secured Lenders to extend the duration of the Administrations for KMIL, KMGUKH and KMGUK, for a period of 12 months to 27 February 2022. Similar consent was required from the preferential creditors of KMIL and KMGUKH and was obtained using the deemed consent procedure.

2.28 Following expiration of the relevant notice periods and the receipt of consent from the Secured Lenders, notices of the extensions were delivered to the Registrar of Companies and uploaded to the Administrators' Creditors Portal on 1 February 2021 pursuant to rule 3.54 of the Rules.

2.29 The reasons for the extensions are detailed below. Both reasons are applicable to KMIL and KMGUKH and only the first is applicable to KMGUK:

- To allow further time for investigations, which are being undertaken to determine whether there are any recovery actions that can be taken (with the support of the Secured Lenders) to enhance the value of the Administration estates.
- To provide the Administrators with sufficient time to collate and adjudicate unsecured creditor claims in order to facilitate an unsecured creditor distribution by way of the Prescribed Part.

2.30 The most likely exit route for the Companies are by dissolution following the conclusion of the Administrations.

Joint Administrators' Receipts and Payments during the Period

2.31 A full account of receipts and payments for the period covered by this report is provided at Appendix B.

2.32 Receipts in the period relate to those assets detailed in the report. Payments consist of office holder fees and expenses, rent, service charge and property related expenses.

Joint Administrators' Remuneration

2.33 Our Proposals dated 21 April 2020 were deemed to have been approved on 4 May 2020 in accordance with Paragraph 52(1)(b) of Sch B1.

2.34 The Proposals contained a Notice of Invitation to form a Creditors' Committee ("Committee") and Voting Form under Rule 3.39 of the Rules. Creditors were invited to determine whether a Committee should be established, and if so to nominate a member of the Committee (provided they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes).

- 2.35 The specified date for receiving nominations for creditors to act as a member of the Committee was 6 May 2020, the Decision Date. Ultimately no such Committee was formed.
- 2.36 In the absence of a Committee, the Secured Lenders have the responsibility for approving the basis of the Administrators' remuneration, fees estimate and category 2 expenses (where applicable).
- 2.37 Details of the rules in relation to the Administrators' remuneration together with details of our time costs to date and our current and revised fees estimate, are set out in Appendices C and D.
- 2.38 The Appendices provide creditors with information in respect of our remuneration including details on fees incurred to date, confirmation of our total fees estimate for the Administrations and the approval method anticipated for these fees.

Creditors' Right to Challenge Remuneration and/or Expenses

- 2.39 Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors, or with the leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 18.36 or 18.37 of the Rules), challenging the amount or the basis of the remuneration which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred. Such an application must be made within eight weeks of receipt by the applicant(s) of the report detailing the remuneration and/or expenses in question, in accordance with Rule 18.34 of the Rules.

Creditors Right to Request Information

- 2.40 Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors, or with the leave of the Court, may, in writing, request the Joint Administrators of KMD to provide additional information regarding remuneration or expenses to that already supplied within this document. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

3. Estimated Outcomes

Secured Creditors

- 3.1 Pursuant to an Amended and Restated Revolving Credit and Term Loan Agreement, dated 23 July 2018, the Secured Lenders made available to KMG and KMIL as co-borrowers, loan facilities in the aggregate amount of US\$110 million.
- 3.2 Pursuant to a Deed of Debenture dated 28 July 2017, each of KMIL, KMGUKH, and KMGUK granted fixed and floating charge security over the assets of KMD to the Agent acting on behalf of the Secured Lenders.
- 3.3 As of 25 February 2020, the Group is indebted to the Secured Lenders pursuant to the Term Loan Agreement in the amount of c.US\$113.8 million, plus interests and costs which continue to accrue.
- 3.4 On 23 October 2020, an interim floating charge holder distribution of £600,000 was made to the Secured Lenders from the KMIL estate.
- 3.5 The overall return to the Secured Lenders of KMIL and KMGUKH is expected to be low after the costs of the Administrations and the Prescribed Part dividends are paid, potentially less than 1p per £1 claimed.
- 3.6 There is not expected to be any return to the Secured Lenders from the Administration of KMGUK as there are not expected to be any asset realisations into this estate.

Preferential Creditors

- 3.7 The known preferential creditors are former employees of KMD in respect of holiday pay. All employee wages were paid up to the date of appointment.
- 3.8 Dividends to preferential creditors are paid from floating charge realisations, after taking out the costs of the Administration, such as the payment of staff who continued working during the Administration, paying essential suppliers, agents and other professional fees.
- 3.9 Preferential creditors of KMIL and KMGUKH were paid in full on the 22 December 2020 in the amount of £18,106 and £43,593, respectively.
- 3.10 There is not expected to be any return to the preferential creditors of KMGUK as there are not expected to be any realisations into this estate.

Unsecured Creditors / Prescribed Part

- 3.11 Unsecured creditors rank behind both secured and preferential creditors. As there will be insufficient funds to repay the Secured Lenders in full in the Administrations, a distribution to the unsecured creditors will only arise by virtue of section 176A(2)(a) of the Act, a Prescribed Part dividend.
- 3.12 The Prescribed Part applies where there are net floating charge realisations (i.e. after costs of realisation) and is calculated as follows:
- 50% of net property up to £10k;
 - Plus 20% of the net property in excess of £10k; and
 - Subject to a maximum of £600k (prior to the deduction of the costs of distributing).
- 3.13 The Prescribed Part expected to be available for unsecured creditors of KMIL is forecasted to be c.£285k. Payments to individual unsecured creditors are made pro-rata to the size of their claim, relative to total claims received and admitted.
- 3.14 We are not yet in a position to determine the exact amount payable to unsecured creditors, as claims have not yet been fully adjudicated. We expect the value of unsecured claims to increase compared to the estimate of £10.8m provided by the directors of KMIL in their statement of affairs, as creditors continue to provide substantiating evidence to support claims of amounts due under distribution agreements. However, given the quantum of unsecured creditors and size of the overall Prescribed Part fund, we anticipate that the Prescribed Part dividend will be very small, likely less than 1p per £1 claimed.
- 3.15 The Prescribed Part expected to be available for unsecured creditors of KMGUKH is forecasted to be c.£17k. Payments to individual unsecured creditors are made pro-rata to the size of their claim, relative to total claims received and admitted. Unsecured claims estimated by the directors of KMGUKH, as well as proofs of debt received, total c.£156k.
- 3.16 There is not expected to be any return to unsecured creditors of KMGUK as there are not expected to be any realisations into this estate.

Shareholders

- 3.17 There will be no return to KMD's shareholders as there will be a material shortfall to KMD's creditors.

4. Next Report, Discharge and Further Information

- 4.1 We are required to provide a further progress report to all creditors within one month of the end of the period ending 27 February 2022, or when the Administrations come to an end, whichever is sooner.
- 4.2 All documents will be retained on the website and will remain live until two months after the conclusion of the proceedings. If you require hard copy documents please contact Kew Media at FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD and you will be provided, free of charge, a hard copy of documents posted, either now or in the future, to the website.
- 4.3 If you have any specific queries in relation to this report or the Administrations in general, please contact the Administrators at kewmedia@fticonsulting.com or on 020 7632 5030. Creditors can also use these contact details to request a hard copy of this report.
- 4.4 Pursuant to paragraph 98 of Sch B1, the Administrators' discharge of liability in respect of their actions as Joint Administrators of each of KMIL, KMGUKH and KMGUK takes effect at the specific time appointed by either the court, the creditors (either via a Creditors' Committee or by decision of the creditors) or, in specific circumstances, by the secured (and preferential) creditors. This discharge will be obtained under separate cover in due course.

For and on behalf of

Kew Media International Limited, Kew Media Group UK Holdings Limited and Kew Media Group UK Limited

A handwritten signature in black ink, appearing to read 'Simon Kirkhope'.

Simon Kirkhope
Joint Administrator

The affairs, business and property of KMD are being managed by the Joint Administrators. The Joint Administrators act as agents of KMD and without personal liability.

Simon Ian Kirkhope and Andrew James Johnson are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales, under section 390A(2)(a) of the Insolvency Act 1986.

The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

Appendix A: Statutory Information

Company Name:	Kew Media International Limited		
Previous Name	Content Media Corporation International Limited		
Court Reference	CR-2020-001464		
Registered Number	03040413		
Date of Incorporation	31 March 1995		
Shareholdings held by directors / secretary	Director Name	Status	Shareholding
	Erik Kwak	Current director	Nil
	Steven Silver	Current director	Nil
Trading Names	N/A		
Registered Office	C/O FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Former Registered Office	151 Shaftsbury Avenue, London, WC2H 8AL		
Court Name / Address	Business and Property Courts (Insolvency and Companies List), High Courts of Justice		
Administrators' Names	Simon Ian Kirkhope and Andrew James Johnson		
Administrators' Address	FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Administrators' Regulator	ICAEW		
Functions of Administrators	Pursuant to Paragraph 100 of Sch B1, the Administrators may exercise any of the powers conferred on them by the Act jointly or individually		
Appointment Date	28 February 2020		
Appointer / Applicant	Truist Bank		
Appointment Type	By holder of qualifying floating charge pursuant to Paragraph 14 of Sch B1		
Objective being pursued	Purpose B: Achieving a better result for KMIL’s creditors as a whole than would be likely if the company were wound up (without first being in Administration).		
EC Regulation	The EC Regulation on Insolvency Proceedings applies. The proceedings are main proceedings since the centre of main interest is in the United Kingdom.		
Security	Fixed and floating charge over all the property of the company granted in favour of Truist Bank as Agent for the Secured Lenders dated 28 July 2017		
Current Administration End Date	27 February 2022 (following granting of extension by Secured and preferential creditors as set out above)		

The affairs, business and property of KMIL are being managed by the Joint Administrators. The Joint Administrators act as agents of KMIL and without personal liability.

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

Company Name:	Kew Media Group UK Holdings Limited		
Previous Name	Content Media Corporation Worldwide Limited		
Court Reference	CR-2020-001463		
Registered Number	02819652		
Date of Incorporation	19 May 1993		
Shareholdings held by directors / secretary	Director Name	Status	Shareholding
	Eric Kwak	Current	Nil
Trading Names	N/A		
Registered Office	C/O FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Former Registered Office	151 Shaftsbury Avenue, London, WC2H 8AL		
Court Name / Address	Business and Property Courts (Insolvency and Companies List), High Courts of Justice		
Administrators' Names	Simon Ian Kirkhope and Andrew James Johnson		
Administrators' Address	FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Administrators' Regulator	ICAEW		
Functions of Administrators	Pursuant to Paragraph 100 of Sch B1, the Administrators may exercise any of the powers conferred on them by the Act jointly or individually		
Appointment Date	28 February 2020		
Appointer / Applicant	Truist Bank		
Appointment Type	By holder of qualifying floating charge pursuant to Paragraph 14 of Sch B1		
Objective being pursued	Purpose B: 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).		
EC Regulation	The EC Regulation on Insolvency Proceedings applies. The proceedings are main proceedings since the centre of main interest is in the United Kingdom.		
Security	Fixed and floating charge over all the property of the company granted in favour of Truist Bank as Agent for the Secured Lenders dated 28 July 2017		
Current Administration End Date	27 February 2022 (following granting of extension by Secured and preferential creditors as set out above)		

The affairs, business and property of KMGUKH are being managed by the Joint Administrators. The Joint Administrators act as agents of KMGUKH and without personal liability.

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

Company Name:	Kew Media Group UK Limited		
Previous Name	Content Media Corporation Limited		
Court Reference	CR-2020-001471		
Registered Number	09362955		
Date of Incorporation	19 December 2014		
Shareholdings held by directors / secretary	Director Name	Status	Shareholding
	Eric Kwak	Current	Nil
	Madeleine Cohen	Current	Nil
	Steven Silver	Current	Nil
	Peter Alan Sussman	Current	Nil
Trading Names	N/A		
Registered Office	C/O FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Former Registered Office	151 Shaftsbury Avenue, London, WC2H 8AL		
Court Name / Address	Business and Property Courts (Insolvency and Companies List), High Courts of Justice		
Administrators' Names	Simon Ian Kirkhope and Andrew James Johnson		
Administrators' Address	FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Administrators' Regulator	ICAEW		
Functions of Administrators	Pursuant to Paragraph 100 of Sch B1, the Administrators may exercise any of the powers conferred on them by the Act jointly or individually		
Appointment Date	28 February 2020		
Appointer / Applicant	Truist Bank		
Appointment Type	By holder of qualifying floating charge pursuant to Paragraph 14 of Sch B1		
Objective being pursued	Purpose B: 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).		
EC Regulation	The EC Regulation on Insolvency Proceedings applies. The proceedings are main proceedings since the centre of main interest is in the United Kingdom.		
Security	Fixed and floating charge over all the property of the company granted in favour of Truist Bank as Agent for the Secured Lenders dated 28 July 2017		
Current Administration End Date	27 February 2022 (following granting of extension by Secured and preferential creditors as set out above)		

The affairs, business and property of KMGUK are being managed by the Joint Administrators. The Joint Administrators act as agents of KMGUK and without personal liability.

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

Appendix B: Joint Administrators' Receipts and Payments

Receipts and payments for KMIL and KMGUKH are detailed below. There have been no receipts and payments in KMGUK.

Kew Media International Limited Joint Administrators' Account of Receipts and Payments						
GBP	Notes	Statement of Affairs Estimated to Realise	28 Feb 2020 - 27 Aug 2020	28 Aug 2020 - 27 Feb 2021	28 Feb 2021 - 27 Aug 2021	Total
Floating Charge Receipts						
Bank Interest			55	128	91	275
Book Debts	1	1,500,000	2,337,325	-	3,868	2,341,193
Cash at Bank		540,000	549,007	-	-	549,007
Chattel Assets	2		114	-	-	114
Collection account	3		-	102,305	-	102,305
Loan Interest	4		13,882	-	-	13,882
Loan Repayment	4		125,000	-	-	125,000
Petty Cash Currencies			5,753	-	-	5,753
Refunds	5		7,693	-	-	7,693
Sale of Library Rights	6	1,500,000	691,800	-	-	691,800
Trading Surplus/ (Deficit)	7		(227,590)	(625)	(114,680)	(342,895)
Subtotal		3,540,000	3,503,038	101,808	(110,720)	3,494,125
Floating Charge Payments						
Bank charges			-	(21)	-	(21)
Data Compliance Costs			-	(40)	-	(40)
Insurance			(442)	-	-	(442)
Legal Fees			(721,543)	-	(54,314)	(775,857)
Office Clearance Costs			(280)	-	-	(280)
Professional Fees	8		(33,975)	(335)	-	(34,310)
Ransom Creditors	9		(63,190)	(5,433)	-	(68,623)
Specific Bond			(363)	-	-	(363)
Statutory Advertising			(176)	-	-	(176)
Telephone			(568)	(486)	-	(1,054)
Valuation Fees			(74)	-	-	(74)
Office Holders Fees			-	-	(1,099,245)	(1,099,245)
Office Holders Expenses			-	-	(56,126)	(56,126)
Subtotal			(820,611)	(6,315)	(1,209,685)	(2,036,611)
Floating Charge Distributions						
Preferential Creditor Distribution	10		-	(18,106)	-	(18,106)
Interim Qualified Floating Charge Holder Distribution	11		-	(600,000)	-	(600,000)
Subtotal			-	(618,106)	-	(618,106)
Floating Charge Surplus/ (Deficit)			2,682,427	(522,614)	(1,320,405)	839,408
Net Realisations			2,682,427	(522,614)	(1,320,405)	839,408
Made Up As Follows						
Vat Receivable	12		157,502	1,397	264,888	423,787
VAT Payable	2		(8)	-	-	(8)
Floating Charge Account	13		2,524,933	(524,011)	(1,585,293)	415,629
Total			2,682,427	(522,614)	(1,320,405)	839,408

Notes

All values are exclusive of VAT.

There have been no fixed charge payments or receipts.

- Book debts are inclusive of £1,323,185 (c. USD\$1,641,681) assigned as part of the library sale to Quiver.
- Sale of office furniture.
- Settlement receipt regarding formerly disputed distribution proceeds held in a Collection Account.
- Outstanding loan interest and settlement payment.
- Refunds for prepaid amounts.
- Sale of the library to Quiver Entertainment (c. USD\$858,315), together with book debts totalling USD\$2.5m consideration received.
- Further detail shown in KMIL Trading Receipts & Payments Table.
- Professional fees consist of payments to debt collection services and employee advisory firm.
- Ransom creditors consists of payments to parties required in order to complete the sale of the library.
- Full and final dividend to preferential creditors.
- Interim dividend to Secured Lenders.
- VAT refunds have been delayed by HMRC due to COVID-19.
- The accounts are no longer an interest bearing accounts for tax purposes.

As at the date of appointment, the Administrators made most of KMD's staff redundant and continued operations in a limited capacity to facilitate the sale of the library of titles.

Kew Media International Limited				
Joint Administrators' Account of Trading Receipts and Payments				
GBP	28 Feb 2020 - 27 Aug 2020	28 Aug 2020 - 27 Feb 2021	28 Feb 2021 - 27 Aug 2021	Total
Trading Receipts				
	-	-	-	-
Subtotal	-	-	-	-
Trading Payments				
Bank Charges	(307)	-	-	(307)
Consulting Fees	(375)	-	-	(375)
Employee Expenses	(394)	-	75	(319)
IT Services	(56,400)	(625)	-	(57,025)
PAYE & NI	(65,999)	-	-	(65,999)
Payroll Provider	(291)	-	-	(291)
Pension Contribution	(11,894)	-	-	(11,894)
Retained Staff (Tech, HR, Finance, Other)	(91,931)	-	-	(91,931)
Rent, Rates and Service Charge	-	-	(114,755)	(114,755)
Subtotal	(227,590)	(625)	(114,680)	(342,895)
Trading Surplus/ (Deficit)	(227,590)	(625)	(114,680)	(342,895)

Notes

All values are exclusive of VAT.

SIP 7 disclosures

- As KMD sells media rights, there was no WIP or stock utilised in trading;
- Rent, rates and service charge were paid in the Period, following in a delay in provision of the relevant invoice from the landlord;
- Administrators' time costs in relation to trading to 27 August 2021 are £339,980;
- Category 2 expenses incurred to 27 August 2021 are £54,948;
- £415,629 was held in the non-interest-bearing Administration bank account as at 27 August 2021;
- There have been no trading receipts to date, and none are expected;
- Consulting fees relate to ad-hoc assistance provided by former employees following their redundancy;
- IT services are a combination of trading requirements for the Administration, such as updating KMD's website during the Period and costs of transferring the required data to Quiver following the transaction;
- The trading loss was funded by the enhanced value of book debt collections and the library sale.

Kew Media Group UK Holdings Limited
Joint Administrators' Account of Receipts and Payments

GBP	Statement of Affairs Notes Estimated to Realise	28 Feb 2020 - 27 Aug 2020	28 Aug 2020 - 27 Feb 2021	28 Feb 2021 - 27 Aug 2021	Total
Floating Charge Receipts					
Bank Interest		2	6	4	11
Cash at Bank		80,423	115,926	-	115,926
Chattel Assets		4,500	3,426	-	3,426
Subtotal		84,923	119,354	4	119,363
Floating Charge Payments					
Employee Expenses		-	-	-	
Insurance		(316)	-	-	(316)
Professional Fees	1	(1,925)	(660)	-	(2,585)
Valuation and Destruction Costs		(3,426)	-	-	(3,426)
Subtotal		(5,667)	(660)	-	(6,327)
Floating Charge Distribution					
Preferential Distribution	2	-	(43,593)	-	(43,593)
Subtotal		-	(43,593)	-	(43,593)
Floating Charge Surplus/ (Deficit)		113,687	(44,247)	4	69,444
Net Realisations		113,687	(44,247)	4	69,444
Made Up As Follows					
Vat Receivable		385	132	-	517
Floating Charge Account	3	113,302	(44,379)	4	68,927
Total		113,687	(44,247)	4	69,444

Notes

All values are exclusive of VAT.

There have been no fixed charge payments or receipts

1. Professional fees consist of payments to an employee advisory firm.
2. Full and final dividend to preferential creditors.
3. Non-interest bearing accounts.

Appendix C: Joint Administrators' Time Costs and Expenses

Pre-Appointment Fee Basis

As disclosed in the Proposals, pre-appointment fees totalled USD\$369,783.50 (or approximately £296,395). These were gross time costs that were incurred by FTI UK, however, the settlement of such fees is subject to commercial confidentiality under the letter of engagement with no fees being drawn from the Administration estate. These fees have been paid by the Agent on behalf of the Secured Lenders. Approval is not needed under the Act or Rules where a third party has paid the fees.

Pre-appointment legal expenses were incurred by FTI UK and FTI Canada. These legal expenses were not allocated between FTI UK and FTI Canada as the legal counsel was engaged by FTI Canada. Accordingly, we are unable to confirm what expenses were incurred in respect of the Companies. These expenses have been paid by the Agent on behalf of the Secured Lenders. Approval is not needed under the Rules where a third party has paid the expenses.

Fee Basis

When administrators seek approval for fees to be charged on a time costs basis, a fees estimate must be provided to creditors as done in the Joint Administrators Proposals dated 21 April 2020. This estimate acts as a cap on time costs, whereby fees cannot be drawn over the amount without further approval from those who approve the fees. A breakdown of our fees estimate (as set out in our Proposals) and our current WIP is provided below. No further fee approval will be sought from creditors.

Kew Media International Limited

Task	Total Time Estimate (Hours)	Total Cost Estimate (£)	Current Total WIP (Hours)	Current Total WIP (£)	Estimated Future (Hours)	Estimated Future (£)	Estimated Total (Hours)	Estimated Total (£)
	(Proposals)	(Proposals)						
Administration & Planning	469	263,917	459	198,507	5	2,248	464	200,755
Investigations	228	107,337	150	51,562	5	2,248	155	53,810
Realisation of Assets	611	283,840	993	518,598	-	-	993	518,598
Trading	410	190,430	809	339,980	-	-	809	339,980
Creditors & Shareholders	204	87,577	480	162,159	80	35,976	560	198,134
Tax	93	32,285	150	91,821	5	2,248	155	94,069
Reporting	153	67,095	269	125,591	35	15,739	304	141,330
Total	2,168	1,032,481	3,309	1,488,216	130	58,460	3,439	1,546,677

Kew Media Group UK Holdings Limited

Task	Total Time Estimate (Hours)	Total Cost Estimate (£)	Current WIP (Hours)	Current WIP (£)	Estimated Future (Hours)	Estimated Future (£)	Estimated Total (Hours)	Estimated Total (£)
	(Proposals)	(Proposals)						
Administration & Planning	14	7,885	40	24,271	4	2,806	44	27,077
Investigations	5	2,705	-	-	5	3,508	5	3,508
Realisation of Assets	4	1,805	-	-	-	-	-	-
Creditors & Shareholders	6	3,150	59	17,818	25	17,538	84	35,356
Tax	2	800	17	9,555	2	1,403	19	10,958
Reporting	7	3,720	-	-	7	4,911	7	4,911
Total	38	20,065	115	51,643	43	30,166	158	81,809

Our fees estimates provided in the Proposals, as shown in the above tables, have been exceeded. This has been caused by a greater than anticipated level of post-transaction work being required by the sale to Quiver, along with time required to set up preferential dividend distributions exceeding expectations. Additionally, the volume of queries received regarding KMD greatly exceeded expectations and resulted in a much larger amount of time having to be spent in answering these queries, with a significant number of proofs of debt forms received requiring clarification. Finally, the Administrations were required to be extended by a year which therefore will result in a greater amount of fees having been incurred and estimated to be incurred.

The fees estimate represents the time costs that we anticipate will be incurred in undertaking our duties in respect of KMD during the Administrations and (where applicable) should the Joint Administrators become liquidators, their duties in the liquidation. In this case, liquidation is not expected to follow the Administrations as the anticipated exit route for the Companies is by way of dissolution. The estimate includes the adjudication of the unsecured creditor claims and the payment of a prescribed part dividend, along with the continued administrative tasks required in an administration, both in relation to cashing and returns in relation to tax. Finally, the fees estimate includes time relating to potential actions required by the ongoing broader investigations being undertaken in respect of the Group, which may potentially provide future financial benefits to the Administration estates.

It is important to note that the quantum of remuneration drawn will be limited by realisations from KMD's assets and, as such, fees will only be drawn if there are funds in the Administrations, or subsequent liquidations, to do so. As there is not expected to be any receipts into the estate of KMGUK, there will be no fees drawn in respect to the Administration of KMGUK.

Approval of fee basis and estimates

Pursuant to Rule 18.16 of the Rules, the remuneration of the Administrators can be fixed on the basis of one (or a combination) of the following:

- a) as a percentage of the value of property with which he has to deal;
- b) by reference to time properly given by the Administrator and his staff attending to matters arising in the Administration (a time cost basis); or
- c) a set amount.

In their Proposals, the Administrators confirmed that they would be seeking remuneration on a time cost basis and provided details of their fees estimates. In the absence of a Creditors' Committee and since the Administrators made a statement (in their Proposals) under Paragraph 52(1)(b) of Sch B1, the basis of their remuneration may be fixed by the approval of:

- Each secured creditor; or
- If the Administrators have made or intend to make a distribution to preferential creditors, with the approval of each secured creditor and 50% of the preferential creditors who respond to an invitation to consider approval.

There is no requirement in this case for unsecured creditors to pass a resolution in respect of Administrators' remuneration.

Pursuant to Rule 15.31, as the preferential creditors' claims against KMIL and KMGUKH have been paid in full, their claims for voting purposes are nil. Therefore, a decision was solely sought from the Secured Lenders to fix the basis of our fees by reference to time properly given by the Administrators and their staff attending to matters arising in the Administrations. The Secured Lenders approved this basis on 21 April 2021.

Charge Out Rates

The Joint Administrators' fees estimate has been calculated based on FTI's standard charge out rates. A schedule of rates for this assignment is as follows (please note our minimum unit for charging time is six minutes):

Grade	2020	2021
	Rate (£/hour)	Rate (£/hour)
Senior Managing Director	900	925
Managing Director	775	795
Senior Director	720	740
Director	640	660
Senior Consultant	570	585
Consultant	230	235
Associate	230	235

Rates may be subject to change periodically.

Overview of work completed to date and future work to be undertaken

The main body of our report includes a narrative on the main areas of our post-appointment work in the Administrations. The table below summarises the main areas of work by category, with an indication as to whether this work is ongoing (O), completed (C), or intended future work (F). We have also indicated in the table below the rationale for undertaking the work, including whether required by statute, or whether there is a potential benefit for creditors.

Category	Description	Rationale/ Benefit to Creditors
Administration & Planning	<ul style="list-style-type: none"> • Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case (C). • Setting up physical/electronic case files and setting up the case on the practice's electronic case management system and entering data (C). • Issuing the statutory notifications to creditors and others required on appointment as office holder, including gazetting the office holder's appointment (C). • Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate) (C). • Dealing with all routine correspondence and emails relating to the case (O). • Opening, maintaining and managing the office holder's estate bank account (O). • Creating, maintaining and managing the office holder's cashbook (O). • Undertaking regular reconciliations of the bank account containing estate funds (O). • Reviewing the adequacy of the specific penalty bond on a quarterly basis (O). • Undertaking periodic reviews of the progress of the case (O). • Overseeing and controlling the work done on the case, by case administrators (O). 	Statutory / compliance requirement, and to ensure efficient project management

Investigations	<ul style="list-style-type: none"> Recovering the books and records for the case (C). Listing the books and records recovered (C). Submitting an online return on the conduct of the directors as required by the Company Directors Disqualification Act (C). Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc (C). Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors (C). Assisting KMG's Receivers in their investigations (O). Conducting additional investigation work and/or recovery actions as appropriate (O). 	Statutory requirement and to assess whether potential claims may exist
Realisation of Assets	<ul style="list-style-type: none"> Arranging suitable insurance over assets (C). Regularly monitoring the suitability and appropriateness of the insurance cover in place (C). Completing a sale process for the library of titles asset (C). Corresponding with debtors and recipients of loans and attempting to collect outstanding debts (C). Reviewing the work of third-party providers instructed on the case to assist in dealing with the collection of book debts; obtaining reports and updates from them on the work done (C). Liaising with the bank regarding the pre-appointment accounts, and arranging for periodic transfers of funds, and closure of the accounts (C). Instructing agents to value known assets (C). Liaising with agents to realise known assets (C). Instructing solicitors to assist in the realisation of assets, where required (C). Liaising with the secured creditors over the realisation of the assets subject to a mortgagee or other charge (C). Assisting with such necessary steps as are required to facilitate the winding up or dissolution of subsidiary entities (O) 	Identify, assess and seek to realise potential value
Trading	<ul style="list-style-type: none"> Arranging suitable insurance for the business (C). Liaising with staff about ongoing employment (C). Setting up a new RTI registration for the business with HMRC and submitting relevant information in respect of wages and salaries paid (C). Monitoring and controlling the ongoing trading of the business including arranging for staff to update financial records, liaise with debtors, complete royalty statements, and provide information and support as required for the sale of the library of titles asset (C). Corresponding with the providers of services including software providers, utility providers and the landlord to ensure no business disruption (C). Settlement of any outstanding costs in relation to the period of trading (C) 	Limited trading of the business completed to achieve a sale of the library of titles asset and to improve debtor collections

Creditors	<ul style="list-style-type: none"> • Obtaining information from the case records about employee claims (C). • Completing documentation for submission to the Redundancy Payments Service (C). • Corresponding with employees regarding their claims (C). • Liaising with third party providers instructed on the case to assist in dealing with employee claims; obtaining reports and updates from them on the work done (C). • Dealing with creditor correspondence, emails and telephone conversations regarding their claims, and access to their source/original materials (O). • Maintaining up to date creditor information on the case management system (O). • Issuing a notice of intended dividend and placing an appropriate gazette notice (F). • Reviewing proofs of debt received from creditors, adjudicating them and formally admitting them for the payment of a dividend (O). • Requesting additional information from creditors in support of their proofs of debt in order to adjudicate their claims (O). • Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend (F). • Paying tax deducted from the dividends paid to employees (F). 	Statutory requirements and required for orderly case management
Tax	<ul style="list-style-type: none"> • Preparing and filing VAT returns (O). • Preparing and filing Corporation Tax returns (O). • Preparing surrender of loss documentation for other Group companies (C). • Seeking closure clearance from HMRC and other relevant parties (O). 	Statutory requirements
Reporting	<ul style="list-style-type: none"> • Preparing, reviewing and issuing proposals to the creditors and members (C). • Filing the proposals at Companies House (C). • Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court (C). • Reporting to the Secured Lenders on the progress of the Administrations (O). • Preparing, reviewing and issuing six-monthly progress reports to creditors (O). • Filing progress reports at Companies House (O). • Preparing, reviewing and issuing final reports to creditors (F). • Filing final reports at Companies House (F). 	Required by statute and to inform creditors
Technology	<ul style="list-style-type: none"> • Imaging the server, IT equipment and select mobile phones to preserve data for future investigations (C). 	Imaging of KMD's servers, computers and mobiles to preserve financial data, including for investigations

Further information in relation to our time costs can be found in the SIP9 analysis in Appendix D.

Cost Estimates

Provided below are breakdowns of our estimated external costs (exclusive of any applicable VAT). Note that the "paid to date" column represents actual costs paid and is therefore not prepared on an accruals basis. These costs have largely been incurred in KMIL.

Estimate of Costs (Excl VAT) (£)						
Payee	Type of Cost	Incurred in Period	Paid to Date	Estimated Future	Estimated Total	Previous estimate in prior Progress Report
AON UK Limited	Bonding & Insurance	-	1,120	-	1,120	1,120
Baldwins Holding Limited	Payroll processing	-	291	-	291	291
EPE Reynell	Gazetting	-	176	-	176	176
ERA Solutions	Employee claims	-	5,170	1,280	6,450	6,165
Hilco Valuation Services	Valuation & secure destruction services	-	3,500	-	3,500	3,500
J. P. Associates	Debt collection	-	31,725	-	31,725	31,725
Laude Esquier Champey	Legal support	-	34,994	-	34,994	34,994
Paul Hastings LLP	Legal support	54,314	736,763	15,000	751,763	732,449
Total		54,314	813,739	16,280	830,019	810,420

Estimated future costs have remained the same, aside from further legal fees which may be required to support investigations, and ERA Solutions due to their services likely being required for the KMIL and KMGUKH's unsecured creditor prescribed part distribution, in relation to the unsecured claims from employees.

Professional Advisors and Subcontracted Work

The table below provides details of professional advisors and subcontractors that we have engaged on this project. The use of subcontractors is in relation to work that we could have done, but that we have outsourced.

Name of professional advisor / subcontractor	Service Provided	Basis of fee arrangement
Baldwins Holdings Limited	Payroll services	£75 set up fee and £100/month processing fee
ERA Solutions	Employee claims	Fixed fee based on the number of employees
Hilco Valuation Services	Valuation of chattel assets	15% premium on chattel asset disposals. Additional fees for arranging secure destruction of items.
J.P. Associates	Debt collection	Agreed fee following sale of the book debts
Laude Esquier Champey	Legal advice	Time costs
Paul Hastings LLP	Legal advice	Time costs

Our choice of third party agents was based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. We also considered that the basis on which they will charge their fees represented value for money. Other than the legal advice and the valuation services, the work could have been undertaken by our teams, but we have outsourced this work as we consider it to be more cost effective and the providers have relevant specialist experience.

We have also utilised the services of other teams within FTI Consulting LLP to assist with the Administration process. The fees of our tax and strategic communications teams have been included within our fees estimates. We consider that the rates chargeable for these services are in line with general market practice and that the service is at least comparable to similar firms of professional advisors. In addition, by working closely with our internal teams, we believe a more coordinated and cost-effective approach to the Administration work streams has been possible.

Disbursements

The table below provides an analysis of disbursements. Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the case. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case such as postage, statutory case advertising, invoiced travel, external printing, room hire, and document storage.

Also, chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. Approval from creditors is not required for these disbursements to be drawn.

Category 2 disbursements are costs that are directly referable to the case but not a payment to an independent third party; these may include shared or allocated costs. We do require approval before drawing Category 2 disbursements. The body of creditors who approve our fees also have responsibility for approving of Category 2 disbursements.

Type of expense	Basis of fee arrangement
Data collection and handling by FTI Technology	£30/set/month (£420/month on data currently collected)
Data cleansing by FTI Technology (if required)	£250/hour
Data processing by FTI Technology (one off cost)	£40/GB
Data hosting by FTI Technology	£12/GB/month
Usage of E-discovery software from FTI Technology	£55/user/month
Data decommissioning from FTI Technology	£2,500

An estimate of our anticipated Category 1 and Category 2 disbursements is set out in the table below:

Type of Administrator Expense	Description of Costs	Incurred in Period (£)	Invoiced to date (£)	Estimated future (£)	Estimated total (£)
Category 1					
Travel	Travel to and from meetings & client site	-	116	-	116
Miscellaneous	Postage, printing & phone charges	-	636	250	886
Meals	Meals while on site	-	426	-	426
Category 2					
FTI Consulting LLP (Technology)			54,948		54,948
Total					56,376

Previously reported Category 1 expenses have been reviewed and reposted in accordance to the relevant type of Category 1 expense. It is also worth noting that legal fees were shown as Category 1 expenses in the Proposals, this was an incorrect classification of the fees and were hence changed to an expense of the Administration estate in the Progress Report for the period ending 27 August 2020.

Category 1 and Category 2 disbursements "invoiced to date" have been paid as at 27 August 2021.

Other Fee Disclosures

A copy of the Creditors' Guide to Administrators' Fees provides further information on administrators' fee and your rights, and is available at: <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/guide-to-administrators-fees-6-april-2017-england-wales.pdf>

Further information about creditors' rights can also be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>

There are no business or personal relationships with parties responsible for approving remuneration or who provide services where the relationship could give rise to a conflict of interest.

Appendix D: Time Cost Analysis

Kew Media International Limited - Analysis of Time Costs in Accordance with SIP9 for the period 28 February 2021 to 27 August 2021

Task		Senior Managing Director	Managing Director/ Director	Senior Consultant/ Consultant	Associate/ Intern	Total Time	Total Cost	Average Cost
Administration and Planning								
Strategy and planning	A1	-	-	0.5	2.9	3.4	974.0	286.5
Receipts and payments accounts	A4	-	2.4	0.2	0.6	3.2	1,923.0	600.9
Checklist and reviews	A5	-	0.5	-	-	0.5	397.5	795.0
Cashiering and reconciliations	A6	-	0.6	-	13.1	13.7	3,474.5	253.6
Subtotal		0.0	3.5	0.7	16.6	20.8	6,769.0	
Investigations								
Electronic records	B6	-	-	-	9.0	9.0	5,071.5	563.5
Other investigations	B7	-	3.3	-	2.0	5.3	3,093.5	583.7
Subtotal		-	3.3	0.0	11.0	14.3	8,165.0	
Realisation of assets								
Post-completion obligations	C3	-	1.8	-	-	1.8	1,431.0	795.0
Other assets	C7	-	1.0	-	-	1.0	795.0	795.0
Legal issues/litigation	C9	1.7	-	-	-	1.7	1,572.5	925.0
Subtotal		1.7	2.8	0.0	0.0	4.5	3,798.5	
Creditors (correspondence and claims)								
Unsecured creditors	E1	-	8.2	0.7	27.0	35.9	12,909.0	359.6
Secured creditors	E2	-	0.9	-	3.9	4.8	1,632.0	340.0
Employees	E4	-	0.1	-	0.3	0.4	136.5	341.3
Unsecured creditor claims adjudication	E8	-	17.5	-	101.7	119.2	35,449.5	297.4
Subtotal		0.0	26.7	0.7	132.9	160.3	50,127.0	
Tax								
Initial reviews CT and VAT	F1	-	0.1	0.6	-	0.7	417.0	595.7
Pre-appointment CT	F2	2.9	16.3	0.7	-	19.8	13,967.3	704.5
Post appointment VAT	F5	-	3.0	-	2.1	5.1	2,524.1	494.9
Subtotal		2.9	19.4	1.3	2.1	25.6	16,908.4	
Reporting								
Other statutory reports/meetings	G3	2.1	3.3	5.0	46.9	57.3	18,512.5	323.1
Secured creditor reports	G4	-	0.2	0.5	-	0.7	424.5	606.4
Subtotal		2.1	3.5	5.5	46.9	58.0	18,937.0	
Total Time by Grade		6.7	59.2	8.2	209.5	283.5		
Total Cost by Grade		6,151.3	41,567.6	4,797.0	49,232.5	101,748.4		
Average by Grade		925.0	702.5	585.0	235.0	358.9		
		Time Costs		Category 1	Category 2	Total		
Total Costs to Date		101,748.4		-	-	101,748.4		
Amount Billed		-		-	-	-		
Total WIP		101,748.4		0.0	-	101,748.4		

Kew Media International Limited - Analysis of Time Costs in Accordance with SIP9 for the period 28 February 2020 to 27 August 2021

Task		Senior Managing Director	Managing Director/ Director	Senior Consultant/ Consultant	Associate/ Intern	Total Time	Total Cost	Average Cost
Administration and Planning								
Strategy and planning	A1	20.1	30.4	11.8	30.2	92.5	53,929.6	583.0
Initial actions	A2	42.7	4.1	35.0	-	81.8	61,557.5	752.5
Appointment and related formalities	A3	-	7.5	7.7	20.0	35.2	14,497.6	411.9
Receipts and payments accounts	A4	-	2.4	5.0	102.7	110.1	25,879.0	235.0
Checklist and reviews	A5	-	0.5	15.0	24.6	40.1	14,662.1	365.7
Cashiering and reconciliations	A6	1.2	0.6	1.0	73.5	76.3	19,075.0	250.0
Bonding and IPS maintenance	A7	-	-	10.5	12.7	23.2	8,906.0	383.9
Subtotal		64.0	45.5	86.0	263.7	459.2	198,506.9	
Investigations								
Correspondence with directors	B1	0.6	-	-	0.2	0.8	586.0	732.5
Directors questionnaire/checklists	B2	-	0.6	-	43.7	44.3	10,516.0	237.4
Statement of affairs	B3	-	-	7.2	6.5	13.7	5,599.0	408.7
Reports of Directors' conduct	B4	2.5	-	17.6	6.1	26.2	13,685.0	522.3
Books and records	B5	-	2.8	11.7	9.6	24.1	7,205.0	299.0
Electronic records	B6	-	-	8.2	16.1	24.3	5,071.5	208.7
Other investigations	B7	2.6	4.0	6.7	3.2	16.5	8,899.0	539.3
Subtotal		5.7	7.4	51.4	85.4	149.9	51,561.5	
Realisation of assets								
Cash and investments	C1	-	-	3.0	2.1	5.1	2,193.0	430.0
Sale of business	C2	55.7	13.6	311.6	106.4	487.3	189,725.0	389.3
Post-completion obligations	C3	1.6	77.7	94.9	11.9	186.1	97,216.8	522.4
Book debts	C4	3.7	12.3	62.8	-	78.8	48,658.5	617.5
Property, plant and vehicles	C6	-	-	1.0	-	1.0	570.0	570.0
Other assets	C7	-	226.1	-	-	226.1	175,255.5	775.1
Health & Safety/Insurance	C8	-	-	-	2.9	2.9	667.0	230.0
Legal issues/litigation	C9	1.7	2.8	1.0	-	5.5	4,312.5	784.1
Subtotal		62.7	332.5	474.3	123.3	992.8	518,598.3	
Trading								
Initial control of operations	D1	-	-	51.1	34.7	85.8	37,108.0	432.5
Ongoing trading / monitoring	D2	24.6	64.1	247.4	381.7	717.8	300,626.5	418.8
Closure of trading	D3	1.6	-	-	3.5	5.1	2,245.0	440.2
Subtotal		26.2	64.1	298.5	419.9	808.7	339,979.5	
Creditors (correspondence and claims)								
Unsecured creditors	E1	7.2	31.9	25.2	212.8	277.1	90,935.0	328.2
Secured creditors	E2	-	7.2	-	6.9	14.1	7,207.5	511.2
Employees	E4	-	3.2	31.9	34.5	69.6	28,566.9	410.6
Unsecured creditor claims adjudication	E8	-	17.5	-	101.7	119.2	35,449.5	297.4
Subtotal		7.2	59.8	57.1	355.9	480.0	162,158.9	
Tax								
Initial reviews CT and VAT	F1	0.5	1.1	2.3	-	3.9	2,483.5	636.8
Pre-appointment CT	F2	13.3	67.4	3.1	3.6	87.3	57,950.3	663.6
Pre-appointment VAT	F3	-	1.0	-	-	1.0	795.0	795.0
Post appointment CT	F4	1.3	2.5	3.5	1.7	9.0	4,033.5	448.2
Post appointment VAT	F5	-	6.3	7.9	12.7	26.9	11,740.1	436.4
Tax advice on transactions	F6	2.5	11.8	-	-	14.3	9,802.0	685.5
Other post appointment tax	F7	0.5	6.9	-	-	7.4	5,016.5	677.9
Subtotal		18.1	97.0	16.8	18.0	149.8	91,820.9	
Reporting								
Proposals	G2	-	3.6	39.7	39.2	82.5	34,237.0	415.0
Other statutory reports/meetings	G3	2.1	5.9	42.0	80.7	130.7	46,569.0	356.3
Secured creditor reports	G4	14.9	9.4	1.5	-	25.8	21,534.5	834.7
Press & Public Relations	G5	-	30.0	-	-	30.0	23,250.0	775.0
Subtotal		17.0	48.9	83.2	119.9	269.0	125,590.5	
Total Time by Grade		200.9	655.1	1,067.3	1,386.1	3,309.4		
Total Cost by Grade		181,001.3	491,500.3	497,395.8	318,319.1	1,488,216.4		
Average by Grade		901.2	750.2	466.0	229.6	449.7		
		Time Costs	Category 1	Category 2	Total			
Total Costs to Date		1,488,216.4	1,178.8	54,947.6	1,544,342.8			
Amount Billed		(1,099,245.2)	(1,178.8)	(54,947.6)	(1,155,371.5)			
Total WIP		388,971.2	0.0	0.0	388,971.2			

Kew Media Group UK Holdings Limited - Analysis of Time Costs In Accordance with SIP9 for the period 28 February 2021 to 27 August 2021

Task		Senior Managing Director	Managing Director/ Director	Senior Consultant/ Consultant	Associate/ Intern	Total Time	Total Cost	Average Cost
Tax								
Pre-appointment CT	F2	0.9	5.4	-	-	6.3	4,426.8	705.5
Post appointment VAT	F5	-	1.0	-	-	1.0	676.9	676.9
Subtotal		0.9	6.4	0.0	0.0	7.3	5,103.6	
Total Time by Grade		0.9	6.4	0.0	0.0	7.3		
Total Cost by Grade		786.3	4,317.4	0.0	0.0	5,103.6		
Average by Grade		925.0	672.0	0.0	0.0	701.5		
		Time Costs	Category 1	Category 2	Total			
Total Costs to Date		5,103.6	-	-	5,103.6			
Amount Billed		-	-	-	0.0			
Total WIP		5,103.6	-	-	5,103.6			

Kew Media Group UK Holdings Limited - Analysis of Time Costs In Accordance with SIP9 for the period 28 February 2020 to 27 August 2021

Task		Senior Managing Director	Managing Director/ Director	Senior Consultant/ Consultant	Associate/ Intern	Total Time	Total Cost	Average Cost
Administration and Planning								
Strategy and planning	A1	-	27.0	1.1	1.5	29.6	21,459.3	725.0
Appointment and related formalities	A3	-	-	1.0	-	1.0	570.0	570.0
Receipts and payments accounts	A4	-	-	-	3.8	3.8	874.0	230.0
Checklist and reviews	A5	-	-	-	4.7	4.7	1,082.4	230.0
Bonding and IPS maintenance	A7	-	-	0.5	-	0.5	285.0	570.0
Subtotal		0.0	27.0	2.6	10.0	39.6	24,270.6	
Creditors (correspondence and claims)								
Unsecured creditors	E1	-	-	-	3.8	3.8	874.0	230.0
Employees	E4	-	1.0	11.0	42.9	54.9	16,944.1	308.5
Subtotal		0.0	1.0	11.0	46.7	58.7	17,818.1	
Tax								
Pre-appointment CT	F2	0.9	5.4	-	-	6.3	4,426.8	705.5
Post appointment VAT	F5	-	1.0	9.3	-	10.3	5,127.9	497.9
Subtotal		0.9	6.4	9.3	0.0	16.6	9,554.6	
Total Time by Grade		0.9	34.5	22.9	56.7	114.9		
Total Cost by Grade		786.3	26,040.2	11,782.0	13,034.9	51,643.4		
Average by Grade		925.0	755.8	513.8	230.0	449.4		
		Time Costs	Category 1	Category 2	Total			
Total Costs to Date		51,643.4	-	-	51,643.4			
Amount Billed		-	-	-	0.0			
Total WIP		51,643.4	-	-	51,643.4			

Kew Media Group UK Limited - Analysis of Time Costs In Accordance with SIP9 for the period 28 February 2021 to 27 August 2021

Task		Senior Managing Director	Managing Director / Director	Senior Consultant / Consultant	Associate / Intern	Total Time	Total Cost	Average Cost
Administration and Planning								
Tax								
Post appointment CT	F5	-	-	0.2	-	0.2	117.0	585.0
Subtotal		0.0	0.0	0.2	0.0	0.2	117.0	
Total Time by Grade		0.0	0.0	0.2	0.0	0.2		
Total Cost by Grade		0.0	0.0	117.0	0.0	117.0		
Average by Grade		0.0	0.0	585.0	0.0	585.0		
		Time Costs	Category 1	Category 2	Total			
Total Costs to Date		117.0	0.0	-	117.0			
Amount Billed		-	-	-	0.0			
Total WIP		117.0	0.0	-	117.0			

Kew Media Group UK Limited - Analysis of Time Costs In Accordance with SIP9 for the period 28 February 2020 to 27 August 2021

Task		Senior Managing Director	Managing Director/ Director	Senior Consultant/ Consultant	Associate/ Intern	Total Time	Total Cost	Average Cost
Administration and Planning								
Appointment and related formalities	A3	-	-	1.0	-	1.0	570.0	570.0
Bonding and IPS maintenance	A7	-	-	0.5	-	0.5	285.0	570.0
Subtotal		0.0	0.0	1.5	0.0	1.5	855.0	
Tax								
Post appointment CT	F5	-	-	1.9	-	1.9	1,001.0	526.8
Subtotal		0.0	0.0	1.9	0.0	1.9	1,001.0	
Total Time by Grade		0.0	0.0	3.4	0.0	3.4		
Total Cost by Grade		0.0	0.0	1,856.0	0.0	1,856.0		
Average by Grade		0.0	0.0	545.9	0.0	545.9		
		Time Costs	Category 1	Category 2	Total			
Total Costs to Date		1,856.0	0.0	-	1,856.0			
Amount Billed				-	0.0			
Total WIP		1,856.0	0.0	-	1,856.0			

Appendix E: Creditors' Statement of Claim Forms

Rule 14.4 The Insolvency (England and Wales) Rules 2016

Proof of Debt – General Form

IN THE

HIGH COURT OF JUSTICE BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES INSOLVENCY AND COMPANIES LIST
--

Number:

CR-2020-001464

Name of Companies in Administration:

Kew Media International Limited

Company Registration Number:

03040413

Date of Administration:

28 February 2020

1 Name of creditor

(If a company, please also provide the company registration number).

--

2 Correspondence address of creditor (including any email address)

--

3 Total amount of claim (£)
(include any Value Added Tax)

--

4 If amount in 3 above includes (£)
outstanding uncapitalised interest, state amount.

--

5 Details of how and when the debt was incurred.
(If you need more space, attach a continuation sheet to this form)

--

6 Details of any security held, the value of the security and the date it was given.

--

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

--

8 Details of any document by reference to which the debt can be substantiated

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

14 Bank account details, including Sort Code and Account Number if UK account

Admitted to vote for
Amount (£)

Admitted for dividend for
Amount (£)

Date

Date

Simon Kirkhope
JOINT ADMINISTRATOR

Andrew Johnson
JOINT ADMINISTRATOR

Notes:

1. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

Please submit this form along with supporting documentation by email to kewmedia@fticonsulting.com or by post at:

**Kew Media International Limited (in Administration)
c/o FTI Consulting LLP
200 Aldersgate
London
EC1A 4HD**

Rule 14.4 The Insolvency (England and Wales) Rules 2016**Proof of Debt – General Form****IN THE**

HIGH COURT OF JUSTICE BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES INSOLVENCY AND COMPANIES LIST
--

Number:

CR-2020-001463

Name of Companies in Administration:

Kew Media Group UK Holdings Limited

Company Registration Number:

02819652

Date of Administration:

28 February 2020

1 Name of creditor

(If a company, please also provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)
(include any Value Added Tax)4 If amount in 3 above includes (£)
outstanding uncapitalised interest, state amount.5 Details of how and when the debt was incurred.
(If you need more space, attach a continuation sheet to this form)

6 Details of any security held, the value of the security and the date it was given.

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

8 Details of any document by reference to which the debt can be substantiated

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

14 Bank account details, including Sort Code and Account Number if UK account

Admitted to vote for
Amount (£)

Admitted for dividend for
Amount (£)

Date

Date

Simon Kirkhope
JOINT ADMINISTRATOR

Andrew Johnson
JOINT ADMINISTRATOR

Notes:

1. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

Please submit this form along with supporting documentation by email to kewmedia@fticonsulting.com or by post at:

**Kew Media Group UK Holdings Limited (in Administration)
c/o FTI Consulting LLP
200 Aldersgate
London
EC1A 4HD**

Rule 14.4 The Insolvency (England and Wales) Rules 2016**Proof of Debt – General Form****IN THE**

HIGH COURT OF JUSTICE BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES INSOLVENCY AND COMPANIES LIST
--

Number:

CR-2020-001471

Name of Companies in Administration:

Kew Media Group UK Limited

Company Registration Number:

09362955

Date of Administration:

28 February 2020

1 Name of creditor

(If a company, please also provide the company registration number).

2 Correspondence address of creditor (including any email address)**3 Total amount of claim (£)**
(include any Value Added Tax)**4 If amount in 3 above includes (£)**
outstanding uncapitalised interest, state amount.**5 Details of how and when the debt was incurred.**
(If you need more space, attach a continuation sheet to this form)**6 Details of any security held, the value of the security and the date it was given.****7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.**

8 Details of any document by reference to which the debt can be substantiated

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

14 Bank account details, including Sort Code and Account Number if UK account

Admitted to vote for
Amount (£)

Admitted for dividend for
Amount (£)

Date

Date

Simon Kirkhope
JOINT ADMINISTRATOR

Andrew Johnson
JOINT ADMINISTRATOR

Notes:

1. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

Please submit this form along with supporting documentation by email to kewmedia@fticonsulting.com or by post at:

**Kew Media Group UK Limited (in Administration)
c/o FTI Consulting LLP
200 Aldersgate
London
EC1A 4HD**



kewmedia@fticonsulting.com

EXPERTS WITH IMPACT™

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www.fticonsulting.com

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