

AM10

Notice of administrator's progress report



Companies House

FRIDAY



A24 *A7EHPRLN* 14/09/2018 #24
COMPANIES HOUSE

1 Company details

Company number 03995003

Company name in full Alchemy Worx Limited

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

2 Administrator's name

Full forename(s) John Anthony

Surname Dickinson

3 Administrator's address

Building name/number 66 Prescot Street

Street London

Post town E1 8NN

County/Region

Postcode

Country

4 Administrator's name ①

Full forename(s) Carl James

Surname Bowles

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 66 Prescot Street

Street London

Post town E1 8NN

County/Region

Postcode

Country

② Other administrator
Use this section to tell us about
another administrator.

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Notice of administrator's progress report

6 Period of progress report

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

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date	^d 1	^d 3	^m 0	^m 9	^y 2	^y 0	^y 1	^y 8
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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 **a0800**

Company name **Carter Backer Winter LLP**

Address **66 Prescott Street**

London

Post town **E1 8NN**

County/Region

Postcode

Country

DX

Telephone **020 7309 3800**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

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

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



JOINT ADMINISTRATORS' SIX MONTH PROGRESS REPORT

For the period from 22 February 2018 to 21 August 2018

ALCHEMY WORX LIMITED - IN ADMINISTRATION
In the High Court of Justice 001087 of 2017

13 September 2018

Carter Backer Winter LLP
66 Prescott Street
London
E1 8NN

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

13 September 2018

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ALCHEMY WORX LIMITED - IN ADMINISTRATION

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ABBREVIATIONS

The following abbreviations are used throughout this Report and are summarised below:

Administration Period	22 February 2017 to 21 August 2018
AWI	Alchemy Worx Inc of 3555 Lenox Road, NE Ste 1150, Atlanta, GA 30326 1355, USA
CBW	Carter Backer Winter LLP of 66 Prescott Street, London E1 8NN
CBW Rates Policy	Summary of CBW's current charge out rates and time units used for this type of work
Company	Alchemy Worx Limited, registration number: 03995003
Directors	David Dela Quist and Stephanie Jane Quist
EMW	EMW Law LLP of Seebeck House, 1 Seebeck Place, Knowhill, Milton Keynes, MK5 8FR
ERA	ERA Solutions Limited of Unit 2, The Old Dairy, Pessall Farm, Pessall Lane, Edingale, Tamworth, Staffordshire, B79 9JL
Fees Estimate	A detailed summary of the work intended to be undertaken during the Administration and the estimated associated costs.
GB	Gordon Brothers International LLC of 13 Hanover Square, London, W1S 1HN
HMRC	HM Revenue & Customs
Joint Administrators	John Anthony Dickinson and Carl James Bowles of CBW
Lloyds	Lloyds Banking Group Plc of The Mound, Edinburgh, EH1 1YZ
Lloyds CF	Lloyds Bank Commercial Finance, Finance House, Beaumont Road, Banbury Banbury, Oxfordshire, OX16 1RL
Net Property	The residual amount that remains from the Company's realised assets after the deduction of the Administration costs and payment of preferential creditor claims in full, but before paying the lender who holds a floating charge.
Prescribed Part	Provisions of the insolvency legislation that requires an Administrator to set aside a percentage of a Company's assets for the benefit of the non-preferential unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003.
Reporting Period	22 February 2018 to 21 August 2018
RPS	Redundancy Payment Services
Rules	The Insolvency (England and Wales) 2016, effective from 6 April 2017
Sell-Up	The purchaser of AWI's business and assets in accordance with US Law that completed for sale on 5 April 2017.

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

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SIP 9	Statement of Insolvency Practice 9
SOA	Statement of Affairs
Software Assets	Touchstone and Image Wizz

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

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1. EXECUTIVE SUMMARY

- 1.1. Statutory information in relation to the Company and Administration is attached at **Appendix 1**.
- 1.2. The Company was placed into Administration on 22 February 2017 and the Joint Administrators were appointed on the same day.
- 1.3. The statutory purpose of the Administration is to achieve 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).
- 1.4. Within one month of each six-month period from the date of Administration, the Joint Administrators' must deliver a progress report to creditors and file the same with the Registrar of Companies. This report covers the Reporting Period and should be read in conjunction with the Joint Administrators' Report and Proposals dated 11 April 2017 and the previous progress reports dated 15 September 2017 and 26 February 2018.
- 1.5. The Company's creditors have, to date, decided against forming a Creditors' Committee.
- 1.6. The Directors' SOA included assets of £190,000 which consisted of Book Debts; Software; Computer Equipment; Fixtures & Fittings; Investments Share; and Goodwill & Customer Contracts. Total asset realisations achieved during the Administration is £91,452, of which £9,105 was received during the Reporting Period. Further details are provided in **Section 4** within this report.
- 1.7. No dividends have yet been paid to any class of creditor; and at this stage it is uncertain if a dividend will be payable to the creditors.
- 1.8. On 19 January 2018, the secured and unsecured creditors of the Company approved the extension of the Administration by twelve months; as such, the Administration is now scheduled for automatic closure on 21 February 2019. The Joint Administrators will notify creditors in due course as to whether they anticipate a further extension of the Administration will be necessary, or a conversion of the Administration to an alternative insolvency procedure.
- 1.9. Any act required or authorised under any enactment to be done by an Administrator may be done by either both if the Joint Administrators acting jointly, or alone.

2. JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

- 2.1. The Receipts & Payments Account for the Administration Period, which incorporates the Reporting Period, is attached at **Appendix 2**.
- 2.2. The balance of funds are held in an interest bearing estate bank account.

3. JOINT ADMINISTRATORS' ACTIONS SINCE THEIR LAST REPORT

Strategy

- 3.1. As previously reported, the Joint Administrators determined that the most effective way to achieve the purpose of the Administration would be to cease trading and realise assets through an orderly manner.
- 3.2. The remaining assets to be realised are the book debts assigned to the Company by Lloyds CF to the Company. Further details are provided in **Section 4** of this report.

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

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Professional Advisors

- 3.3. The following professional advisors instructed have continued to assist the Joint Administrators during the Reporting Period:
- 3.3.1. ERAS, a firm of employment specialists to advise and assist with all employee related matters;
 - 3.3.2. Mr Quist, who acted as the sole debt collection agent to assist with the recovery of the outstanding ledger assigned by Lloyds CF in the early part of the Reporting Period; has now ceased his engagement, however he continues to assist with any outstanding enquiries;
 - 3.3.3. EMW, were engaged to assist with the recovery of the outstanding book debt ledger in place of Mr Quist; and as confirmed by Mr Quist, a number of these debts are disputed. EMW are instructed on an agreed fee basis which is dependent on the scope of work carried out, the size of the debt and the level of realisations. Their fee may also increase dependant on whether proceedings need to be issued. For more information, please refer to **Section 4** of this report.

Joint Administrators' Proposals

- 3.4. The Joint Administrators' Proposals and approval of the basis of their remuneration were approved by creditors on 3 May 2017.

Creditors' Committee

- 3.5. The Company's creditors have, to date, decided against forming a Creditors' Committee.

4. ASSETS

Assets Realised during the Reporting Period

Bank Interest

- 4.1. During the Reporting Period, £7 was received in respect of Bank Interest.

Book debts

- 4.2. As stated in 3.3.2 above, the Joint Administrators engaged Mr Quist to assist with the recovery of debts, however Mr Quist advised that many of the debts were disputed.
- 4.3. Prior to his engagement ceasing, Mr Quist was unable to recover any further debts in the Reporting Period.
- 4.4. On 3 May 2018, the Joint Administrators instructed EMW to recover the outstanding debts, and, if necessary, to issue legal proceedings. EMW have collected debts totalling £2,589 and in doing so been paid the sum of £602.

Intercompany Debts

- 4.5. The Joint Administrators continued to receive repayment of AWI's inter-company debt arising from the sale of AWI to Sell-Up, the US based purchaser, by receiving monthly instalments from Sell-up. As stipulated in the Asset Purchase Agreement, between AWI and Sell-Up, an agreed final payment of \$200,000 would be payable to AWI dependent on the performance and sales revenue achieved by Sell-Up over the 12 months following the sale. To date, £67,286 of the inter-company debt has been repaid by AWI, of which £9,098 was received during the Reporting Period.

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- 4.6. The purchaser received a significant reduced sales revenue and post-acquisition sales dropped. This forecast was not initially anticipated by them, and as such, the proposed additional uplift of \$200,000 will not be payable to AWI. No further funds are expected to be received from AWI.

Rent Deposit Deed

- 4.7. The Joint Administrators have since their appointment attempting to open a dialogue with the agents acting on behalf of the former Landlord. The Joint Administrators have now received a response and they confirmed with supporting documentation, that the rent deposit was paid to the Landlord in respect of the Company's outstanding arrears.

Software

- 4.8. You may recall that GB negotiated a sale of £10,000 (inclusive of VAT) to purchase the software. Funds were received in full in an earlier reporting period, however GB's costs of £2,000 was invoiced and paid in this Reporting Period.

5. LIABILITIES

Secured Creditors

- 5.1. As previously reported, the Company granted the following charges:
- A debenture in favour of Lloyds, with fixed and floating charges over the Company's assets, created on 27 June 2007 and registered at Companies House on 7 July 2007.
 - A rent deposit deed in favour of Clof Jersey Nominee A LTD and Clof Jersey Nominee B LTD, created on 8 December 2009 and registered on Companies House on 11 December 2009.
 - A debenture in favour of Lloyds CF, with fixed and floating charges over the Company's assets, created on 26 July 2012 and registered at Companies House on 28 July 2012.
- 5.2. At the date of the Joint Administrators' appointment, the Company owed Lloyds approximately £199,137 and Lloyds CF approximately £70,564. Lloyds CF have been paid, in full, from Book Debt realisations. Lloyds confirmed their outstanding debt and have since been paid in full, via a personal guarantee given by Mr Quist directly. Mr Quist has a subrogated secured claim against the Company by an operation of law.

Preferential Creditors

- 5.3. The Directors' SOA anticipated £42,796 in preferential creditors. Claims totaling £53,956 have been received. These claims have not yet been adjudicated for dividend purposes.

Crown Creditors

- 5.4. The SOA included £69,326 owed to HMRC. HMRC's provisional claim of £68,547 has been received and relates to debts arising from unpaid VAT (£34,002) and PAYE/NIC (£35,324). These claims have not yet been adjudicated for dividend purposes.

Non-Preferential Unsecured Creditors

- 5.5. The SOA included 34 non-preferential unsecured creditors with an estimated total liability of £599,840. I have received claims from creditors totalling £509,756. I have not received claims from creditors with original estimated claims in the SOA of £213,425. The claims have not yet been adjudicated for dividend purposes.

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

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6. DIVIDEND PROSPECTS

- 6.1. The Joint Administrators have not paid a dividend to any class of creditor; however, the dividend prospects are subject to asset realisations achieved to date, the estimated future asset realisations and the deduction of the current and future costs of the Administration. Due to the decline in intercompany debts recoveries, this has materially affected the level of realisations in the Administration; and as a result, has affected any prospect of a dividend to any class of creditor.

Secured Creditors

- 6.2. As mentioned in **Section 5**, Lloyds and Lloyds CF have been paid in full; however, it is anticipated that asset realisations will be insufficient to pay Mr Quist in full under his subrogated fixed charge security.

Preferential Creditors

- 6.3. Based on current estimates the Joint Administrators anticipate that there will be insufficient asset realisations to pay the preferential creditors in full, however this is dependent on the outcome of future debtor realisations.

Floating Charge Creditors

- 6.4. The Joint Administrators estimate that there will be insufficient asset realisations to pay Mr Quist in full under his floating charge security.

Non-Preferential Unsecured Creditors

- 6.5. The Joint Administrators estimate there will be insufficient asset realisations to pay non-preferential unsecured creditors a dividend, under the Prescribed Part.

7. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

- 7.1. Within three months of their appointment the Joint Administrators are required to submit a confidential report to the Secretary of State to include any matters which have come to their attention during the course of their work, which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. The Joint Administrators have filed their report within the required timeframe.
- 7.2. No further investigations were conducted by the Joint Administrators during the Reporting Period.

8. PRE-APPOINTMENT COSTS

- 8.1. On 2 May 2017, the following pre-appointment costs were approved by the creditors:
- 8.1.1. The Joint Administrators' pre-appointment fees and expenses totalling £4,167, plus VAT, and £67, plus VAT, respectively;
 - 8.1.2. EMW's pre-appointment fees totalling £1,542, plus VAT;
 - 8.1.3. GB's pre-appointment fees totalling £15,000, plus VAT.
- 8.2. These costs have been paid in full, prior to this Reporting Period.

9. JOINT ADMINISTRATORS' REMUNERATION

- 9.1. The Joint Administrators' remuneration was approved by creditors on 2 May 2017, to be calculated on a time cost basis to be fixed by reference to the time properly given by the Joint

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Administrators and their staff, in attending to matters arising in the administration at CBW's standard rates for this type of work, as amended from time to time, and to allow said remuneration to be drawn as and when funds are available.

- 9.2. The Fees Estimate of £78,572 was approved and acts as a cap which I cannot draw remuneration in excess of that estimate, without first seeking approval from the creditors.
- 9.3. The Joint Administrators' total time costs during the Administration Period amount to £128,228, representing 444 of hours work at a blended charge out rate of £289 per hour, of which £18,406, representing 59 of hours work, was charged in the Reporting Period, at a blended charge out rate of £310 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £334 in my Fees Estimate.
- 9.4. The Joint Administrators have drawn £30,000 during the Administration Period, of which £10,000 was drawn in the Reporting Period.
- 9.5. A description of the routine work undertaken in the Reporting Period is as follows:

Administration and Planning

- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details.
- Case bordereau / insurance.
- Case planning and administration.
- Telephone conversations and emails with the Director.
- Preparing six monthly progress reports to creditors.

Cashiering

- Maintaining and managing the Joint Administrators' cashbook and bank account.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Ensuring statutory lodgements and tax lodgement obligations are met.

Creditors

- Obtaining information from the case records about employee claims.
- Liaising with ERAS regarding all employee related matters and confirmation of the RPS claim in the Administration.
- Dealing with creditors' claims by correspondence and telephone.
- Maintaining up to date creditor information on the case management system.
- Recording claims.

Realisation of Assets

- Corresponding with EMW and the former Director, Mr Quist, in relation to the collection of outstanding book debts.
- Corresponding with Sell-Up and AWI in relation to the repayment of the intercompany debt to the Company and the collection of monies due, as appropriate.
- Liaising with the agents acting on behalf of the Landlord relating to the rent deposit deed.

Sub-Contracted Work

- 9.6. The Joint Administrators have sub-contracted some of the work they are required to undertake as Administrators, namely collating employee details, assessing claims and submitting the necessary documents to the RPS. This work was sub-contracted to an unconnected third-party organisation, ERAS, who have charged to date £900 plus VAT for undertaking that work, which has been paid in full.

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

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- 9.7. Further work remains to be done by ERAS in respect of additional employee claims which have not yet been received and further correspondence with the RPS, however this is dependant on whether there will be sufficient asset realisations to enable a dividend to the preferential creditors. Instructing ERAS is more cost effective than if the Joint Administrators and their staff at their charge-out rates had undertaken the tasks.
- 9.8. The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable, in the circumstances of the case.
- 9.9. Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Carter Backer Winter LLP's fee policy are available at the link www.cbw.co.uk. Please note that there are different versions of the Guidance Notes and, in this case, you should refer to the October 2015 version.

10. JOINT ADMINISTRATORS' EXPENSES

- 10.1. The Joint Administrators' expenses during the Administrationn Period total £1,904, of which £34.36 have been incurred in the Reporting Period. I have drawn £1,870 in respect of expenses, all of which was drawn in Reporting Period.
- 10.2. I have incurred the following expenses in the Reporting Period:

Type of Cost	Amount incurred/ accrued in the reporting period	Amount to be paid
	£	£
Printing, Postage and Stationery	34	34
	34	34

11. FURTHER INFORMATION

- 11.1. An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 11.2. An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.
- 11.3. To comply with the *Provision of Services Regulations 2009*, some general information about Carter Backer Winter LLP, including about our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found at <http://www.cbw.co.uk/wp-content/uploads/2017/10/Provision-of-Services-Regulations-2009-Oct-17.pdf>

12. SUMMARY

- 12.1. The Administration will remain open until all book debts have been realised.

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

13 September 2018

- 12.2. I will notify the creditors in due course as to whether I anticipate a further extension of the Administration will be necessary, or if it will be possible to convert the Administration into an alternative insolvency procedure under the insolvency legislation.
- 12.3. If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available online, please do not hesitate to contact Danielle Bennett of this office on 020 7309 3833 or by email at danielle.bennett@cbw.co.uk.



J A Dickinson
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, John Anthony Dickinson and Carl James Bowles. The Joint Administrators act as agents of the Company and contract without personal liability.

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

13 September 2018

APPENDIX 1

Statutory Information

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

13 September 2018

STATUTORY INFORMATION

Company name:	Alchemy Worx Limited
Registered office:	66 Prescott Street London E1 8NN
Former registered office:	Seebeck House 1 Seebeck Place Knowlhill Milton Keynes Buckinghamshire Buckinghamshire (changed on 15 March 2017)
Registered number:	03995003
Joint Administrators' names:	John Anthony Dickinson Carl James Bowles
Joint Administrators' address:	66 Prescott Street London E1 8NN
Joint Administrators' date of appointment:	22 February 2017
Court:	In the High Court of Justice, Chancery Division
Court Reference:	001087 of 2017
Appointment made by:	The Company's directors, pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986 (as amended)
Extensions to the initial period:	On 22 January 2018, the Company's creditors agreed to extend the initial period of the Administration for 12 months, such that the Administration will now automatically end on 21 February 2019.
Joint Administrators' actions:	Any act required or authorised under any enactment to be done by an administrator may be done by either, or both of, the Joint Administrators acting jointly or alone.
Purpose of the Administration:	The statutory purpose of the Administration is to achieve 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)
Previous Reports:	The report should be read in conjunction with the Joint Administrators' Report and Proposals dated 11 April 2017 and the previous progress reports dated 26 February 2018 and 15 September 2017.

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

13 September 2018

APPENDIX 2

Receipts and Payments Account

Alchemy Worx Limited
(In Administration)

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 22/02/2018 To 21/08/2018 £	From 22/02/2017 To 21/08/2018 £
RECEIPTS			
Book Debts	101,533.00	0.00	0.00
Software Development (Touchstone)	Uncertain	0.00	8,333.33
Software Development (Image Wizz)	Uncertain	0.00	0.00
Computer Equipment	2,000.00	0.00	0.00
Fixtures & Fittings	1,000.00	0.00	1,750.00
Investments share	NIL	0.00	0.00
Goodwill & Customer Contracts	1.00	0.00	0.00
Associated Company Debt	190,000.00	9,097.70	67,285.98
Prepayments	NIL	0.00	0.00
Employee Loans	NIL	0.00	0.00
Other debtors	Uncertain	0.00	0.00
Book Debts		0.00	14,068.38
Bank Interest Gross		6.82	14.26
		<u>9,104.52</u>	<u>91,451.95</u>
PAYMENTS			
Lloyds Commercial Finance	(70,564.00)	0.00	0.00
Lloyds Bank Loan	(199,137.00)	0.00	0.00
Collection fee- 10% of all sums		800.40	800.40
Agents - Gordon Brothers- (Post app)		2,000.00	2,000.00
Agents - Gordon Brothers(pre-appointment		0.00	15,000.00
OH Fees (approved pre appointment cost		0.00	4,167.00
Joint Administrators remuneration		10,000.00	30,000.00
Joint Administrators' Expenses- Vatable		1,695.07	1,695.07
J Administrators' Expenses- Not Vatable		175.00	175.00
Agents fees - Axia		0.00	3,954.00
Legal Fees - EMW LLP- (Pre-Appointment		0.00	1,541.67
Legal fees - EMW LLP- Post Appointment		2,750.00	2,750.00
Storage Costs		0.00	224.77
Statutory Advertising		0.00	29.24
Insurance of Assets		0.00	165.00
ERA Solutions		150.00	150.00
Employees Preferential claims	(42,796.00)	0.00	0.00
Trade & Expense Creditors	(309,868.21)	0.00	0.00
Employees	(19,740.50)	0.00	0.00
Directors	(200,000.00)	0.00	0.00
Associated Creditors	(70,555.00)	0.00	0.00
HM Revenue & Customs (PAYE/NI)	(35,324.00)	0.00	0.00
HM Revenue & Customs (VAT)	(34,002.00)	0.00	0.00
Ordinary Shareholders	(177,954.00)	0.00	0.00
		<u>17,570.47</u>	<u>62,652.15</u>
Net Receipts/(Payments)		<u>(8,465.95)</u>	<u>28,799.80</u>

**Alchemy Worx Limited
(In Administration)**

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

Statement of affairs £	From 22/02/2018 To 21/08/2018 £	From 22/02/2017 To 21/08/2018 £
------------------------------	---------------------------------------	---------------------------------------

MADE UP AS FOLLOWS

Bank 1 - Current	(5,016.65)	28,219.80
VAT Receivable / (Payable)	(3,449.30)	580.00
	(8,465.95)	28,799.80

ALCHEMY WORX LIMITED - IN ADMINISTRATION

Joint Administrators' Progress Report

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APPENDIX 3

Details of Time Incurred in accordance with Statement of Insolvency Practice 9

CBW's current charge out rates for this type of work

**CBW's policy on the reimbursement of Category 1 and Category 2
disbursements**

ALCHEMY WORKX LIMITED - in Administration

Time and Charge Out Summary for the period from 22 February 2018 to 21 August 2018

Hours

	Partner / Director	Manager	Assistant Manager	Administrator	Assistant & Support	Total Hours	Total Costs	Average Hourly Rate
Administration and Planning	3.25	0.00	3.20	3.30	3.05	12.80	£3,280.00	£256.25
Cashiering	0.00	0.00	0.00	0.00	4.78	4.78	£0.00	£0.00
Compliance	0.00	0.00	1.30	0.00	0.00	1.30	£520.00	£400.00
Report Preparation & Review	0.00	0.00	1.50	3.07	0.00	4.57	£983.33	£215.33
Review	0.00	0.10	2.20	2.58	0.00	4.88	£1,246.92	£255.34
Creditors	1.00	0.10	1.00	0.00	0.00	2.10	£934.00	£444.76
Legal	0.00	0.00	0.20	0.00	0.00	0.20	£80.00	£400.00
Employees	0.00	0.00	0.90	0.00	0.00	0.90	£360.00	£400.00
Realisation of Assets	0.00	0.40	7.70	0.00	0.00	8.10	£3,256.00	£401.98
Debtor Realisations	0.00	0.00	18.73	0.00	0.00	18.73	£7,493.33	£400.00
Taxation	0.00	0.00	0.50	0.42	0.00	0.92	£252.08	£275.00
	4.25	0.60	37.23	9.37	7.83	59.28	£18,405.66	£310.47

Cost Per Employee Category

£2,082.50 £264.00 £14,813.33 £1,170.83 £75.00 £18,405.66

Disbursements for the Period	£
PPS	34.36
Total	34.36

ALCHEMY WORX LIMITED - in Administration

Time and Charge Out Summary for the period from 22 February 2017 to 21 August 2018

Hours

	Partner / Director	Manager	Assistant Manager	Administrator	Assistant & Support	Total Hours	Total Costs	Average Hourly Rate
Administration and Planning	23.25	5.40	30.63	27.58	46.53	133.40	£29,064.74	£217.88
Cashiering	0.10	0.00	0.00	0.00	20.37	20.47	£49.00	£2.39
Compliance	0.00	0.00	22.77	0.00	0.00	22.77	£9,106.67	£400.00
Decision Procedure	0.00	0.00	6.13	2.00	0.00	8.13	£2,703.33	£332.38
Proposal Preparation	0.00	0.00	22.17	0.00	0.00	22.17	£8,866.66	£400.00
Report Preparation & Review	0.00	10.90	15.70	13.47	0.00	40.07	£12,759.33	£318.45
Review	0.00	0.30	15.33	3.38	0.00	19.02	£6,608.25	£347.50
Statutory Meetings Preparation	0.00	0.00	1.00	0.00	0.00	1.00	£400.00	£400.00
Creditors	1.00	1.30	6.70	3.33	0.00	12.33	£4,158.66	£337.19
CIT Creditors	0.00	0.00	0.00	0.00	0.25	0.25	£0.00	£0.00
Employees	0.00	1.60	10.60	0.00	0.00	12.20	£4,943.00	£405.16
Investigations	0.00	0.00	4.40	18.87	5.25	28.52	£4,609.83	£161.65
Disqualification Investigations	0.00	0.40	4.43	1.83	9.00	15.67	£2,628.50	£167.78
Legal	0.00	0.00	5.13	0.00	0.00	5.13	£2,053.33	£400.00
Realisation of Assets	4.75	8.00	33.07	0.00	0.00	45.82	£19,074.16	£416.31
Debtor Realisations	0.00	2.30	43.47	4.35	0.00	50.12	£18,942.41	£377.97
Directors (General)	0.00	0.50	0.00	0.00	0.00	0.50	£220.00	£440.00
Meetings (Non-statutory)	0.00	2.00	2.30	0.00	0.00	4.30	£1,800.00	£418.60
Taxation	0.00	0.00	0.70	1.08	0.00	1.78	£415.41	£232.94
	29.10	32.70	224.53	75.90	81.40	443.63	£128,403.28	£289.44
Cost Per Employee Category	£14,259.00	£14,388.00	£89,252.30	£9,541.48	£787.50		£128,228.28	

Disbursements for the Period	£
Advertising	79.20
Couriers	89.49
Insolvency Bond	320.00
Other Professional Fees	975.00
PPS	265.74
Redirection of Mail	175.00
Total	1,904.43

CARTER BACKER WINTER LLP ("CBW")

CORPORATE RECOVERY AND INSOLVENCY DEPARTMENT

INSOLVENCY APPOINTMENTS

TIME COST CHARGE-OUT RATES FROM 1 JANUARY 2017

	<u>Per Hour</u>
	<u>£</u>
Partner	490
Directors	490
Managers	440
Assistant Managers	400
Senior Administrators	390
Administrators	260
Junior Administrators	125 - 150
Cashier	0
Support Staff	0 - 185

Note:

Work undertaken on cases is recorded in 6 minute units utilising time-recording software.

Time properly incurred on insolvency cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. CBW's charge-out rates change from time to time.

DISBURSEMENT RECOVERY

Disbursements are categorised as either Category 1 or Category 2.

Category 1 disbursements generally comprise external supplies of incidental services specifically identifiable to the case. Where expenses are incurred and then recharged to the case, approval from creditors is not required. Examples of Category 1 disbursements include statutory advertising, specific bond insurance, document storage, postage, company search fees, and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot be practically provided internally, such as printing and room hire.

Category 2 disbursements include elements of shared or allocated costs where supplied internally. Category 2 disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. CBW does not charge Category 2 disbursements.