



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 4 3 4 9 2 2 1

Company name in full Cellnovo Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Nick

Surname Edwards

3 Administrator's address

Building name/number The Pinnacle

Street 170 Midsummer Boulevard

Post town Milton Keynes

County/Region

Postcode M K 9 1 B P

Country

4 Administrator's name ①

Full forename(s) Graham

Surname Bushby

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number The Pinnacle

Street 170 Midsummer Boulevard

Post town Milton Keynes

County/Region

Postcode M K 9 1 B P

Country

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 6	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0	
To date	^d 2	^d 5	^m 0	^m 9	^y 2	^y 0	^y 2	^y 0	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

[Handwritten signature]

X

Signature date

^d
2

^d
3

^m
1

^m
0

^y
2

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0

^y
2

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0

**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 **Adam Herman**

Company name **RSM Restructuring Advisory LLP**

Address **25 Farringdon Street**

Post town **London**

County/Region

Postcode **E C 4 A 4 A B**

Country

DX

Telephone **0203 201 8000**

**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

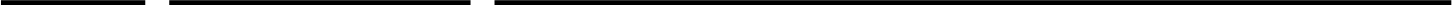
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

CELLNOVO LIMITED IN ADMINISTRATION

JOINT ADMINISTRATORS' PROGRESS REPORT

FOR THE SIX MONTH PERIOD TO 25 SEPTEMBER 2020





INTRODUCTION

Contact details

The key contacts at RSM in connection with this report are:

Primary office holder

Nick Edwards
RSM Restructuring Advisory LLP
The Pinnacle, 170 Midsummer Boulevard,
Milton Keynes, MK9 1BP
Tel: 01908 687800

Case manager

Sheryl Goan
RSM Restructuring Advisory LLP
The Pinnacle, 170 Midsummer Boulevard,
Milton Keynes, MK9 1BP
Tel: 01908 687800

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Basis of preparation

This report has been prepared solely to comply with the statutory requirements of the relevant legislation to provide creditors with information relating to the progress of the Administration. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to revision and additional costs. They should not be used as the basis for any bad debt provision or any other purpose. Neither the Joint Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report. The Joint Administrators act as agents of the Company and without personal liability.

General guidance on the Administration process

You may also wish to note that profession's trade body, R3, have also produced general guidance on the different insolvency processes, which can be located at their website

Appendices

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CONDUCT OF THE ADMINISTRATION

Realisation of assets

Sale of business

The Joint Administrators are obliged to realise the Company's property and maximise realisations. In some cases, this does not result in sufficient realisations to result in a financial return to creditors, after taking into account the costs and expenses of realisation and dealing with the legislative requirements of administering the case. Details of the realisations made are set out below, with information relating to dividends, if any, contained within Appendix B.

Debtors

The Company's outstanding book debts were £179,000 at the time the Joint Administrators were appointed. The Joint Administrators have been successful in realising a total of £161,792.62 of which £12,356 has been collected during this reporting period. The remaining book debts are still being pursued by Baker Tilly Creditor Services. The Company's retained employees continued to collect these debts and since appointment approximately £80,839 had been realised.

Stock and work in progress

During the reporting period a total of £28,818 has been realised by our agents for stock. Other assets

During this period a total of £1,158 has been realised by way of bank interest into the administration estate.

The time costs incurred to date in respect of asset realisations are shown on the attached analysis of time costs.

Investigations

All investigative matters have previously been reported.

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Statutory and case management matters

The following work does not usually result in a financial return to creditors but is required by legislation, best practice and to ensure that the case is managed efficiently and effectively.

Work done in the period included:

- Ongoing consideration of ethical and anti-money laundering regulations
- Ongoing consideration of insurance of assets and cancelling as assets are sold.
- Collecting and scheduling of books and records
- Periodic case reviews, ongoing case planning and strategy
- Maintaining and updating computerised case management records
- Maintenance of cashiering records and preparation of receipts and payments accounts
- Filing of statutory documentation at Companies House and Court, and with other relevant parties
- General taxation matters, including seeking tax clearance from HMRC
- Dealing with routine correspondence not attributable to other categories of work,
- Preparing, reviewing and issuing reports to creditors and other parties
- Dealing with pension schemes, liaising with the PPF / Pensions Regulator / Trustees

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Receipts and payments

We attach as Appendix C a summary of our receipts and payments for the period from 26 March 2020 to 25 September 2020, along with cumulative figures where applicable. Receipts and payments are shown net of VAT with any amount due to or from HMRC shown separately.

OUTSTANDING MATTERS

Assets remaining to be realised

The books debts are being collected by Baker Tilly Creditors Services LLP. We are awaiting a further update from them as to whether any further debtors monies are collectable.

Nature of asset	Book value (£)	Estimated to realise (£)	Estimated future costs (£)
Intangible assets	0	0	0
Furniture & equipment	0	0	0
Book debts	0	17,207	0
VAT refund	0	0	0
Cash at bank	0	0	0
Cash held by 3 rd parties	0	0	0

Other outstanding matters

The Joint Administrators are now in the process of agreeing unsecured creditors' claims to allow a distribution to be paid by virtue of the Prescribed Part.

End of the Administration

It is currently anticipated that the Company will exit Administration by way of Dissolution.

An extension of the Administration was granted to 25 March 2021 and therefore the Administration will come to end on or before that date, unless a further extension is required.

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects

	Owed (£'000)	Paid to date (£)	Estimated future prospects
Secured creditor	12,600,000	300,000	shortfall
Preferential creditors	71,852	104,202.54	Nil
Unsecured creditors	1,544,669.82	Nil	not known
Estimated Net Property	Not known	Nil	Not known
Estimated 'Prescribed Part' available for creditors	Not known	Nil	Not known

Prescribed Part

The 'Prescribed Part' is a statutory amount set aside for unsecured creditors from funds ('Net Property') available to a Qualifying Floating Charge Holder ('QFCH'). The amount of Net Property is calculated on a sliding scale up to maximum £800,000 depending on when the floating charge was created and whether or not it is a first ranking floating charge.

There is a QFCH and therefore unsecured creditors will receive a dividend payment by virtue of the Prescribed Part only.

Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being made to that particular class of creditor.

As set out above, a dividend of 100p in the £ has been paid to preferential creditors and the Joint Administrators are in the process of adjudicating and agreeing unsecured creditors' claims to allow a distribution to be paid by virtue of the prescribed part.

If you have not already submitted a Proof of Debt, a copy of the form can be obtained at the <https://rsmuk.ips-docs.com> or by request to this office.

Creditors whose debts are treated as a small debt in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a proof of debt if they wish to

vote. Rule 14.31(1) states that Office Holders may treat a debt, which is a small debt according to the accounting records or the statement of affairs of the company, as if it were proved for the purposes of paying a dividend. Small debts are defined in Rule 14.1(3) as a debt (being the total amount owed to a creditor) which does not exceed £1,000.

Dividend payments

The timing of any future dividend to the unsecured creditors (in relation to the Prescribed Part) is dependent on future realisations. Further information regarding any potential dividend payment will be made in due course.

- Unsecured creditors in relation to the Prescribed Part – within the next few months

Creditor communication

The following work was done in the period to comply with legislation, best practice and to ensure creditors were kept informed. It is also necessary to enable a dividend to be paid.

- Preparation and issue of progress reports to various parties, including creditors
- Maintenance of schedules of unsecured creditors' claims
- Dealing with correspondence and telephone calls
- Agreeing employee claims, submitting documentation to, and liaising with, the Redundancy Payments' Service (RPS) in respect of the unsecure elements of both the RPS and employees, if applicable.
- Consideration of creditors' claims; acceptance or rejection of claims and complying with the legislative obligations in relation to adjudication of creditors' claims generally for voting and dividend purposes

Creditors only derive an indirect financial return from this work on cases where a dividend has been, or will be, paid.

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.

JOINT ADMINISTRATORS' FEES, COSTS AND EXPENSES

Guide to Administrator's fees and expenses

A Guide to Administrator's Fees, which provides information for creditors in relation to the fees and expenses of an Administrator, can be accessed at [www.insolvency.gov.uk](#) under 'general information for creditors'. A hard copy can be requested from this office by telephone, email or in writing. All fees, costs and expenses are subject to VAT.

Relevant Approving Body

The secured and preferential creditors are the Relevant Approving Body responsible for approving the Joint Administrators' post appointment fee basis and, where applicable, 'Category 2' expenses. They will also be responsible for approving the payment of outstanding pre-Administration expenses. However, if a creditors' committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

To whom due / paid	Basis	Total incurred (£)	Amount outstanding (£)
Joint Administrators' fees	fixed fee	50,720	50,720
Joint Administrators' 'Category 2' expenses			
- Room hire	£80 per room		
- Mileage	42.5p per mile	0	0
- Tracker reports	£10 per report	0	0
- Subsistence	£25 per night	0	0
Subtotal 'Category 2' expenses		0	0
Joint Administrators' costs & 'Category 1' expenses			
Agents Fees		9,164.32	0
		0	0
Subtotal costs & 'Category 1' expenses		0	0
Total		9,164.32	9,164.32

Post Appointment fees, costs and expenses

Basis for remuneration

Insolvency legislation allows an Administrator to charge fees on one of, or a combination of, the following bases:

- as a percentage of the value of the property the Administrator has to deal with (percentage basis);
- to the time spent by the Administrator or their staff on the administration of the case (time cost basis);
- as a set amount (fixed fee basis); or
- a combination of the above (mixed fee basis).

The Relevant Approving Body has approved the Joint Administrators' fees on a time cost basis, limited to the sum of £301,133 in accordance with the fee estimate previously provided with the Joint Administrators' proposals. The Joint Administrators' remuneration was approved on 28 August 2019 by the secured and preferential creditors.

Remuneration charged and paid

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done.

The total remuneration charged by the Joint Administrators, totals £301,133, calculated on the basis set out above. Amounts paid to date are shown in the attached receipts and payments account.

An analysis of time incurred in the period is attached. Time costs incurred for the period are £13,608.

Further fee approval

The amount of fee that can be drawn will be limited to the amount approved by the Relevant Approving Body, whether calculated on the basis of time in accordance with a fee estimate, or for a fixed amount or a percentage rate, and cannot be either increased or the percentage rate changed, without their further approval.

The Joint Administrators anticipate that it may be necessary to seek further approval for additional fees because the costs of dealing with the administration were higher than originally expected and further creditors claims have been received which have needed to be dealt with.

Expenses and professional costs

The total costs and expenses estimated to be incurred by the Joint Administrators are set out below together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account. The quantum of costs and expenses is in line with the estimates previously provided to creditors.

Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the relevant approving party prior to being paid.

Type of expense	Total estimated (£)	Incurred in period (£)
Bond	85.00	0.00
Statutory advertising	0	0
Website fee	13.00	0.00
Books & records collection & storage	60.86	0.00
Total	158.86	0.00

Category 2 expenses

These are costs which are not capable of precise identification or calculation, or that may include an element of shared or allocated costs. Payments to outside parties that the Office Holder, firm, or any associate has an interest, are also treated as 'Category 2' expenses. These expenses require the specific approval of the relevant Approving Body before being paid from the insolvency estate.

The Relevant Approving Body has approved the payment of the 'Category 2' expenses, at the rates prevailing at the date they were incurred. Details of the current rates are set out below.

Type of expense	Total estimated (£)	Incurred in period (£)
Room hire (£80 per room)	0	0
Mileage (42.5p per mile)	3,140.70	0
Tracker reports (£10 per report)	0	0
Subsistence (£25 per night)	30.23	0
Total	3,170.93	0

Other professional costs

The office holders retained the following advisers based on their experience and expertise. These costs are not subject to approval by the Relevant Approving Body. However, they are subject to review and approval by the Joint Administrators.

Party	Nature of advice	Total estimated (£)	Incurred in period (£)
<i>Charles Russell Breacher LLP</i>	Legal advice	50,730	
<i>Jones Day</i>		9,000	
		8,748.77	
<i>John Pye & sons</i>	Asset valuation and disposal	9,164.32	9,164.32
<i>Murgitroyd & Co</i>		3,413.61	
	Pensions advice	2,450	0
Total		83,506.70	9,164.32

Creditors' right to information and ability to challenge fees

Creditors have a right to request further information about fees or expenses (other than pre-Administration costs) and to challenge such fees or expenses.

If you wish to make a request for further information it must be made in writing within 21 days of receipt of this report either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question).

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the fees charged, the basis fixed or expenses incurred by the Administrator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of fees or incurring of the expenses in question.

Nick Edwards

RSM Restructuring Advisory LLP

APPENDICES

A. STATUTORY INFORMATION

Company information

Company name:	Cellnovo Limited
Company number:	04349221
Date of incorporation:	08/01/2002
Trading name:	Cellnovo Limited
Trading address:	Pencoed Technology Centre, Pencoed Technology Park, Bridgend CF35 5HZ
Principal activity:	
Registered office:	RSM Restructuring Advisory LLP, The Pinnacle, 170 Midsummer Boulevard, Central Milton Keynes, MK9 1BP Pencoed Technology Centre, Pencoed Technology Park, Bridgend CF35 5HZ
Previous company names:	Cellnovo Limited
Directors:	Sophie Baratte
Secretary:	Darren Edwards

Administration information

Court reference:	CR-2019-002132	
Joint Administrators:	Nick Edwards and Graham Bushby	
Date of appointment:	26/03/2019	
Joint Administrators:	Primary office holder Nick Edwards RSM Restructuring Advisory LLP The Pinnacle, 170 Midsummer Boulevard, Milton Keynes, MK9 1BP 01908 687841 IP Number: 9005	Joint office holder Graham Bushby RSM Restructuring Advisory LLP The Pinnacle, 170 Midsummer Boulevard, Milton Keynes, MK9 1BP 020 3201 8000 IP Number: 8736

B. RECEIPTS AND PAYMENTS SUMMARY

Cellnovo Limited
In Administration
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs		From 26/03/2020 To 25/09/2020	From 26/03/2019 To 25/09/2020
£		£	£
	SECURED ASSETS		
662,317.81	Business Intellectual Property Rights	NIL	662,317.81
0.78	Manufacturing Documents	NIL	0.78
		NIL	662,318.59
	COSTS OF REALISATION		
	Agents/Valuers Fees Disbs	NIL	130,076.02
	Office Holders Fees	NIL	119,306.00
	Patent Applications Fees	NIL	12,224.66
		NIL	-261,606.68
	SECURED CREDITORS		
	Chargeholder (1)	NIL	300,000.00
		NIL	-300,000.00
	TRANSFERS FROM ADMIN		
	PAYE / NIC Receivable (Payable)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	1,157.76	3,426.97
	Book Debts	12,355.86	161,792.62
	Cash at Bank	NIL	1,284,758.39
	Componants and Tooling	NIL	NIL
	Furniture & Equipment	NIL	4,814.61
	Intercompany re Insurance	NIL	NIL
	Other Refunds	NIL	NIL
23,514.66	Plant & Machinery	NIL	63,211.55
	Property Rights/Patents	NIL	NIL
	Sale of Business	NIL	NIL
	Stock	28,818.00	33,818.00
	VAT Refund	NIL	77,059.31
		42,331.62	1,628,881.45

COST OF REALISATIONS

Agents/Valuers Fees	9,164.32	12,577.93
Agents/Valuers Retainer	NIL	2,000.00
Bank Charges	28.08	1,046.41
Consultancy Fees	NIL	NIL
Corporation Tax	431.11	431.11
Debt Collection Fees	8,772.41	8,772.41
Employee expenses	NIL	6,022.77
HSBC Credit Card	NIL	2,295.52
Insurance of Assets	1,414.10	5,760.82
IT Costs	NIL	60,813.42
Legal Fees	NIL	68,478.77
Office Holders Expenses	NIL	6,086.58
Office Holders Fees	NIL	181,827.00
Patent Application	NIL	NIL
PAYE & NIC	NIL	83,790.22
Pension Advisors Fees	NIL	2,450.00
Preparation of S. of A.	NIL	21,360.50
Professional Fees re: Wages	250.00	1,170.00
Re-Direction of Mail	NIL	211.00
Rent & Storage	NIL	29,022.98
Stationery, Postage, Office costs	NIL	1,525.50
Storage Costs	NIL	NIL
Sundry Expenses	NIL	500.00
Telephone	NIL	9,619.88
Wages & Salaries	NIL	278,272.68
	-20,060.02	-784,035.50

PREFERENTIAL CREDITORS

Tax & NI	NIL	6,154.36
Employees	NIL	98,048.18
	NIL	-104,202.54

685,833.25

22,271.60

841,355.32

REPRESENTED BY

HSBC - Pre appointment Account	41,125.42
RBS IB Current Float	716,844.29
Vat Control Account	8,197.54
Vat Payable	-15,486.80
Vat Receivable	90,674.87

841,355.32

Joint Administrators' post appointment time cost analysis for the period 26 March 2020 to 25 September 2020

From Jan 2003	Administration and Planning									
	Case Management	1.5	1.4	1.8	0.0	2.1	0.0	6.8	£ 2,306.50	339.19
	Closure	0.0	0.0	0.9	0.0	0.0	0.0	0.9	£ 234.00	260.00
	Post-appointment - general	0.0	0.0	0.0	0.0	0.5	0.0	0.5	£ 50.00	100.00
	Receipts and Payments	0.0	0.4	9.7	0.0	7.7	0.0	17.8	£ 2,902.00	163.03
	Tax Matters	0.0	0.0	1.7	0.0	1.7	0.0	3.4	£ 529.50	155.74
	Total	1.5	1.8	14.1	0.0	12.0	0.0	29.4	£ 6,022.00	204.83
Realisation of Assets										
	Assets - general/other	0.0	0.0	0.5	0.0	0.9	0.0	1.4	£ 250.00	178.57
	Debtors & sales finance	0.0	0.0	0.4	0.0	0.6	0.0	1.0	£ 209.00	209.00
	Land and Property	0.0	0.0	0.5	0.0	0.0	0.0	0.5	£ 96.00	192.00
	ROT/ Third Party Assets	0.0	0.0	0.0	0.0	1.0	0.0	1.0	£ 100.00	100.00
	Total	0.0	0.0	1.4	0.0	2.5	0.0	3.9	£ 655.00	167.95
Creditors										
	Employees	0.0	0.0	2.3	0.0	0.0	0.0	2.3	£ 471.50	205.00
	Other Creditor Meetings and Reports	0.0	0.0	1.2	0.0	18.9	0.0	20.1	£ 3,517.50	175.00
	Preferential Creditors	0.0	0.4	0.0	0.0	1.0	0.0	1.4	£ 359.00	256.43
	Unsecured Creditors	0.6	0.7	4.9	0.0	10.2	0.0	16.4	£ 2,583.00	157.50
	Total	0.6	1.1	8.4	0.0	30.1	0.0	40.2	£ 6,931.00	172.41
		2.1	2.9	23.9	0.0	44.6	0.0	73.5	£ 13,608.00	185.14
		£ 1,312.50	£ 1,334.00	£ 4,519.00	£ 0.00	£ 6,442.50	£ 0.00	£ 13,608.00		
Total Hours		2.1	2.9	23.9	0.0	44.6	0.0	73.5	£ 13,608.00	185.14
Total Time Cost		£ 1,312.50	£ 1,334.00	£ 4,519.00	£ 0.00	£ 6,442.50	£ 0.00	£ 13,608.00		
Average Rates		625.00	460.00	189.08	0.00	144.45	0.00	185.14		