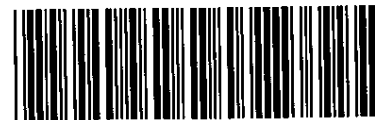


AM10

Notice of administrator's progress report

MONDAY



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18/12/2017

#241

COMPANIES HOUSE

1 Company details

Company number 0 6 8 2 9 5 7 7

Company name in full PARABIS HOLDINGS LIMITED

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) PETER

Surname SAVILLE

3 Administrator's address

Building name/number ALIXPARTNERS

Street 6 NEW STREET SQUARE

Post town LONDON

County/Region GREATER LONDON

Postcode E C 4 A 3 B F

Country UNITED KINGDOM

4 Administrator's name ①

Full forename(s) BENJAMIN

Surname BROWNE

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number ALIXPARTNERS

Street 6 NEW STREET SQUARE

Post town LONDON

County/Region GREATER LONDON

Postcode E C 4 A 3 B F

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 3	m 0	m 5	y 2	y 0	y 1	y 7
To date	d 2	d 2	m 1	m 1	y 2	y 0	y 1	y 7

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Al Keefe

X

Signature date

d 1	d 3	m 1	m 2	y 2	y 0	y 1	y 7
-----	-----	-----	-----	-----	-----	-----	-----

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ^①
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	ANNE
Surname	O'KEEFE

3 Insolvency practitioner's address

Building name/number	ALIXPARTNERS
Street	THE ZENITH BUILDING
	26 SPRING GARDENS
Post town	MANCHESTER
County/Region	GREATER MANCHESTER
Postcode	M 2 1 A B
Country	UNITED KINGDOM

**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 **PAUL BUTTERFIELD**

Company name **ALIXPARTNERS**

Address **THE ZENITH BUILDING**

26 SPRING GARDENS

Post town **MANCHESTER**

County/Region **GREATER MANCHESTER**

Postcode **M 2 1 A B**

Country **UNITED KINGDOM**

DX

Telephone **0161 838 4539**

**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

Administrators' Progress Report for the period 23 May 2017 to 22 November 2017

ARL Realisations Limited (formerly
Argent Rehabilitation Limited) and
Parabis Holdings Limited
In Administration

13 December 2017

Contents

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Appendix B.	Statutory information
Appendix C.	Receipts and Payments Accounts for the period 23 May 2017 to 22 November 2017 and Cumulative Accounts for the period since appointment
Appendix D.	Administrators' fees and pre-administration costs
Appendix E.	Administrators' expenses and disbursements
Appendix F.	Additional information in relation to the Administrators' fees
Appendix G.	Extensions and exit routes

1. Why this report has been prepared

- 1.1 As you will be aware, Peter Saville, Benjamin Browne and Anne O'Keefe (the **Administrators**) were appointed over the Companies on 23 November 2015.
- 1.2 The Administrators were also appointed over eight additional companies as detailed below. These, together with the Companies, form the group (the **Group**) as detailed at Appendix A.

Entity name	Entity acronym
Parabis Management Limited	PML
Parabis Group Limited	PGL
Parabis Limited	Limited
Parabis Law LLP	LLP
Argent Risk Management Solutions Limited	ARMS
AAI Realisations Limited (formerly Argent Adjusting and Investigations Limited)	AAI
CM Realisations Limited (formerly Carmichaels (KC) Limited)	CM
Woodfield Consultancy Services (UK) Limited	Woodfield

- 1.3 The Administration of Woodfield closed on 20 June 2016 and the entity was dissolved on 20 September 2016. The Administrators of CM were appointed as its Liquidators on 23 September 2016, when CM moved into creditors' voluntary liquidation.
- 1.4 In accordance with UK insolvency legislation, an administrator is required to provide a progress report covering the period of six months commencing on the date on which a company entered into administration and every subsequent period of six months. This progress report covers the period 23 May 2017 to 22 November 2017 (the **Period**), and should be read in conjunction with all previous reports in respect of the Group.
- 1.5 This report has been prepared in accordance with rule 18.2 of the Insolvency Rules (England and Wales) 2016.
- 1.6 The purpose of this report is to provide statutory and financial information about the Companies and to provide an update on the progress of the Administrations, including details of assets realised during the Period, details regarding the Administrators' fees and the expected outcome for each class of creditor.

ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
Parabis Holdings Limited (**Holdings**)
Both in Administration (the **Companies**)

- 1.7 As a reminder an administrator of a company must perform their functions with a view to achieving one of the following statutory objectives:

Objective 1: rescuing the company as a going concern;

Objective 2: achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or

Objective 3: realising property in order to make a distribution to one or more secured or preferential creditors.

- 1.8 *In this case the Administrators are pursuing the second and third statutory objectives in ARL and Holdings, respectively. Further details on the actions taken to achieve those objectives can be found in section 3 of this report.*

- 1.9 Details of the Administrators' fees and disbursements incurred are provided at Appendices D to F.

- 1.10 More information relating to the Administration process, Administrators' fees and creditors' rights can be found on AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>). Log-in details to access this information can be found within the covering letter you have received.

- 1.11 If you require a hard copy of this report or have any queries in relation to the contents of this report or the Administrations generally, please contact the Parabis Team on 0161 838 4593, by email at **parabis-inadministration@alixpartners.com**, or write to AlixPartners' office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.

2. Summary of information for creditors

Estimated dividend for creditors

Description	Estimated debt £	Likely level of return £ or pence/£
Group		
Secured creditors:		
Super senior debt	6.5 million	6.5 million
First lien	38.2 million	23.2 million
Second lien	26.9 million	Nil
ARL		
Preferential creditors	2,957	100 pence/£
Unsecured creditors	29.7 million	2 pence/£
Holdings		
Unsecured creditors	28.8 million	Nil

Notes:

Secured creditors

The estimated level of debt is the debt owed to the secured creditors by the Group at the date of the Administrators' appointment.

The secured creditors' position reflects the total debt and return across the Group, which has joint and several liability for all companies in the Group who acceded to the debenture.

The return shown above is the estimated return based on current information, after costs of the Administrations. Due to improvements in the level of asset realisations across the Group, the estimated return has increased in the Period by £3.7 million but remains subject to change.

Preferential creditors

Claims totalling £2,957 in respect of unpaid employers' pension scheme contributions were received in ARL. A preferential distribution of 100 pence in the pound was paid on 2 March 2017.

Holdings did not have any employees, therefore there are no preferential claims.

ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
Parabis Holdings Limited (**Holdings**)
Both in Administration (the **Companies**)

Unsecured creditors

ARL Realisations Limited

The Administrators have reviewed the unsecured claims and the value of creditors are in the region of £29.7 million. Based on current information, the value of ARL's net property is estimated to be £9.7 million, which will create a maximum Prescribed Part of £0.6 million and will result in a dividend to unsecured creditors of approximately two pence in the pound. Further information on this fund can be found in sections 4.9 to 4.14.

Parabis Holdings Limited

Total unsecured claims are estimated to be £28.8 million, as previously reported.

Based on current information there will be no distribution to Holdings' unsecured creditors, as Holdings has insufficient floating charge assets.

General

Funds that may be available for distribution and dividend rates are based on estimated future realisations and claims being agreed at book values. These remain subject to change.

In respect of preferential and unsecured creditors, UK insolvency legislation stipulates that creditors of the same class should be treated equally. Hence the funds available for distribution are split on a pro-rata basis amongst all creditors of each class, regardless of the size of their claims.

For further information please refer to section 4 of this report.

3. Progress of the Administrations

- 3.1 In addition to their statutory objectives, the Administrators have duties imposed by insolvency and other legislation and their regulating professional bodies. The Administrators have set out information in respect of the progress of these duties in addition to that of the realisation of assets and distribution of available funds.
- 3.2 The detail provided is intended to provide users of this report with information to allow them to understand how the Administrators' fees and expenses as set out in Appendices D and E have been incurred, as well as the sensitivities that might be applicable to the Administrators' anticipated fees and expenses over the remainder of the Administrations.
- 3.3 Full details of all asset realisations have been provided in previous reports to creditors and are not repeated. This report details the assets realised in the Period as well as any outstanding matters.
- 3.4 As detailed in previous reports, elements of the Companies' business and assets were sold to Premex Services Limited (**Premex**).

Transitional Services Agreement (TSA)

- 3.5 As previously reported, to facilitate the sale of certain of the Group's businesses, all parties entered into a TSA whereby central management services would continue to be provided for a specified period of time.
- 3.6 PML incurred all costs associated with the provision of the TSA services and subsequently recharges all such costs amongst those Group entities whose asset realisations were enhanced as a result of the TSA (ARL, LLP, AAI, Holdings and ARMS) (together the **TSA Companies**) as Management Charges. These costs were also recharged to the various purchasers of the Group's businesses and assets as detailed in previous reports.
- 3.7 Management Charges are allocated amongst the TSA Companies in the proportion equal to each entity's share of the TSA Companies' total expected asset realisations.
- 3.8 Whilst all TSA related matters have now concluded, as the total expected asset realisations of the TSA Companies continues to change, Management Charges may be reallocated amongst the TSA Companies.
- 3.9 The final allocation of Management Charges will be determined once the Group's asset realisations are complete.

Realisation of assets – ARL Realisations Limited

Goodwill

- 3.10 Funds totalling £9.5 million have been attributed to goodwill in accordance with the relevant sales agreements. These funds are subject to capital gains tax, the quantum of which is being assessed. Any liability will be paid as an expense of the Administration, however, the Administrators require all other ARL assets to be realised before the final amount due to HM Revenue & Customs (HMRC) is known.

Book debts

- 3.11 As detailed in previous reports, £8.4 million is held in escrow following the sale of ARL's debtor ledger to Premex. Release to the Administration is dependent upon various conditions of the sales agreement being met, the most material of which is that Premex exceeds net debtor realisations of £11.0 million. The final quantum to be released will be dependent upon the level of collections by Premex.
- 3.12 Collections continued through to 23 November 2017 in accordance with the sale agreement and the Administrators currently await details of finalised account to be provided by Premex. Once received, a portion of funds will be released from escrow. Based on the recovery rate of collections made by Premex to date, it is anticipated that a significant proportion of escrow funds will be released to the Administrators. An update will be provided in the next report.

MLR debtors

- 3.13 Debtors with a book value of £7.8 million in relation to Medical Law Reports (**MLR**) were excluded from the sale to Premex.
- 3.14 As detailed in previous reports, a sale of the outstanding debtors completed to Capita Medical Limited (**CML**) on 13 June 2016. Sale consideration is deferred in that ARL receives 50% of collections made by CML on a monthly basis. The collection process will end on 14 September 2018, at which point a valuation of the remaining ledger will be completed and CML will purchase the remaining ledger on the basis of this valuation. Collections continue and a total of £2.7 million has been collected to date, of which £479,106 was received in the Period.

Fixtures and fittings

- 3.15 In accordance with the sale agreements, ARL's fixtures and fittings were sold to Premex. Following the completion of the above noted book debt collections by Premex, a proportion of escrow funds will be allocated to fixtures and fittings in accordance with the sale agreement.

Client monies

- 3.16 As detailed in the last report, the Administrators of ARL were paid £65,126 relating to unidentified beneficiaries. During the Period, an additional £52,658 was received.

- 3.17 The Administrators worked with the respective purchasers to identify the beneficiaries in order to repay funds. However, the Administrators were unable to *identify the beneficiaries due to inadequate records being maintained prior to the Administrators' appointment*. Legal advice was obtained which confirmed that as the monies held were untraceable, the funds made part of the Administration estate. These monies have therefore been reclassified as "cash at bank" in the Receipts and Payments Account at Appendix C.

Intercompany lending

- 3.18 The secured creditors' consent to fixed and floating charge funds being made available to Group entities has enabled the costs and expenses of the Administrations to be met, as required.
- 3.19 ARL has loaned total funds of £3.6 million to Group entities. Funds totalling £3.4 million were repaid in previous periods.
- 3.20 Funds totalling £75,000 were previously loaned to Woodfield, of which £56,055 was repaid prior to the closure of Woodfield's Administration in the previous reporting period. The secured creditors have approved that the remaining £18,945 be absorbed as a cost of ARL's Administration so that the costs of the Administration of Woodfield are met. No other class of creditor will be affected by this decision.
- 3.21 The remaining loan is due from Limited and will be repaid when this entity is in a position to do so. As the maximum Unsecured Creditors' Fund defined in section 4.9 has been ring-fenced, this agreement and absorption of the balance of Woodfield's loan do not affect the return to ARL's unsecured creditors.

Nominal receipts

- 3.22 Bank interest of £850 has been received in the Period, bringing total interest to date to £5,769. Daily interest continues to accrue.

Realisation of assets – Parabis Holdings

Parabis South Africa

- 3.23 Parabis South Africa (**PSA**) is being wound-up on a solvent basis which may result in a shareholder distribution to Holdings. The quantum and timing of any potential *distribution is uncertain whilst the winding-up process of PSA progresses, and the Administrators continue to receive regular updates in this regard*.
- 3.24 Holdings is party to a South African Share Pledge (the **Pledge**) dated 26 October 2012, together with PSA and the secured creditors. Pursuant to the Pledge, Holdings will retain ownership of its shareholding in PSA and realisations due in this regard will be remitted to the secured creditors directly.

Nominal receipts

- 3.25 Bank interest of £43 was received in the Period, bringing total interest received to date to £3,307.

Intercompany receivables

- 3.26 The Companies are party to an intercreditor agreement dated 21 December 2011 (the **Agreement**), amended on 22 June 2015, between specific Group entities and the secured creditors. The effect of the Agreement is that the secured creditors receive the benefit of any intercompany dividend distributions.
- 3.27 ARL and Holdings have lodged unsecured claims across the Group totalling £14.4 million and £0.3 million, respectively. Based on current information, the secured creditors will receive distributions totalling approximately £24,200 from the Group.
- 3.28 The Administrators will shortly issue a Notice of Intended Dividend in respect of ARL, following which the funds due under the Agreement will be paid to the secured creditors.
- 3.29 CM is not party to the Agreement; therefore, monies due to ARL and Holdings of approximately £2,300 and £18,300, respectively, will be retained for the benefit of the Administrations. A distribution will be declared by CM in the upcoming weeks.

Administration (including statutory reporting)

- 3.30 In addition to their duties relating to realising and distributing the assets of the Companies, the Administrators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986. These include preparing bi-annual reports to creditors advising of the progress of the Administrations and reporting to the secured creditors and holding regular meetings in this regard. The Administrators are responsible for liaising with HMRC to determine the final position in respect of corporation tax, PAYE, VAT and other taxes that may be owed by or to the Companies, and for filing tax returns for the duration of the Administrations. The Administrators have continued to liaise with HMRC in the Period in respect of the Group's tax position.
- 3.31 In order to ensure the matters of the Administrations are being progressed sufficiently, the Administrators have a duty to conduct periodic case reviews and complete case checklists. In addition, the Administrators' treasury function will also comply with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.

Creditors (claims and distribution)

- 3.32 Details of the estimated outcome for creditors can be found in section 4.

Secured creditors

- 3.33 The Administrators have provided non-formal and verbal updates to the secured creditors in the Period, together with formal reports. Reports are prepared to provide updates on asset realisations and general progress on the Group's Administration, including cash flow analyses to understand the estimated outcome for each class of creditor.

ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
Parabix Holdings Limited (**Holdings**)
Both in Administration (the **Companies**)

Unsecured creditors

- 3.34 The Administrators have continued to respond to general creditor queries and collate claims upon receipt. In the Period, the Administrators have also agreed the unsecured claims which have been received in preparation of the dividend distribution.

4. Estimated outcome for creditors

- 4.1 The below table details the Group's lending at the date of the Administrators' appointment, which was previously updated following a reconciliation completed shortly after appointment. Full details of the Group's lending has been provided in previous reports.

Description	Group financing (£m)	Total (£m)
Super senior		
Cross Ocean Partners (COP)	6.5	6.5
First lien		
Lloyds Banking Group (LBG)	16.1	
Royal Bank of Scotland (RBS)	8.5	
Cross Ocean Partners (COP)	13.6	38.2
Second lien		
Ares Management (AM)	26.9	26.9
Loan notes		
Duke Street LLP (DS)	43.2	
Vendor loan notes	23.9	
Management loan notes	43.1	110.2
Total Group lending		181.8

Secured creditors

- 4.2 COP extended a further £6.5 million in June 2015 on a super senior basis, meaning it has an elevated priority of payment in relation to the other secured debt. The super senior debt due to COP of £6.5 million has been repaid in full from fixed charge realisations in ARL.
- 4.3 The debt due to the first and second lien lenders at the date of appointment totalled £66.9 million. Following a review of funds held in various company/client bank accounts, the sum of £1.8 million was identified as available for the secured lenders under set-off. The revised total secured first and second lien debt therefore stands at £65.1 million across the Group.
- 4.4 In the Period, ARL distributed a further £1.0 million from floating charge realisations. To date, ARL has distributed total fixed and floating charge monies of £9.4 million and £2.7 million, respectively, to the super senior and first lien lenders. Similarly, Holdings has distributed a further £0.2 million in the Period, bringing total distributions from fixed charge realisations to £1.8 million.
- 4.5 Based on current information and realisations to date, it is estimated that the first lien lenders will receive a total return of £23.2 million across the Group, which represents an increase of £3.7 million since the last report. As this number is based on estimated future realisations, the final return is likely to change. The first lien secured creditors will suffer a shortfall on their lending.

- 4.6 The second lien lenders will not receive a distribution on their lending.

Preferential creditors

- 4.7 ARL's preferential claims totalled £2,957 and a distribution of 100 pence in the pound was paid on 2 March 2017.
- 4.8 Holdings has no preferential creditors.

Unsecured Creditors' Fund

ARL Realisations Limited

- 4.9 Where there is a floating charge which was created on or after 15 September 2003, the Administrators are required to create a fund from the Company's net property available for the benefit of unsecured creditors (**Unsecured Creditors' Fund**), commonly known as the 'Prescribed Part'.
- 4.10 Based on present information, the Administrators estimate the value of ARL's net floating charge property to be £9.7 million. Arising from this, the value of the Unsecured Creditors' Fund is the maximum amount possible of £0.6 million.
- 4.11 ARL's total unsecured creditors are estimated to be £29.7 million. Third party claims are estimated to total £28.6 million whilst intercompany claims balances are estimated to be £1.1 million. Based on current information, and in the event that claims are lodged against ARL at this level, a dividend of approximately two pence in the pound will be available for distribution.
- 4.12 Those unsecured creditors who are yet to submit claims against ARL may do so by downloading a Proof of Debt form (**POD**) from the AlixPartners creditor portal at **www.alixpartnersinfoportal.com**. Log-in details to access this can be found within the covering letter you have received. If your unsecured claim should be lodged against another Group entity, you will find the relevant POD forms saved here also; please ensure the correct POD is completed.
- 4.13 Please complete and return the POD form to ARL at AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB. Alternatively, please submit by email to **parabis-inadministration@alixpartners.com**.
- 4.14 Please note that supporting documentation must be submitted with your POD, in order for your claim to be adjudicated. **If you have already lodged an unsecured claim against any Group entity, you are not required to submit a further copy.**

Parabis Holdings Limited

- 4.15 Total unsecured creditors are estimated to be £28.8 million. As Holdings has insufficient floating charge assets, the value of both its net property and Prescribed Part fund are nil. Consequently, there will be no funds available for the unsecured creditors of Holdings.

5. What happens next

Creditors' rights

- 5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors) may request in writing that the Administrators provide further information about their fees or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors) may, within eight weeks of receipt of this report, make an application to court on the grounds that the basis fixed for the Administrators' fees is inappropriate, or that the fees charged or the expenses incurred by the Administrators during the period of this report are excessive.

Next report

- 5.3 The Administrators are required to provide a progress report within one month of the end of the next six months of the Administrations, or earlier if the Administrations have been finalised. For details of the proposed exit routes please see Appendix G.

For and on behalf of
The Companies

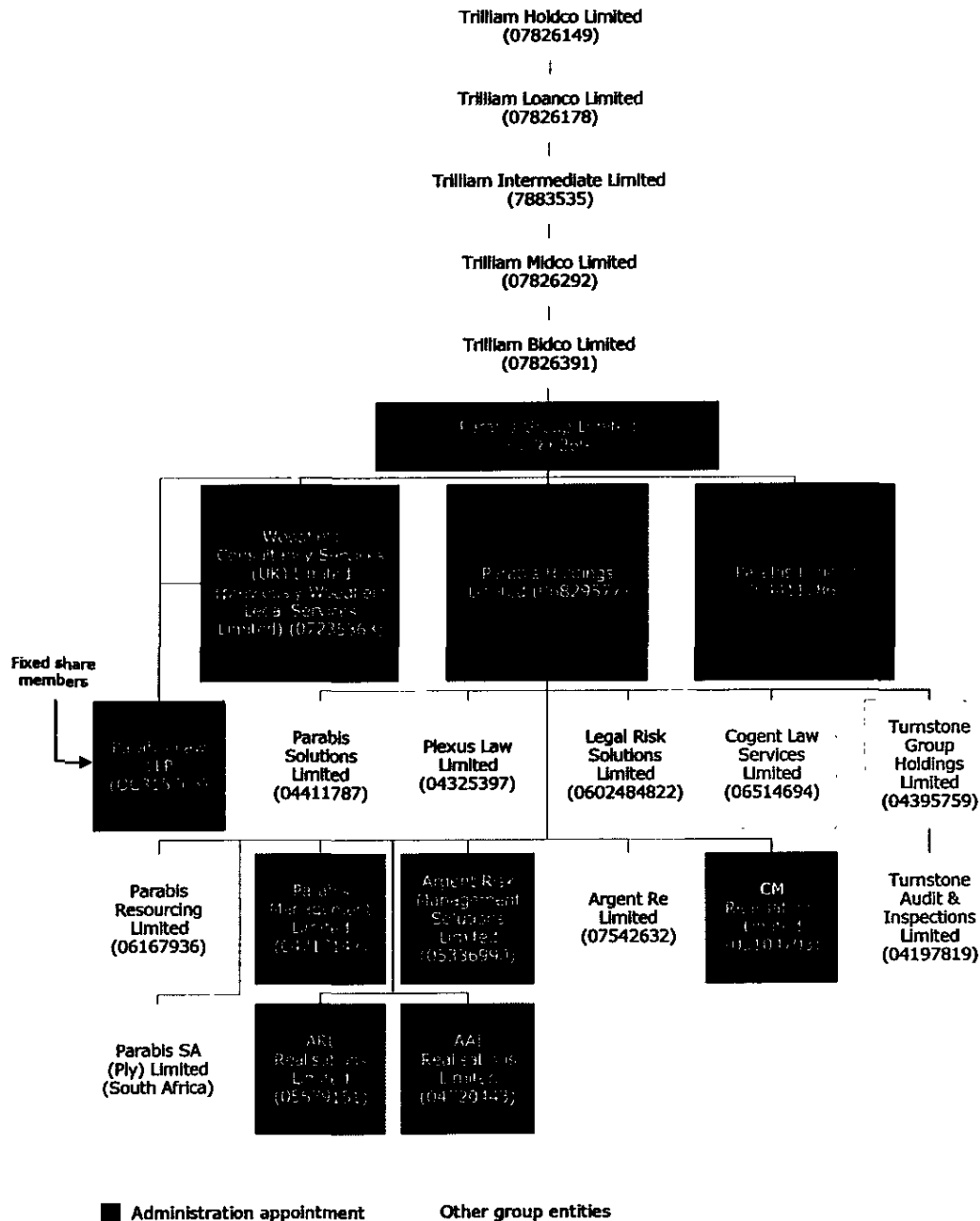


Anne O'Keefe
Administrator

Encs

ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
Parabis Holdings Limited (**Holdings**)
Both in Administration (the **Companies**)

Appendix A. Group structure



ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
Parabis Holdings Limited (**Holdings**)
Both in Administration (the **Companies**)

Appendix B. Statutory information

Company information

ARL

Company name	ARL Realisations Limited (formerly Argent Rehabilitation Limited)
Registered number	05679151
Registered office	c/o AlixPartners, The Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Renaissance, 12 Dingwall Road, Croydon, Surrey, CR0 2NA
Trading address	Renaissance, 12 Dingwall Road, Croydon, Surrey, CR0 2NA
Trading name	Argent Rehabilitation
Court details	High Court of Justice, Chancery Division, Companies Court
Court reference	CR-2015-009046

Holdings

Company name	Parabis Holdings Limited
Registered number	06829577
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Renaissance, 12 Dingwall Road, Croydon, Surrey, CR0 2NA
Trading address	N/A
Trading name	N/A
Court details	High Court of Justice, Chancery Division, Companies Court
Court reference	CR-2015-009051

Appointor's information

Name	Address	Position
Jason Powell	Renaissance, 12 Dingwall Road, Croydon, Surrey, CR0 2NA	Director

ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
Parablis Holdings Limited (**Holdings**)
Both in Administration (the **Companies**)

Administrators' information

Name	Address	IP number	Name of authorising body
Peter Mark Saville	AlixPartners, 6 New Street Square, London, EC4A 3BF	009029	Insolvency Practitioners Association
Benjamin James Browne	AlixPartners, Cornerstone, 107 West Regent Street, Glasgow, G2 2BA	014190	Insolvency Practitioners Association
Anne Clare O'Keefe	AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	008375	Insolvency Practitioners Association

In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Administrators are to be exercised by any or all of the Administrators. All references to the Administrators should be read as the Joint Administrators.

Appendix C. Receipts and Payments Accounts for the period 23 May 2017 to 22 November 2017 and Cumulative Accounts for the period since appointment

ARL Realisations Limited

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
1 Intellectual property	-	1
1 Business name	-	1
13,567,692 Goodwill	-	9,460,588
Bank interest	-	658
	-	9,461,248
Payments		
Bank charges	-	35
	-	(35)
Distributions		
Secured lenders	-	9,449,981
	-	(9,449,981)
Balance of fixed charge assets	-	11,232
Floating charge assets		
Receipts		
Specific contracts	-	1
Employee records	-	1
Customer records	-	1
Customer data	-	2
STEP programme	-	2
WARP documentation	-	1
907,885 Work in progress	-	907,885
16,599,595 Book debts	-	11,599,595
4,504,742 MLR debtors	479,106	2,681,981
Employee loans	-	4,681
42,896 Fixtures and fittings	-	-
Cash at bank	117,784	143,653
Utility refunds	-	39
Uncertain Intercompany receivables	-	-
9,235,458 VAT assessments	-	-
Sundry refund	-	2,180
Salary funding	-	86,345
Ring-fenced client monies	(65,126)	-
Bank interest	850	5,111
	532,614	15,431,477

ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
Parabis Holdings Limited (**Holdings**)
Both in Administration (the **Companies**)

Statement of Affairs £	Period £	Cumulative £
Payments		
Intercompany lending	-	201,748
Pre-administration costs:		
Administrators' fees	-	369,668
Agent's/valuer's fees	-	808
Contractor's fees and expenses	-	180,000
Administrators' fees	171,832	334,355
Category 1 disbursements:		
Stationery and postage	1,292	9,230
Statutory advertising	-	85
Employee claim/payroll agent's fees	-	60
Data room costs	-	2,109
Legal fees and disbursements	91,018	170,319
Pre-appointment employee costs	-	222,951
Post-appointment employee costs	-	86,345
VAT contribution to professional fees ¹	(93,689)	-
Contribution to Woodfield costs	18,945	18,945
Management charges - professional fees	63,761	532,204
Management charges	111,286	2,901,135
Framework agreements	-	5,410,910
Bank charges	924	1,199
	(365,369)	(10,442,069)
Distributions		
Preferential creditors, 02/03/17, 100 pence/E	-	2,957
Floating chargeholder	1,019,038	2,688,746
	(1,019,038)	(2,691,703)
Balance of floating charge assets	(851,793)	2,297,705
Total balance		2,308,937
Represented by		
Interest bearing accounts		1,681,043
Prescribed part account		600,000
VAT receivable		27,894
		2,308,937

NB: The above is subject to small rounding differences.

Note:

¹ TSA contributions in relation to the VAT elements of professional fees have been repaid by PML in the Period.

ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
Parabis Holdings Limited (**Holdings**)
Both in Administration (the **Companies**)

Parabis Holdings Limited

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
- WARP shares	-	2,400,000
- LPG shares	-	10,000
360Globalnet shares	-	200,001
Bank interest	43	3,307
	43	2,613,308
Payments		
Pre-administration costs:		
Administrators' fees and disbursements	-	41,074
Administrators' fees	-	46,992
Legal fees and disbursements	80,000	144,822
Professional fees and disbursements	954	14,704
Purchase of CM shares	-	160,000
Management charges - professional fees	1,507	78,254
Management charges	(138,183)	292,219
Category 1 disbursements:		
Stationery and postage	-	48
Statutory advertising	-	85
Bank charges	3	45
	55,719	(778,244)
Distributions		
Fixed chargeholder	180,000	1,833,966
	(180,000)	(1,833,966)
Balance of fixed charge assets	(124,238)	1,096
Represented by		
Interest bearing account		1,083
VAT receivable		14
		1,096

Notes:

The above is subject to small rounding differences.

Appendix D. Administrators' fees and pre-administration costs

Fees

A copy of 'A Creditors' Guide to Administrations' can be downloaded from AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>). If you would prefer this to be sent to you in hard copy please contact the Administrators and they will forward a copy to you.

Approval of the Administrators' fees was sought in accordance with insolvency legislation. On 12 February 2016, ARL's secured and preferential creditors approved that the basis of the Administrators' fees be fixed by reference to the time properly spent by the Administrators and their staff on matters arising in the Administration. In respect of Holdings, its secured creditors approved the same on 25 January 2016.

To date, fees of £334,355 and £46,992 have been drawn in ARL and Holdings, respectively. These payments are reflected in the Receipts and Payments Accounts at Appendix C.

Administrators' fee estimates

The fee estimates were originally provided when the bases of the Administrators' fees were approved, copies of which are set out below.

ARL Realisations Limited

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Administration (including statutory reporting)	72	250	18,070
Realisation of assets	51	421	21,409
TSA	862	341	294,085
Investigations	10	291	2,910
Creditors (claims and distribution)	280	427	119,585
Total	1,275	358	456,059

Parabis Holdings Limited

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Administration (including statutory reporting)	75	248	18,590
Realisation of assets	4	429	1,714
Investigations	12	263	3,150
Creditors (claims and distribution)	87	318	27,545
Total	178	287	50,999

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The above estimates were based on information available to the Administrators at the time the approval of their fee basis was sought.

The Administrators are required to seek the approval of the increase in their fee estimate from the creditors originally responsible for approving the basis of remuneration. In these cases, following the payment of preferential debts in full, that is the secured creditors.

The approval of any revised estimate will be sought directly from the secured creditors prior to drawing any fees in excess of the initial estimate which has already been approved.

Administrators' details of time spent to date

ARL Realisations Limited

The Administrators' time costs for the Period are £70,212. This represents 182 hours at an average rate of £386 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by area of activity.

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
TSA	5.6	436	2,444	69,379
Realisation of assets	36.5	378	13,813	187,217
Administration (including statutory reporting)	84.0	429	36,113	373,786
Investigations	0.2	210	42	4,455
Creditors (claims and distribution)	55.6	320	17,800	30,956
Total	181.9	386	70,212	665,793

Parabis Holdings Limited

The Administrators' time costs for the Period are £17,354. This represents 51 hours at an average rate of £341 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by area of activity.

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
TSA	-	-	-	7,633
Realisation of assets	14.8	328	4,863	98,357
Administration (including statutory reporting)	34.2	346	11,825	122,367
Investigations	0.2	210	42	2,198
Creditors (claims and distribution)	1.6	416	624	8,168
Total	50.8	341	17,354	238,723

ARL Realisations Limited (formerly Argent Rehabilitation Limited) (**ARL**) and
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NB Cumulative time is the total from the date of the Administrators' appointment to the end date of the Period.

Details of the progress of the Administrations to date, and matters that are outstanding or partially complete, together with an explanation of why the work was undertaken are set out in section 3. Any references to TSA represent the Transactional Services Agreement as outlined in previous reports.

As discussed in section 3 and previous reports, the Administrations have been complex and time consuming. Consequently the Administrators' time costs have exceeded the original estimates, particularly in respect of Holdings. The Administrators can confirm that approval to draw fees above the estimates provided will not be requested at this time.

Pre-administration costs

The pre-administration costs were disclosed in the Administrators' Statement of Proposals dated 17 December 2015. On 12 February 2016, ARL's secured and preferential creditors, together with Holdings' secured creditors, approved the Administrators' pre-appointment costs.

Pre-administration fees charged and expenses incurred by the Administrators are set out below. For the avoidance of doubt, these costs are not included in the Administrators' details of time spent to date.

ARL Realisations Limited

Name of recipient	Brief description of services provided	Total amount approved £	Paid to date £	Payment made by	Amount unpaid £
The Administrators	Marketing of AR and negotiation of the sale to Premex	1,005,046	367,503	LLP and Holdings	637,953
The Administrators	Disbursements	2,165	2,165	ARL	-
Lawyer (Hogan Lovells International LLP)	Legal fees	8,000	-	N/A	8,000
Agent (Hilco Valuation Services)	Valuation of tangible assets	808	808	ARL	-
Total		1,016,019	370,476		645,953

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Parabis Holdings Limited

Name of recipient	Brief description of services provided	Total amount approved £	Paid to date £	Payment made by	Amount unpaid £
The Administrators	Agree sale of WARP shares to Premex	111,670	40,834	LLP	70,882
The Administrators	Disbursements	240	240	N/A	-
Lawyer (Hogan Lovells International LLP)	Legal fees	11,000	-	N/A	11,000
Total		122,910	41,074		81,882

Appendix E. Administrators' expenses and disbursements

Expenses of the Administrations

The estimates of expenses anticipated to be incurred by the Administrators from third parties whilst dealing with the Administrations were provided to creditors in the Administrators' proposals; a copy of that estimate is set out below.

	ARL £	Holdings £
Legal costs	120,000	15,000
Bank charges	500	500
Total	120,500	15,500

Current position of Administrators' expenses

An analysis of the costs paid to date, together with those incurred but not paid as at the end of the Period is provided below.

ARL Realisations Limited

	Paid in prior period £	Paid in the Period £	Incurred but not paid £	Total cost to date £
Legal costs	78,499	90,851	3,583	172,933
Insurance	-	-	767	767
Employee agent's fees	60	-	-	60
Bank charges	1,234	923	-	2,157
Total	79,793	91,774	4,350	175,917

Legal costs paid in the Period relate to balancing payments made in respect of unpaid costs incurred in previous reporting periods.

Parabis Holdings Limited

	Paid in prior period £	Paid in the Period £	Incurred but not paid £	Total cost to date £
Legal costs	64,432	80,000	3,583	148,015
Bank charges	42	3	-	45
Total	64,474	80,003	3,583	148,060

The significant increase in anticipated legal expenditure in the Administration of Holdings is due to the revised realisation strategy of the WARP shares as detailed in previous reports.

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Administrators' disbursements

A copy of the analysis of anticipated disbursements previously provided is set out below. The actual expenses may be found in the Receipts and Payments Accounts at Appendix C.

	ARL £	Holdings £
Category 1 disbursements:		
Specific penalty bond	225	225
Statutory advertising	170	170
Storage	200	83
Stationery and postage	15,100	100
Telephone charges	1,000	50
Total	16,695	628

Category 1 disbursements of £9,315 and £133 have been drawn on account in ARL and Holdings, respectively. Approval to draw category 2 disbursements has been given by ARL's secured and preferential creditors, and Holdings' secured creditors, however none have been drawn to date.

Appendix F. Additional information in relation to the Administrators' fees

Policy

Detailed below is AlixPartners' policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

Staff allocation and the use of sub-contractors

The Administrators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of a managing director or director, a vice president, an associate and an analyst. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Administrators' charge-out rate schedule overleaf provides details of all grades of staff.

With regard to support staff, time spent by treasury staff in relation to tasks such as recording transactions and dealing with bank accounts is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution.

The Administrators have not utilised the services of any sub-contractors in these cases.

Professional advisors

On these assignments the Administrators have used the professional advisors listed below. The Administrators have also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
Hogan Lovells International LLP (legal advice)	Hourly rate and disbursements
Willis Towers Watson Limited (insurance)	Risk based premium
Hilco Capital Limited (valuation and disposal advice)	Fixed fee
Woodsta Consulting Limited (consulting advice)	Fixed fee

The Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

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Disbursements

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case eg postage, case advertising, invoiced travel and external printing, room hire and document storage. Any properly reimbursed expenses incurred by the Administrators and their staff will also be chargeable.

Category 2 disbursements do require approval prior to being paid and will be drawn in accordance with the approval given, they may include business mileage for staff travel - charged at the rate of 45 pence per mile.

Charge-out rates

A schedule of AlixPartners' hourly charge-out rates for this assignment effective from 1 January 2017, together with those applicable prior to that date, are detailed below. Time is charged by managing directors and case staff in units of six minutes.

Description	Rates from 1 January 2017 £
Managing director	615-675
Director	590
Vice president	495
Associate	365-445
Analyst	210-365
Treasury and support	100-240

Appendix G. Extensions and exit routes

Extensions

The Administrations were due to end automatically on 22 November 2016. However, as it was not possible to conclude all outstanding matters in the Administrations prior to this date, the Administrators sought consent from the Companies' creditors to extend the Administrations for a period of 12 months. A further extension of 12 months was sought from the court and was approved. The Administrations will therefore end on or before 22 November 2018.

Exit routes

ARL Realisations Limited

Based on current information, the Administrators anticipate that a dividend will be distributed to ARL's unsecured creditors by way of its Unsecured Creditors' Fund. The Administrators will therefore file a notice, together with their final progress report, at court and with the Registrar of Companies for dissolution of ARL. The Administrators will send copies of these documents to ARL and its creditors. The appointment will end following the registration of the notice by the Registrar of Companies.

Parabis Holdings Limited

Current information suggests that Holdings has no floating charge property to permit a distribution to its unsecured creditors. The Administrators will therefore file a notice, together with their final progress report, at court and with the Registrar of Companies for dissolution of Holdings. The Administrators will send copies of these documents to Holdings and its creditors. The appointment will end following the registration of the notice by the Registrar of Companies.