In accordance with Rule 3.61(1) of the Insolvency (England & Wales) Rules 2016 & Paragraph 84(8) of Schedule B1 of the Insolvency Act 1986.

AM23

Notice of move from administration to dissolution

Companies House

FRIDAY

A9DDHKKR

A23 11/09/2020 #150

COMPANIES HOUSE

1 Company details

Company number	0 7 1 5 5 9 2 9
Company name in full	Pyramid Connect Limited

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

2 Court details

Court name	The High Court of Justice
Court number	8 8 6 6 2 0 1 8

3 Administrator's name

Full forename(s)	Lila
Surname	Thomas

4 Administrator's address

Building name/number	Derby House
Street	12 Winckley Square
Post town	Preston
County/Region	
Postcode	P R 1 3 J J
Country	

AM23
Notice of move from administration to dissolution

5 Administrator's name ❶

Full forename(s)	David
Surname	Acland

❶ **Other administrator**
Use this section to tell us about another administrator.

6 Administrator's address ❷

Building name/number	Derby House
Street	12 Winckley Square
Post town	Preston
County/Region	
Postcode	PR1 3JJ
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

7 Final progress report

☑ I have attached a copy of the final progress report

8 Sign and date

Administrator's signature	Signature X X
Signature date	10/09/2020

AM23
Notice of move from administration to dissolution

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: Katy Flynn

Company name: FRP Advisory Trading Limited

Address: Derby House
12 Winckley Square

Post town: Preston

County/Region:

Postcode: P R 1 3 J J

Country:

DX: cp.preston@frpadvisory.com

Telephone: 01772 440700

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

Pyramid Connect Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 01/05/2020 To 10/09/2020 £	From 31/10/2018 To 10/09/2020 £
	SECURED ASSETS		
	Goodwill	NIL	44,999.00
	Contracts	NIL	1.00
	Book Debts	NIL	172,483.00
		NIL	217,483.00
	COSTS OF REALISATION		
	Administrators' Fees	NIL	10,000.00
	Accountancy Fees	NIL	1,250.00
		NIL	(11,250.00)
	SECURED CREDITORS		
	ABN AMRO Commercial Finance	NIL	190,134.00
		NIL	(190,134.00)
	ASSET REALISATIONS		
	Furniture & Equipment	NIL	8,000.00
	Cash at Bank	NIL	110.00
	Bank Interest Gross	0.22	32.53
		0.22	8,142.53
	COST OF REALISATIONS		
	Bordereau	NIL	225.00
	Administrators' Remuneration	1,494.25	6,494.25
	Administrators' Disbursements	NIL	49.93
	Administrators Pre-Appointment Fees	NIL	10,000.00
	Agents/Valuers Fees (1)	NIL	1,500.00
	Legal fees - Pre-Administration	NIL	5,840.66
	Corporation Tax	NIL	5.32
	Stationery & Postage	NIL	9.00
	Storage Costs	46.64	46.64
	Statutory Advertising	NIL	69.93
	Bank Charges - Floating	0.80	0.80
		(1,541.69)	(24,241.53)
	UNSECURED CREDITORS		
(44,873.88)	Trade Creditors	NIL	NIL
(29,841.09)	HMRC - VAT	NIL	NIL
(23,517.46)	HMRC - PAYE/NI	NIL	NIL
(34,873.28)	HMRC - Corporation Tax	NIL	NIL
		NIL	NIL
(133,105.71)		**(1,541.47)**	**(0.00)**
	REPRESENTED BY		
			NIL

Lila Thomas
Joint Administrator

FRP

Pyramid Connect Limited (IN ADMINISTRATION) ("THE COMPANY")

The Administrators' Final Report for the period 01/05/2020 – 10/09/2020

10 September 2020

Contents and abbreviations

FRP

The following abbreviations may be used in this report:

The Administrators	Lila Thomas and David Acland of FRP Advisory Trading Limited
The Company	Pyramid Connect Limited (In Administration)
CVL	Creditors' Voluntary Liquidation
FRP	FRP Advisory Trading Limited
HMRC	HM Revenue & Customs
The Period	The reporting period 01/05/2020 – 10/09/2020
The Proposals	The Administrators' proposals for achieving the purpose of the administration dated 07/11/2018
QFCH	Qualifying floating charge holder
SIP	Statement of Insolvency Practice
ABN	ABN Amro Commercial Finance plc
ECL / The Purchaser	Executive Connect Limited
KG	Kirivani Group Limited
DSS	Driver Support Services Limited
ESB	Executive Stand-By Limited
WNJ	WNJ Chartered Accountants

1. An overview of the administration

The Proposals

The Administrators identified that the objective of the administration was to realise property in order to make a distribution to one or more secured or preferential creditors.

The objective was to be achieved by a sale of the business as a going concern immediately following the appointment of the Administrators.

It was anticipated that the Company would exit from administration via dissolution by sending a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the administration to an end and three months after the filing of the notice the Company would deemed to be dissolved.

The Administrators' proposals were circulated to all known creditors on 7 November 2018 and in the absence of any request for a creditors' meeting to be held, were subsequently deemed approved on 26 November 2018. There have been no amendments or deviations from these proposals.

The Administrators sought separate approval from the secured creditor for certain resolutions in respect of the Administrators' fees, disbursements, and pre-appointment costs. The requisite approvals were received on 11 December 2018.

Implementation of the Proposals

A sale of the Company's business and assets was concluded immediately following the Administrators' appointment. Full details of that sale were provided to creditors shortly after completion of the sale.

The sale and purchase agreement provided for potential additional consideration by way of an earn-out clause. This consideration was based on a percentage of net profits incurred during the earn-out period (50% during the first 12 months). The purchaser had an obligation to prepare and serve draft accounts on the Administrators within 20 business days of the last day of the earn-out period. This deadline took us beyond the automatic term of the Administration and therefore the Administration period was extended (see below).

ECL filed accounts in June 2020 which detailed a loss and therefore no additional consideration will be available under the earn-out clause.

Extension of period of administration

To avoid the automatic termination of the administration on the first anniversary, the period of administration was extended with secured creditor consent for a period of 12 months to 30 October 2020.

2. Progress of the administration in the Period

FRP

Work undertaken during the administration

I attach at **Appendix C** a schedule of work undertaken during the Period covered by this final report.

Attached at **Appendix E** is a receipts and payments account detailing both transactions for the Period of this report and also cumulatively for the whole period of the administration.

Investigations

I can confirm that no further investigations or actions were required during the period.

Exiting the administration

In accordance with the Proposals the administration will be exited by way of the Administrators ceasing to act and the Company moving to dissolution three months after the date on which the requisite notice is filed with the Registrar of Companies.

3. Outcome for creditors

Initial estimated outcome for creditors

The Proposals anticipated that there would be funds for payments to secured creditors only and no dividend to any other class of creditors.

Outcome for secured creditor

ABN hold a fixed and floating charge debenture dated 7 December 2016 supported by intercompany cross guarantees provided by DSS, ESB and KG. As at the date of Administration, ABN were owed £197,647 in respect of an invoice discounting facility against a total ledger of £177,803.

A final termination charge of £10,000 plus VAT was applied across the group ledger and has been apportioned accordingly. The total sum repaid to ABN is £190,134, the shortfall was claimed under the cross guarantee and repaid by ESB. ABN have been repaid in full.

This outcome was in line with the Proposals.

Outcome for preferential creditors

As part of the sale to ECL, all employees transferred in accordance with TUPE regulations thus mitigating their claims against the Company. However, the Administrators have submitted a claim to the Redundancy Payments Service in respect of unpaid pension contributions.

There were insufficient funds to enable a distribution to be paid to the preferential creditors. This outcome is in line with the proposals.

Outcome for unsecured creditors

There were insufficient funds available to make a distribution to unsecured creditors.

This outcome was in line with the Proposals.

Prescribed part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

As the value of the prescribed part was less than £10,000 and the costs of distribution were disproportionate, the prescribed part was disapplied, and no dividend was paid to unsecured creditors.

Pursuant to the Insolvency Rules no dividend will be declared to preferential and unsecured creditors as the funds realised have already been distributed or used or allocated for paying the expenses of the insolvency proceedings.

4. Administrators' pre-appointment costs

Details of the pre-appointment costs totalling £18,628 incurred by the Administrators and other professionals were included in the Proposals. These costs were approved by a resolution of the creditors and have been paid as an expense of the administration.

5. Administrators' remuneration, disbursements and expenses

FRP

Administrators' remuneration

Following circulation of the Administrators' proposals the secured creditor passed a resolution that the Administrators' remuneration should be calculated in part as a percentage of realisations (5% of the gross realisations of all assets realised) and in part as a set amount (fixed fee of £25,000 plus VAT). Details of remuneration charged during the period of the report are set out in the statement of expenses attached. The sum of £16,494.25 plus VAT has been paid to date with £1,494.25 plus VAT drawn in the period.

The Administrators fees have been restricted to the funds available.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

The expenses of the administration

I attach at **Appendix F**, a statement of expenses that have been incurred during the period covered by this report.

An estimate of the Administrators' expenses was set out in the Proposals, further updated and circulated with each progress report sent to creditors. The total expenses incurred by the Administrators are included in the cumulative figures in the receipts and payments account attached at **Appendix E.**

I can confirm that expenses incurred are in line with the details previously provided.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Administrator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Administrator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Administrator and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix F** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link https://creditors.frpadvisory.com/info.aspx and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of eight weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Appendix A

FRP

Statutory information regarding the Company and the appointment of the Administrators

PYRAMID CONNECT LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	
Company number:	07155929
Registered office:	C/O FRP Advisory LLP, Derby House, 12 Winckley Square, Preston, PR1 3JJ
Previous registered office:	Chandler House, 7 Ferry Road Office Park, Preston, PR2 2YH
Business address:	2nd Floor, Buckingham House, Glover's Court, Preston, PR1 3LS

ADMINISTRATION DETAILS:

Administrator(s):	Lila Thomas & David Acland
Address of Administrator(s):	FRP Advisory Trading Limited Derby House, 12 Winckley Square, Preston, PR1 3JJ
Date of appointment of Administrator(s):	31/10/2018
Court in which administration proceedings were brought:	The High Court of Justice
Court reference number:	8866
Appointor details:	The Director of the Company
Previous office holders, if any:	None
Extensions to the initial period of appointment:	Extended until 30 October 2020 with the consent of the secured creditor

Appendix B

Form AM23

In accordance with Rule 3.61(1) of the Insolvency (England & Wales) Rules 2016 & Paragraph 84(8) of Schedule B1 of the Insolvency Act 1986.

AM23

Notice of move from administration to dissolution

Companies House

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

1 Company details

Company number	0 7 1 5 5 9 2 9
Company name in full	Pyramid Connect Limited

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

2 Court details

Court name	The High Court of Justice
Court number	8 8 6 6 2 0 1 8

3 Administrator's name

Full forename(s)	Lila
Surname	Thomas

4 Administrator's address

Building name/number	Derby House
Street	12 Winckley Square
Post town	Preston
County/Region	
Postcode	P R 1 3 J J
Country	

AM23
Notice of move from administration to dissolution

5	Administrator's name ❶	
Full forename(s)	David	❶ **Other administrator** Use this section to tell us about another administrator.
Surname	Acland	

6	Administrator's address ❷	
Building name/number	Derby House	❷ **Other administrator** Use this section to tell us about another administrator.
Street	12 Winckley Square	
Post town	Preston	
County/Region		
Postcode	PR1 3JJ	
Country		

7 Final progress report

☑ I have attached a copy of the final progress report

8 Sign and date

Administrator's signature	Signature X X	
Signature date	d1 d0 m0 m9 y2 y0 y2 y0	

AM23
Notice of move from administration to dissolution

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	Katy Flynn
Company name	FRP Advisory Trading Limited
Address	Derby House
	12 Winckley Square
Post town	Preston
County/Region	
Postcode	P R 1 3 J J
Country	
DX	cp.preston@frpadvisory.com
Telephone	01772 440700

Checklist

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Please make sure you have remembered the following:

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- ☐ You have attached the required documents.
- ☐ You have signed the form.

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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

Appendix C

Schedule of work

Pyramid Connect Limited (IN ADMINISTRATION)

Schedule of Work

The table below sets out a detailed summary of the work undertaken by the office holder(s) during the reporting period together with an outline of work still to complete. Where work undertaken results in the realisation of funds (from the sale of assets), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

Note	Category			Fee Basis Agreed
1	**ADMINISTRATION AND PLANNING** **Work undertaken during the reporting period**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**	**Fixed Fee**
	General Matters			
	Regularly reviewing the conduct of the case and the case strategy and updating as required by the insolvency practitioners regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing.		None	
	Regulatory Requirements			
	None		None	
	Ethical Requirements			
	Prior to the Joint Administrator's appointment, a review of ethical issues was undertaken and no ethical threats were identified. Further ethical reviews are carried out periodically and no threats have been identified in		None	

Pyramid Connect Limited (IN ADMINISTRATION)

Schedule of Work

	respect of the management of the insolvency appointment over the period of this report.			
	Case Management Requirements			
	Administering the insolvent estate bank account. All funds have now been discharged and the account will be closed.		None	
2	**ASSET REALISATION** **Work undertaken during the reporting period**		**ASSET REALISATION** **Future work to be undertaken**	**Percentage of realisations**
	<u>Sale of the business and assets</u> As previously reported, a sale of the Company's business and assets completed to Executive Connect Limited on 31 October 2018. The sale included an anti-embarrassment clause and an earn-out provision. This potential consideration was based on a percentage of net profits incurred during the earn-out period (50% during the first 12 months). ECL filed accounts in June 2020 which reported a loss and therefore no additional consideration will be available under the earn-out clause.		None	
3	**CREDITORS** **Work undertaken during the reporting period**		**CREDITORS** **Future work to be undertaken**	**Fixed Fee**
	Secured Creditors: ABN's indebtedness has been repaid in full however, the Administrators continue to liaise with them regarding		None	

Pyramid Connect Limited (IN ADMINISTRATION)

Schedule of Work

	statutory matters. Preferential creditors: Preferential creditor claims in respect of any arrears of wages and holiday pay have been mitigated as all employees have been transferred to ECL in accordance with TUPE regulations. A claim has been processed via the Redundancy Payments Service in respect of unpaid pension contributions however there are insufficient funds available to pay a preferential distribution. Unsecured Creditors: There are insufficient funds available to pay a distribution to unsecured creditors.			
4	**INVESTIGATIONS** **Work undertaken during the reporting period**		**INVESTIGATIONS** **Future work to be undertaken**	**Fixed Fee**
	None		None	
5	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken during the reporting period**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**	**Fixed Fee**
	A progress report was completed for the period 31 October 2019 to 30 April 2020. A copy was sent to the Registrar of Companies on 14 May 2020 and uploaded to the creditors portal. The preparation of this final report.		Filing the relevant documentation with the Court/Registrar of Companies to bring the Administration to a close. Once complete, to release the bond.	

FRP

Pyramid Connect Limited (IN ADMINISTRATION)

Schedule of Work

	The submission of final VAT and Corporation Tax returns.			
6	**LEGAL AND LITIGATION** **Work undertaken during the reporting period**		**LEGAL AND LITIGATION** **Future work to be undertaken**	**Fixed Fee**
	None		None	

FRP

Details of the Administrators' disbursements for the Period and cumulative

Disbursements

	Period £	Cumulative £
Category 1		
Postage	-	9.00
Prof. Services	-	49.93
Bonding	-	225.00
Grand Total	**-**	**283.93**

Appendix E

Receipts and payments account for the Period and cumulative

FRP

Pyramid Connect Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 01/05/2020 To 10/09/2020 £	From 31/10/2018 To 10/09/2020 £
	SECURED ASSETS		
	Goodwill	NIL	44,999.00
	Contracts	NIL	1.00
	Book Debts	NIL	172,483.00
		NIL	217,483.00
	COSTS OF REALISATION		
	Administrators' Fees	NIL	10,000.00
	Accountancy Fees	NIL	1,250.00
		NIL	(11,250.00)
	SECURED CREDITORS		
	ABN AMRO Commercial Finance	NIL	190,134.00
		NIL	(190,134.00)
	ASSET REALISATIONS		
	Furniture & Equipment	NIL	8,000.00
	Cash at Bank	NIL	110.00
	Bank Interest Gross	0.22	32.53
		0.22	8,142.53
	COST OF REALISATIONS		
	Bordereau	NIL	225.00
	Administrators' Remuneration	1,494.25	6,494.25
	Administrators' Disbursements	NIL	49.93
	Administrators Pre-Appointment Fees	NIL	10,000.00
	Agents/Valuers Fees (1)	NIL	1,500.00
	Legal fees - Pre-Administration	NIL	5,840.66
	Corporation Tax	NIL	5.32
	Stationery & Postage	NIL	9.00
	Storage Costs	46.64	46.64
	Statutory Advertising	NIL	69.93
	Bank Charges - Floating	0.80	0.80
		(1,541.69)	(24,241.53)
	UNSECURED CREDITORS		
(44,873.88)	Trade Creditors	NIL	NIL
(29,841.09)	HMRC - VAT	NIL	NIL
(23,517.46)	HMRC - PAYE/NI	NIL	NIL
(34,873.28)	HMRC - Corporation Tax	NIL	NIL
		NIL	NIL
(133,105.71)		**(1,541.47)**	**(0.00)**
	REPRESENTED BY		
			NIL

Lila Thomas
Joint Administrator

Appendix F

Statement of expenses incurred in the Period

Pyramid Connect Limited - in Administration
Statement of expenses for the period ended
10 September 2020

Expenses	**Period to 10/09/2020 £**	**Cumulative period to 10/09/2020 £**
Administrators Pre-Appointment Fees	-	10,000
Office Holders' remuneration (Fixed Fee)*	-	16,494
Office Holders' disbursements	-	284
Legal Fees	-	5,841
Accountancy Fees	-	1,250
Agents Fees	-	1,500
Statutory Advertising	-	70
Corporation Tax	-	5
Storage	47	47
Total	47	35,491

*capped at funds available