



For further information, please
refer to our guidance at
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1 Company details

Company number 0 7 7 7 6 3 0 9

Company name in full OR PRODUCTIVITY LIMITED

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) ANTHONY MALCOLM

Surname CORK

3 Administrator's address

Building name/number CORK GULLY LLP

Street 6 SNOW HILL

Post town LONDON

County/Region

Postcode E C 1 A 2 A Y

Country UNITED KINGDOM

4 Administrator's name ①

Full forename(s) STEPHEN ROBERT

Surname CORK

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number CORK GULLY LLP

Street 6 SNOW HILL

Post town LONDON

County/Region

Postcode E C 1 A 2 A Y

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

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 2	^d 1	^m 0	^m 6	^y 2	^y 0	^y 2	^y 3
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **ALEXANDER ZOGRAFAKIS**

Company name **CORK GULLY LLP**

Address **6 SNOW HILL**

Post town **LONDON**

County/Region

Postcode **E C 1 A 2 A Y**

Country **UNITED KINGDOM**

DX

Telephone **020 7268 2150**

**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.

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OR Productivity Limited

(In Administration) ("the Company")

Joint Administrators' Six-Month Progress Report

21 June 2023

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Joint Administrators' Six-Month Progress Report

Joint Administrators' Six-Month Progress Report

We refer to the appointment of Anthony Cork and Stephen Cork as Joint Administrators of the Company on 22 November 2022.

This report is addressed to the creditors of the Company and forms the Joint Administrators' first progress report. This report is a statutory requirement as part of the Administration process and contains important information for creditors. This report covers the period 22 November 2022 to 21 May 2023 ("the Period").

This report should be read in conjunction with the Joint Administrators' Proposals (the "Proposals") for dealing with the Company's affairs which were approved by creditors on 30 January 2023.

Cork Gully LLP uses personal information in order to fulfill the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also fulfill the legitimate interest of keeping creditors and others informed about the insolvency proceedings. The privacy statement, which explains how Cork Gully LLP process personal data, can be accessed at:

<http://corkgully.com/wp-content/uploads/2022/12/GDPR-Privacy-note-September-2022.pdf>.

1. Statutory Information

The statutory information relating to the Company is attached at Appendix I.

2. Joint Administrators' actions since the commencement of the Administration

The Proposals for dealing with the Company's assets and affairs were circulated to all known creditors on 13 January 2023 and were deemed to be approved on 30 January 2023 via a deemed consent decision procedure.

A full description of the circumstances giving rise to the appointment of the Joint Administrators was set out in the Proposals.

During the six-month period covered by this progress report the Joint Administrators have focused on trying to sell the business and assets of the Company's subsidiary, Freehand 2010 Limited (In Administration) ("Freehand"), of which they are also appointed Joint Administrators.

As the outcome of any sale of business and assets from Freehand will directly impact asset recoveries in the Company, creditors may wish to review our progress report issued for Freehand.

The Joint Administrators have also been pursuing the substantial debt due from Ingenion Medical (see Section 4.1).

We have also issued notice of our appointment to all creditors and other parties, and have undertaken our initial investigations into the circumstances giving rise to the administration, further details of which can be found at Section 6 of this report.

We have also had to liaise with a large number of the Company's shareholders, which number more than 160 individuals or entities.

There have been no deviations from the Joint Administrators' Proposals, as set out in our report dated 13 January 2023.

3. Receipts and Payments

A summary of the Joint Administrators' receipts and payments for the Period 22 November 2022 to 21 May 2023 is attached at Appendix II. This has been reconciled to the estate bank account. The Joint Administrators' estate bank account is held with Barclays Bank and is interest bearing. All receipts and payments are net of VAT and VAT is recoverable.

3.1. Receipts

The receipts during the Period total £24,780.32, which are broken down as follows:

- Book debts
Book debts of £19,844.85 were received into the estate bank account;
- Cash at Bank
£4,924.42 was transferred from the Company's pre-administration bank account; and
- Bank Interest
The sum of £10.95 in bank interest was accrued.

3.2. Payments

The payments during the Period total £1,650, which are broken down as follows:

- Fee for preparation of the Statement of Affairs ("SoA")
The Joint Administrators agreed a fee of £1,500, paid to the former Company Secretary, to assist the Directors in preparing the SoA;
- Storage Costs
£150 was paid to storage agents to collect and store the Company's books and records of the Company.

4. Assets

4.1. Trade Debtors

As detailed in the Joint Administrators' Proposals there is a debt due from Ingenion Medical Limited and a further debt due from Ingenion Medical BV. The Directors' Statement of Affairs indicated that the total debt due was £510,179 of which £500,000 was estimated to realise. Upon closer inspection the debt due is, £499,260 as per the Proposals. To date we have received £19,844.85.

The companies have raised a number of disputes to reduce this debtor balance and the Joint Administrators are continuing to pursue the outstanding balance.

4.2. Investments

The Directors detailed in their Statement of Affairs that there were investments with a book value of £557,000. This represents investments in the Company's subsidiaries:

- Freehand, a UK based 100% subsidiary;
- A Slovenian based 51% owned subsidiary called ORPE d.o.o; and
- A US based 100% owned subsidiary called Freehand Surgeon Inc.

No recovery is expected from any investments.

4.3. Inter-Company Debtor

The Directors detailed in their Statement of Affairs that Freehand owes an inter-company debt of £8,010,208, with an estimated to realise value of £316,764.

The Joint Administrators of Freehand have continued to market the business and assets. However, they are currently of the view that any asset realisations in Freehand will be insufficient to enable a distribution to the Company.

4.4. Cash at Bank

£4,975 was estimated to realise with respect to the Company's cash at bank. £4,924.42 was received in this regard.

5. Liabilities

5.1. Secured Creditors

A review of the Company's mortgage register held by the Register of Companies showed that the Company has no outstanding charges.

5.2. Preferential Creditors

The preferential creditors of the company are broken down as follows:

- Ordinary Preferential Creditors
Ordinary preferential claims include those of employees in respect of arrears pay (up to a maximum of £800 per employee) and accrued holiday pay in accordance with the Insolvency Act 1986. Such claims are paid out of net realisations in priority to unsecured creditors.

Arrears of Wages and Holiday totalling £5,125 were estimated on the SoA. A preferential claim of £1,558.03 was subsequently received from the Redundancy Payments Services ("the RPS"). The discrepancy between the SoA estimate and the RPS claim is attributed to an ineligible claim.

The remaining preferential claim for 1 employee relating to arrears of wages and holiday pay is anticipated to be £8,894.81.

- Secondary Preferential Creditors
HMRC are secondary preferential creditors for certain specified debts, such as VAT, PAYE, employee National Insurance Contributions, student loan deductions and Construction Industry Scheme deductions. Secondary preferential debts are payable after all ordinary preferential debts have been paid in full, and before non-preferential unsecured debts.

The Joint Administrators received an interim proof of debt from HMRC including a secondary preferential claim amounting to £36,479.13.

5.3. Prescribed Part

There are provisions in insolvency legislation that require an administrator to set aside a percentage of a company's floating charge assets for the benefit of the unsecured creditors, known as the "prescribed part". The prescribed part does not apply in these circumstances as there are no outstanding floating charges.

5.4. Unsecured Creditors

The unsecured creditors of the Company are broken down as follows:

- Unsecured non-preferential claims
As per the SoA, non-preferential unsecured creditor claims were estimated to total £545,252. 8 claims amounting to £80,180 have been received from unsecured creditors in the Period.
- Employees
The SoA indicated an estimated value of £314,918 for the unsecured non-preferential claims of the employees. To date we have not received any claims in this regard.

The Joint Administrators do not have the power to declare and pay a dividend to unsecured creditors without obtaining a Court order to do so. Therefore, the Joint Administrators do not intend to review or agree unsecured creditor claims. However, if on the conclusion of the Administration a dividend is payable to unsecured creditors the Joint Administrators will place the Company into Creditors' Voluntary Liquidation.

6. Investigation into the affairs of the Company

The Joint Administrators undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation.

The Joint Administrators recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 12 months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts and draft management account with that contained in the SoA. There were no matters that justified further investigation in the circumstances of this appointment.

Should creditors have any matters they wish to bring to the Joint Administrators attention please contact us on the details provided with this report.

Within three months of our appointment as Joint Administrators, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work, which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. We confirm that our report has been submitted.

7. Pre-Administration Costs

As outlined in the Joint Administrators' Proposals, approval will be sought from creditors in relation to Cork Gully's unpaid pre administration costs of £2,265.27.

Statute requires the Joint Administrators to seek separate and specific approval for pre-appointment costs outstanding, in accordance with Rule 3.52 of the Insolvency Rules 1986.

At present we are not seeking creditors approval in this regard, but will do so in due course.

8. Joint Administrators' Remuneration

8.1. Joint Administrators' Remuneration

Insolvency legislation allows different fee bases to be used for different tasks within the same appointment. The fee bases, or combination of bases, set for a particular appointment is/are subject to approval, either by a committee, if one is appointed, or the creditors or the Court.

The alternate bases by which an office holder may charge his fees are either of, or a combination of, the following:

- by reference to the time spent on attending to particular matters; or

- a fixed fee; or
- as a percentage of realisations/distributions.

Those responsible for approving an office holder's remuneration and the remuneration of their associates must be provided with sufficient information to make an informed judgement about the reasonableness of the office holder's requests.

A summary of the main actions undertaken during the Period are as follows:

8.1.1. Administration & Planning Tasks

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holders. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that an office holder must follow.

- Case planning – devising an appropriate strategy for dealing with the case and giving instructions to staff to undertake the work on the case.
- Setting up electronic case files and setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and others required on appointment as office holders, including placing adverts in the Gazette.
- Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder must obtain for each insolvency appointment).
- Supervising the work of advisors instructed on the case to assist in dealing with the assets; obtaining updates from them on the work done; and checking the adequacy of the work done.
- Dealing with all routine correspondence and emails relating to the case, including dealing with a large number of shareholder queries.
- Opening, maintaining and managing the estate bank account and cashbook, including undertaking regular bank reconciliations of the estate bank account.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.

8.1.2. Realisation of Assets

This represents the work involved in the protection and realisation of assets, which is undertaken directly for the benefit of creditors.

- Corresponding with the Company's sole debtor to collect outstanding book debts.
- Liaising with Ingenion Medical and their solicitors.

8.1.3. Creditors

- Maintaining creditor information on IPS Case Management Software;
- Dealing with creditor correspondence, emails and telephone conversations in respect to their claims; and
- Liaising with the Redundancy Payments Service ("RPS") and Evolve IS regarding employees' claims, the adjudication of their claims and the subsequent claim from the RPS.

8.1.4. Investigations

- Recovering and reviewing the Company's books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the banks, accountants, solicitors, etc.
- Reporting to the Secretary of State on the conduct of the Directors.

The Joint Administrators have currently incurred post Administration time costs of £62,325.80, representing 152.4 hours of work at an average hourly rate of £404.10. The Joint Administrators are not seeking approval of their remuneration as part of this report and intend to seek approval from creditors, or a committee if one is appointed, separately at a later date.

When seeking approval of our remuneration from creditors we will also seek approval of our remuneration as Joint Administrators of the Subsidiary and for our pre-administration costs, as set out in Section 7. This is because the Company is the sole secured creditor Freehand, so we will seek approval from creditors to our remuneration of both the Company and Freehand.

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

Details about how an administrator's fees may be approved is available in a Guidance Note issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.r3.org.uk/technical-library/england-wales/technical->

[guidance/fees/more/29113/page/1/guide-to-administrators-fees/](https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/). There are different versions of these Guidance Notes, and in this case please refer to the April 2021 version.

Please note that we have also provided further details in our practice fee recovery sheet which can be found at <http://corkgully.com/wp-content/uploads/2023/03/Practice-Fee-Recovery-February-2023.pdf>.

8.2. Joint Administrators' Expenses

When requesting the basis of our fee authority, we are required to estimate the anticipated expenses likely to be incurred in administering the estate. Such expenses are categorised as either Category 1 or Category 2 expenses.

8.2.1. Category 1 expenses

Category 1 expenses are directly referable to an invoice from a third-party which is either in the name of the estate or Cork Gully LLP. In the case of the latter, the invoices make reference to, and can therefore be directly attributed to, the estate. These disbursements are recoverable in full from the estate without prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party.

Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and company search fees.

Some category 1 disbursements are yet to be recovered from the estate, as such they do not appear in the receipts and payments account for the Period.

A breakdown of the category 1 expenses that have been paid during the Period are outlined in the table below:

Expense	Expenses in Period (£)	Estimated further expenses (£)
Statutory Advertising	93.24	93.24
Statutory Bonding	760.00	-
Postage	16.05	-
Director's expense relating to preparation of SoA	1,500.00	-
Storage Costs	150.00	400.00
Total	2,812.85	493.24

8.2.2. Category 2 Expenses

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the

estate by a third-party invoice and/or they may include a profit element. These disbursements are only recoverable from the estate with the approval of creditors. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

Cork Gully LLP will not seek to charge or recover any category 2 disbursements incurred in respect of work undertaken on this assignment.

8.2.3. Agents and Professional Advisers

The following professional advisers have been instructed, or are anticipated to be instructed, during the course of the Administration:

- **AMB Law**
It is anticipated that AMB Law may be required to assist in recovering the outstanding book debts due to the Company. No costs have yet been incurred in this regard. However, should they be engaged, the Joint Administrators would not expect their fees to exceed £15,000 plus VAT and disbursements.
- **Tax Agents**
Whilst a tax agent has not yet been engaged, it is anticipated that a tax agent will be engaged in due course to prepare tax computations in respect of the Company which will be required should any sale be concluded. A reasonable expectation of the cost for this work would be approximately £2,000-4,000 (plus VAT).
- **Employment Specialist**
The Joint Administrators have engaged an employment specialist, Evolve IS Limited ("Evolve"), as a sub-contractor to assist with the handling of employee claims, pensions and communications with the Redundancy Payments Office. A fixed fee of £245 plus VAT will be incurred in relation to the employee claims once an invoice has been issued. It is expected that additional work may be required in relation to the Company's pension scheme and their fees for this work will amount to approximately £350 (plus VAT), which will likely be on a fixed fee basis.

This work has been subcontracted because Evolve will be able to agree employee claims more cost effectively than if this work was undertaken by the Joint Administrators' staff.

Expenses and professional advisor's fees do not have to be approved, but when reporting to any Committee and the creditors during the course of the Administration, the actual expenses incurred will be compared with the original estimate and an explanation of any material differences will be provided.

The choice of professionals was based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. The

Joint Administrators also considered that the basis on which they will charge their fees represented value for money.

9. Dividend Prospects

9.1. Preferential Creditors

Based on current information, and subject to future realisations, there may be sufficient funds to enable a dividend to preferential creditors of the Company. The exact quantum and timing of this dividend is unknown at present.

9.2. Unsecured Creditors

There still remains a possibility that a dividend to unsecured creditors might be payable depending on realisations made by Freehand. If on the conclusion of the Administration a dividend is payable to unsecured creditors, the Joint Administrators will place the Company into Creditors' Voluntary Liquidation.

10. Further Information

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report.

To comply with Provision of Services Regulations, some general information about Cork Gully LLP, including about our complaints policy and Professional Indemnity Insurance, can be found at: <http://corkgully.com/wp-content/uploads/2022/12/Provision-of-Services-Regulations-Summary-September-2022-002.pdf>.

11. Summary

The Administration will remain open until the Joint Administrators have discharged their duties. The Joint Administrators will continue to take appropriate action to realise assets for the purpose of paying a dividend to the Company's preferential creditors.

If you have any queries regarding this report, or the Administration in general, then please contact Alexander Zografakis on 0207 268 2150 or email alexanderzografakis@corkgully.com.

For and on behalf of the Company

A handwritten signature in black ink, appearing to be 'AC', written over a horizontal line.

Anthony Cork
Joint Administrator

Anthony Cork and Stephen Cork were appointed Joint Administrators of the Company on 22 November 2022. The affairs, business and property of the Company are being managed by the Joint Administrators, who act as the Company's agents and without personal liability. Anthony Cork and Stephen Cork are authorised to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

Appendix I – Statutory Information

Company Name: OR Productivity Limited

Company Number: 07776309

Date of Incorporation: 16 September 2011

Current Registered Office: c/o Cork Gully LLP, 6 Snow Hill, London EC1A 2AY

Former Registered Office: c/o Berry Smith LLP, Haywood House, Dumfries Place, Cardiff, CF10 3GA

Nature of Business: 32500 – Manufacture of medical and dental instruments and supplies

Appointment Details

Administrators Appointed: Anthony Malcolm Cork (IP No. 9401) and Stephen Robert Cork (IP No. 8627)

Administrators' Address: Cork Gully LLP, 6 Snow Hill, London, EC1A 2AY

Date of Appointment: 22 November 2022

Court Name and Reference: High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD), Court Reference No. CR-2022-004351

Appointment Made By: Directors

Actions of Administrators: Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

Directors:	Appointed	Resigned	Shareholding (personal)
Charles Jonathon Breese	31/10/2011	-	50,915 Ordinary Shares
Kurtis Goos	02/09/2022	-	-
Christopher Michael Jones	10/07/2020	-	80,000 A Ordinary Shares
Maxine Virginia Oxford	10/07/2020	-	-
Benjamin David Reid	10/07/2020	-	-
Jeremy Russell	14/12/2012	-	3,742 Ordinary Shares
Richard Andrew Bound	16/09/2011	16/11/2011	-
Stephen Alison Godber	14/12/2012	11/11/2016	86,112 Ordinary Shares
Alistair Henderson Taylor	31/10/2011	10/07/2020	15,000 Ordinary Shares
Joanne Thornhill	16/09/2011	16/11/2011	-

Share Capital:

Ordinary Shares	22,502,651 A Ordinary Shares of £0.01 12,631,188 Ordinary Shares of £0.01	Total called up capital £351,338.39
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Appendix II – Joint Administrators' Summary of Receipts & Payments

Statement of Affairs (£)		From 22/11/2022 to 21/05/2023 (£)	Total (£)
RECEIPTS			
816,764.00	Book Debts	19,844.85	19,844.85
4,975.00	Cash at Bank	4,924.52	4,924.52
	Bank Interest Gross	10.95	10.95
		24,780.32	24,780.32
PAYMENTS			
	Preparation of SoA Fee	1,500.00	1,500.00
	Storage Costs	150.00	150.00
		(1,650.00)	(1,650.00)
	Net Receipts/(Payments)	23,130.32	23,130.32
Represented as			
	VAT Receivable	30.00	30.00
	Bank 2 Deposit	23,100.32	23,100.32

Note: funds are held in an interest-bearing deposit account in the name of the Company

Cork Gully

Cork Gully LLP

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