

# AM03

## Notice of administrator's proposals



Companies House

FRIDAY



A21 \*A7KBOLSG\* 07/12/2018 #227  
COMPANIES HOUSE

### 1 Company details

Company number 08527705  
Company name in full Bentley Harrington Limited t/a UNILAD

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

### 2 Administrator's name

Full forename(s) Andrew  
Surname Poxon

### 3 Administrator's address

Building name/number Leonard Curtis  
Street Tower 12, 18/22 Bridge Street  
Spinningfields  
Post town Manchester  
County/Region  
Postcode M3 3BZ  
Country

### 4 Administrator's name ①

Full forename(s) Andrew  
Surname Duncan


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

### 5 Administrator's address ②

Building name/number Leonard Curtis  
Street Tower 12, 18/22 Bridge Street  
Spinningfields  
Post town Manchester  
County/Region  
Postcode M3 3BZ  
Country

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

AM03  
Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7	Sign and date	
Administrator's Signature	<div>Signature</div> <div><input checked="" type="checkbox"/> </div> <div><input checked="" type="checkbox"/></div>	
Signature date	<div><div><sup>d</sup>0<sup>d</sup>5</div><div><sup>m</sup>1<sup>m</sup>2</div><div><sup>y</sup>2<sup>y</sup>0<sup>y</sup>1<sup>y</sup>8</div></div>	

## AM03 Notice of Administrator's Proposals



### 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	Joe Thompson
Company name	Leonard Curtis
Address	Tower 12, 18/22 Bridge Street Spinningfields Manchester
Post town	
County/Region	
Postcode	M 3 3 B Z
Country	
DX	
Telephone	0161 831 9999



### 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 and dated 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

**BENTLEY HARRINGTON LIMITED T/A UNILAD  
(IN ADMINISTRATION)**

Registered Number: 08527705

Court Ref: CR-2018-006034

High Court of Justice, Business and Property Courts of England and Wales

**Joint Administrators' Report and Statement of Proposals in accordance  
with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule  
3.35 of the Insolvency (England and Wales) Rules 2016**

**Report date: 29 November 2018**

**Date report deemed to be delivered to creditors: 29 November 2018**

**Decision date: 13 December 2018**

**Leonard Curtis contact details:**

**Tower 12, 18/22 Bridge Street, Spinningfields,  
Manchester M3 3BZ**

**Tel: 0161 831 9999 Fax: 0161 831 9090**

**General email: [recovery@leonardcurtis.co.uk](mailto:recovery@leonardcurtis.co.uk)**

**Email for requests for a physical meeting: [Manchester.meetingreq@leonardcurtis.co.uk](mailto:Manchester.meetingreq@leonardcurtis.co.uk)**

**Ref: M/20/JTO/BA93K/1040**

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TO: THE REGISTRAR OF COMPANIES  
ALL CREDITORS  
ALL MEMBERS

## 1 INTRODUCTION

### General information

- 1.1 I refer to the appointment of Andrew Duncan and I as Joint Administrators ("the Joint Administrators") of Bentley Harrington Limited t/a UNILAD ("the Company") on 4 October 2018 and now write to present the Joint Administrators' proposals ("the Proposals") (Appendix A) for the Company pursuant to the Insolvency Act 1986 (as amended) ("the Act").
- 1.2 Paragraph 3 of Schedule B1 to the Act requires the Administrators to perform their functions with the objective of:
- a) Rescuing the company as a going concern; or
  - b) 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
  - c) Realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.3 I can confirm that in this case the Joint Administrators are of the opinion that the Company has sufficient property to enable a distribution to be made to unsecured creditors. Accordingly they are required to seek a decision from the Company's creditors as to whether they approve these Proposals. The Joint Administrators are also required to ask creditors to determine, amongst other things, the basis upon which the Joint Administrators will draw their remuneration and Category 2 disbursements. It is our intention to seek these decisions by correspondence as provided for by the Act and Insolvency (England and Wales) Rules 2016 ("the Rules"). Formal Notice of this Decision Procedure is attached at Appendix J. A voting form is attached at Appendix K. The voting form should be completed and returned to this office by 23:59 on the Decision Date, being 13 December 2018, with a completed proof of debt form (attached at Appendix L) or your vote will be disregarded, as will any forms returned after the decision date.
- 1.4 Creditors meeting the following minimum criteria may request in writing that the decisions be made at a creditors' meeting, rather than by correspondence:
- a) 10% in value of the creditors; or
  - b) 10% in number of the creditors; or
  - c) 10 creditors.
- 1.5 Such a request must be made not later than five business days after the date on which these Proposals were delivered. The deemed date of delivery of this report is given on the front page. Requests should ideally be made to [Manchester.meetingreq@leonardcurtis.co.uk](mailto:Manchester.meetingreq@leonardcurtis.co.uk).
- 1.6 In the event that no such request is received, the Joint Administrators will, as soon as reasonably practicable after the Decision Date specified at 1.3 above, report to creditors on the decisions taken.

### Notice of an Invitation to Creditors to Form a Creditors' Committee

- 1.7 Creditors are entitled to decide whether a creditors' committee should be established if sufficient creditors are willing to be members of that committee.

- 1.8 Attached at Appendix M is Notice of an Invitation to Form a Creditors' Committee. Any nominations must be delivered to the Joint Administrators by the Decision Date shown on the front of this report and can only be accepted if the Joint Administrators are satisfied as to the creditors' eligibility under Rule 17.4 of the Rules.
- 1.9 In order to assist creditors in making an informed decision on whether they wish to be nominated to serve on a committee, creditors are encouraged to access the document below, which provides information on the rights, duties and functions of creditors' committees.

<https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>

## **2 STATUTORY INFORMATION**

- 2.1 The Administration proceedings are under the jurisdiction of the High Court of Justice, Business and Property Courts of England and Wales under Court reference CR-2018-006034.
- 2.2 During the period in which the Administration Order is in force, any act or function required or authorised to be done by the Joint Administrators may be exercised by both or either of them.
- 2.3 The Company's registered office was changed from 195a Kenton Road, Harrow, Middlesex HA3 0HD to Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ on 23 October 2018. The Company's registered number is 08527705.
- 2.4 The Company traded as its registered name, although was most commonly known as UNILAD. As the UNILAD brand developed the Company also began to use a number of other similar trading styles which were used across various social media platforms, to include Facebook, Instagram, Twitter, YouTube and Snapchat. The trading styles that we are aware of are as follows:

### **Facebook Pages**

<b>Name</b>	<b>Handle</b>
Unilad	@uniladmag
Unilad Sport	@uniladfootball
Unilad Entertainment	@UNILADEntertainment
Unilad Fitness	@UNILADFitness
Unilad Grub	@UNILADgrub
Unilad Sound	@uniladsound
Unilad Gaming	@UNILADgaming
Unilad Adventure	@UNILADadventure
Unilad Tech	@UNILADTech
Unilad Group	@UNILADgtoup
The Manc	@themanuk

### **Instagram**

<b>Name</b>	<b>Handle</b>
Unilad	Unilad
Unilad Sport	Uniladsport
Unilad Entertainment	Uniladentertainment
Unilad Fitness	Uniladfitness
Unilad Grub	uniladgrub
Unilad Sound	uniladsound
Unilad Gaming	Uniladgaming
Unilad Adventure	uniladadventure
Unilad Tech	Uniladtech

## Bentley Harrington Limited t/a UNILAD - In Administration

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Unilad Group	Uniladmedia
The Manc	The_mancuk
Unilad Esports	Uniladesports

### Twitter

Name	Handle
Unilad	@UNILAD
Unilad Sport	@UNILADFooty
Unilad Grub	@Unilad_Grub
Unilad Adventure	@UNILADAdventure
Unilad Tech	@UNILADTECH
Unilad Group	@UNILADgroup
The Manc	@TheMancUK
Unilad Esports	@UNILADEsports
Unilad Film	@UNILADFilm

### Youtube

Name	Handle
Unilad	Unilad
Unilad Adventure	Unilad Adventure
Unilad Gaming	Unilad Gaming

### Snapchat

Name	Handle
Unilad	Uniladsnap

2.5 At the date of the Administration, the Company traded from the following leasehold premises:

- 2 Tabernacle Street, London EC2A 4LU
- 12 Conavon Court, Blackfriars Street, Salford M3 5BQ

2.6 The Company had previously operated from:

- 65-67 Leonard Street, London EC2A 4QS
- Floor 2, 21-23 Shudehill, Manchester M4 2AF

2.7 The Company's current and previous directors according to Companies House information are:

Name	Role	Date Appointed	Date Resigned
Liam Francis Harrington	Director	14 May 2013	-
Samuel Peter Collingwood Bentley	Director	14 May 2013	15 June 2018

2.8 The Company's authorised share capital is £2. The issued share capital comprises 2 Ordinary £1 shares, and the shares are owned as follows:

Name	Class of Share	No. of Shares	% of Total Owned
Liam Francis Harrington	Ordinary £1	1	50
Samuel Peter Collingwood Bentley	Ordinary £1	1	50
		<u>2</u>	<u>100%</u>



- 2.9 According to Companies House, the Company has granted the following security which is now shown as satisfied:

<b>Charge Holder</b>	<b>Description</b>	<b>Date Created</b>	<b>Date Satisfied</b>
Fastpay Roundabout Limited	Debenture	1 November 2016	16 November 2016
Bibby Financial Services Limited	Debenture	30 October 2016	18 January 2018
Market Invoice Limited	Debenture	8 January 2018	31 August 2018

- 2.10 The EC Regulation on Insolvency Proceedings 2015 applies to this Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

### **3 HISTORICAL BACKGROUND AND EVENTS LEADING UP TO ADMINISTRATION**

- 3.1 The Company was incorporated on 14 May 2013 under the Companies Act 2006. The Company carried on business as a social media publisher operating the website [www.unilad.co.uk](http://www.unilad.co.uk) which posted humorous articles, pictures and videos and various accounts under the name 'UNILAD' on social media platforms such as Facebook, Twitter and Instagram. At the date of the Administration, the Company had an annual turnover of circa £11m, employed 205 members of staff in two offices in Manchester and London and was one of the world's largest online publishers, receiving a billion views of its content each month.
- 3.2 The primary source of the Company's revenue was from advertisement. In the beginning, the business strategy was to monetise the UNILAD brand by driving traffic from a Facebook page to the articles based on the UNILAD website. The website contained paid for advertising and the advertisements would be directed at a target audience of male university students aged 18 to 24.
- 3.3 The Company's success stemmed from the ability of its viewers to share and engage with their friends who could also like the postings and stimulate further engagements and likes. Over time, the Company diversified its advertising strategy and was successful in delivering a number of branded content media campaigns.
- 3.4 The principal cause of the Company's demise can be attributed to its inability to satisfy debts of £5m to its founder, Alexander Partridge ("AP") and significant taxes to Her Majesty's Revenue and Customs ("HMRC").
- 3.5 The debt due to AP was subject to a settlement agreement. Under the terms of the agreement dated 11 April 2018, the Company agreed to pay to AP the settlement sum of £5m which was to be paid in three instalments, commencing with the first payment on 11 July 2018 and ending with a final payment on or before 31 March 2020.
- 3.6 The Company ultimately failed to pay the initial instalment of £500,000 to AP on 11 July 2018 and was served with a Notice of Default by AP.
- 3.7 Towards the end of August 2018, we understand that AP's solicitors were informed by the Company that a petition to wind up the Company had been presented by the Commissioners for HMRC but that the Company was continuing to negotiate with investors to try to avoid insolvency. The petition was scheduled to be heard on 19 September 2018 and the amount claimed by HMRC in the petition was £695,419.89.
- 3.8 The Company and all relevant parties were subsequently served with an application by AP on 17 September 2018 pursuant to Paragraph 12 of Schedule B1 to the Act to place the Company into Administration. The application was made on the grounds that the Company was insolvent in accordance with S.123 of the Act as it was unable to pay its debts as and when they fall due. The application proposed that Andrew Poxon and Julien Irving of Leonard Curtis be appointed as Joint Administrators of the Company. The application was scheduled to be heard on the 27 September 2018.
- 3.9 Administration was considered the most appropriate option for the Company in the circumstances as it was considered that there was a reasonable prospect of achieving a better result for the Company's creditors as a whole than would be likely if the Company be wound-up (without first being in Administration). The winding up petition presented to the Company by HMRC was likely to result in an order to place the Company into

Compulsory Liquidation. Compulsory Liquidation was likely to result in the cessation of trade and employee redundancies, resulting in increased preferential and unsecured claims, worsening the position of creditors. Based upon the information available, it was considered that a liquidation process would not be appropriate as the business may have ongoing viability. Cessation of the business would therefore have negatively impacted on the realisable value of the Company's assets.

- 3.10 Following service of the application, the proposed Administrators immediately sought to contact management with a view to implementing a proposed strategy to negotiate a sale of the business prior to the Company entering into Administration. In summary the strategy was to fully engage with management and commence an Accelerated Merger and Acquisition ('AMA') process to identify a purchaser for the business and therefore preserve the value of the business and protect the interests of its creditors.
- 3.11 A number of attempts were subsequently made by the proposed Administrators to open dialogue with management, without success. Consequently, the proposed Joint Administrators were not able to discuss the Company's financial position, how best to protect the interest of its creditors and commence the proposed AMA process. It is in light of these circumstances, the proposed Administrators considered it appropriate to update the Court on a revised Administration Strategy.
- 3.12 The revised strategy involved immediately attending the Company's two premises on the making of an Administration Order and seeking to engage with management to ensure the position of creditors was protected and the value of the business and assets could be preserved.
- 3.13 At the hearing of the Administration application on 27 September 2018, representations were made by management to the Court that the Company was in discussions with third party investors to introduce funds which would be used to satisfy the Company's liabilities. The Court subsequently adjourned the hearing to 4 October 2018 to enable the Company to pursue the investment and was also done on the basis the Company provided information to the proposed Administrators.
- 3.14 On 4 October 2018, the Company conceded that it had been unable to secure investment and accordingly it was not in a position to satisfy its debts. On confirmation that the Commissioners for HMRC did not oppose the making of an Administration Order, the Court placed the Company into Administration. At the Court's request, an insolvency practitioner from Leonard Curtis' London office, Andrew Duncan was appointed as Joint Administrator together with Andrew Poxon, who is based in Leonard Curtis' Manchester office. The winding up order presented to the Company by HMRC was dismissed by the Court and the costs of the petition were made payable as an expense of the Administration, together with AP's costs of the Administration application.
- 3.15 Both Andrew Poxon and Andrew Duncan are licensed by the Institute of Chartered Accountants in England and Wales. In accordance with paragraph 100(2) of Schedule B1 to the Act, the function of the Joint Administrators may be exercised by either or both, acting jointly or alone.

#### 4 RECENT TRADING RESULTS AND CURRENT FINANCIAL POSITION

4.1 The Company's trading results for the three year period ended 31 March 2018 are detailed below:

<b><u>PROFIT AND LOSS ACCOUNT</u></b>	<b>Year ended 31/03/2018 £'000</b>	<b>Year ended 31/03/2017 £'000</b>	<b>Year ended 31/03/2016 £'000</b>
Turnover	10,682	4,465	1,629
Cost of Sales	(7,489)	(2,552)	(919)
Gross Profit	3,193	1,913	710
Gross Profit %	30%	43%	44%
Administrative expenses	(3,974)	(1,761)	(479)
Operating Profit / (Loss)	(781)	152	231
Interest and charges	(109)	(42)	-
Profit / (Loss) before tax	(890)	110	231
Taxation	33	(33)	(44)
Profit / (Loss) for the year	(857)	77	187

4.2 The Company's accounts for the year ended 31 March 2018 are yet to be finalised and should not be regarded as an agreed set of accounts.

4.3 It is noted that the Company has previously made profits as per the filed accounts for the years ended 31 March 2016 and 2017. It is proposed that the Joint Administrators will instruct an accountant to assess the tax position with a view to applying for tax relief. The progress of this work will be reported to creditors in subsequent reports. If a claim for relief is successful then any balance or refund due to the Company will be offset against the monies owed to HMRC, which will benefit the overall position of creditors.

4.4 The balance sheets as at 31 March 2016 and 31 March 2017 are provided in accounts filed with the Registrar of Companies and are detailed below together with the balance sheet as at 30 September 2018:

<b><u>BALANCE SHEETS</u></b>	<b>Period ended 30/09/2018 £'000</b>	<b>Year Ended 31/03/2017 £'000</b>	<b>Year Ended 31/03/2016 £'000</b>
<b>Fixed Assets</b>			
Tangible Assets	310	295	22
<b>Current Assets</b>			
Debtors	1,980	1,790	444
Cash	207	1	377
	2,187	1,791	821
Creditors: Amounts Falling due within one year	(9,241)	(1,774)	(593)
Net Current Assets/(Liabilities)	(7,054)	17	228
Total Assets less Current Liabilities	(2,298)	312	250
Long term Liabilities	-	(19)	-
<b>Net Assets</b>	(9,042)	293	250
<b>Represented by</b>			
Called up share capital (£100)	-	-	-
Profit and Loss account	(9,042)	293	250
<b>Shareholders' Funds</b>	(9,042)	293	250

- 4.5 Please note that the balance sheet as at 30 September 2018 is draft and will be validated in due course. There is a significant movement in reserves between 31 March 2017 and 30 September 2018 which is due to trading losses incurred and the inclusion of the AP debt of £5m. The position will be reconciled in due course.

**Statement of Affairs**

- 4.6 The Directors are required to lodge a Statement of Affairs as at 4 October 2018 which has to be filed with the Registrar of Companies. This document should be submitted to the Administrator within 11 business days of receiving notice of the request to deliver up the Statement of Affairs. Notice of a request to deliver up the Statement of Affairs was sent to each Director of the Company within the last three years on 31 October 2018. This document has not yet been received. The Joint Administrators have not granted any extension to the period in which the Directors are required to submit the Statement of Affairs. The Joint Administrators will continue to pursue its submission from the Directors.
- 4.7 In the absence of the Directors submitting a Statement of Affairs, an estimate of the financial position as at the date of the Joint Administrators' appointment is enclosed at Appendix B, together with a list of creditors including their names, addresses and details of their debts, including (where relevant) any security held.
- 4.8 Please note that no provision has been made in the Estimated Financial Position for the costs and expenses of realisation of the Company's assets, the costs of the Administration and any Corporation Tax which may be payable. The following comments are considered to be relevant and should be borne in mind when reading the figures:

**Secured Creditor**

- 4.9 As detailed at 2.9 above, all security previously registered against the Company has been satisfied and there was no secured creditor of the Company at the date of Administration. As such, no distribution will be made to this classification of creditor during the Administration.

**Preferential Claims**

- 4.10 The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay and certain pension contributions. All 205 employees were transferred to the purchaser of the Company's business and assets under Regulation 8 of the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") following the sale of the business by its Administrators on 16 October 2018 and as a consequence no preferential claims in respect of arrears of pay and holiday pay are anticipated. Full details of the sale are outlined at Section 5 below.
- 4.11 At the date of the Administration we understand that, the Company was up to date with pension contributions and no claim is anticipated to be received during the Administration.

**Prescribed Part**

- 4.12 As the Company has no unsatisfied post-Enterprise Act charges, there will be no requirement to set aside a prescribed part in this case.

**Unsecured Claims**

- 4.13 Based upon the information currently available, it is anticipated that there will be sufficient funds available to allow a dividend to be paid to unsecured creditors. This may be paid in the Administration with the consent of the court or by a subsequently appointed Liquidator, should liquidation be the appropriate exit route from the administration process. Creditors are asked to forward full details of their claims using the proof of debt form attached at Appendix L.

**Receipts and Payments**

- 4.14 A receipts and payments account for the period of Administration to date is enclosed at Appendix C.

**5 EVENTS FOLLOWING THE JOINT ADMINISTRATORS' APPOINTMENT**

- 5.1 Shortly following the appointment, the Joint Administrators attended each of the Company's two trading premises in London and Manchester. On gaining entry to each premises, the Joint Administrators held meetings with available management and a comprehensive appraisal of the Company's financial position was commenced with a view to establishing the viability of a period of continued trade in Administration whilst an AMA process was undertaken. Steps were also taken by the Joint Administrators, and their agents, to secure the Company's intangible and tangible assets.
- 5.2 During initial discussions with management, it was established that the principal source of revenue was the delivery of advertisements and branded content campaigns through the Company's various social media channels. The Company generated approximately 1 billion views per month through content it uploaded online and via a number of digital applications. Content was posted continuously 24 hours a day at 45 minute intervals. The Joint Administrators were advised by management that any impact on the Company's ability to post content would materially affect the Company's obligations to its existing customers, adversely affect future trading as the Company would lose its position in the market and this in turn would diminish any value which was held in its intellectual property.
- 5.3 It was considered that trading the business in administration followed by a sale of the business would be the optimal process to enhance asset realisations and improve the position for creditors for the following reasons:
- Ongoing trade in conjunction with marketing the business for sale by its Administrators would avoid a situation where the Company failed to post content online and lose its position in the market, thus preserving the intellectual property;
  - A sale could ultimately improve net realisations of the Company's assets as a higher value could be achieved by a sale of the assets in situ rather than by a piecemeal sale of the assets ex situ or a forced sale at auction. An in situ sale of the assets would therefore be beneficial to the overall creditor position and maximise any value attributable to the Company's intellectual property and tangible assets;
  - Keeping the current workforce intact would allow for customer continuity and the delivery of existing contracts for branded content;
  - The continuity of supply would minimise disruption to customers making the business a more attractive prospect for potential buyers; and
  - Preservation of the value of goodwill and intellectual property of the Company. A sale of this manner would allow preservation of the relationships enhancing the prospect of attaining a realisable value for these assets.
- 5.4 In light of the above, the Joint Administrators concluded that the best opportunity to maximise asset realisations was to achieve a sale of the business as a going concern following a period of trading in Administration.

**Financial Assessment**

- 5.5 During the initial appraisal of the business, it was established that the Company operated banking facilities with National Westminster Bank plc ("NatWest") and Arbuthnot Latham & Co., Limited ("Arbuthnot"). All facilities provided by NatWest had been frozen on the advertisement of the petition presented by HMRC and as at the 4 October 2018, the facility stood with a credit balance of £130,617.36.

- 5.6 Banking facilities with Arburthnot had not been frozen on advertisement of the winding up petition presented by HMRC and the Company had operated this account to continue trading up to the making of the Administration Order. As at 4 October 2018, the Arburthnot account held a credit balance of £46,112.30.
- 5.7 The Company had an order book for branded content campaigns and it was identified that certain orders may be deliverable within a relatively short period of the Joint Administrators' appointment.
- 5.8 The structure of the Company was such that the Manchester office managed the majority of the media content. The London office handled the administrative, financial and legal matters of the Company, and the sales team and the management of the Company were based in London. The Manchester office had approximately 105 members of staff, with the remaining 100 employees situated in London. Average monthly payroll for the Company was c£450k. The Company had significant other operating costs to include rent and rates of some £75k per month.
- 5.9 Whilst available funds were limited, it was considered that sufficient funds were available to enable the continued trading of the business for a short period of time to preserve the intellectual property while the business was marketed for sale. It was also considered that a potential purchaser may pay a non-refundable exclusivity fee to enable ongoing trading to be funded.

#### **Trading in Administration**

- 5.10 A decision was made on 4 October 2018 by the Joint Administrators to maintain all staff in the Manchester office. This would enable content to be continued to be produced and distributed which would preserve the intellectual property and enhance the value from the branded content campaigns. The majority of staff in the London office were sent home, but not made redundant, on 4 October 2018. A skeleton staff was maintained in London to assist the Joint Administrators in collating financial information, sales data and information likely to assist a prospective purchaser with its due diligence.

#### **Valuations of the Business and Assets**

- 5.11 The Company's last set of statutory accounts to 31 March 2017 indicated that the Company had the following assets:

<b><u>BALANCE SHEET</u></b>	<b>Year Ended 31/03/2017 £'000</b>
Land and buildings	195
Plant and machinery etc	100
Trade Debtors	1,027
Other Debtors	461
Prepayments and accrued income	301
Cash at Bank and in Hand	1
	2,085

- 5.12 Financial information provided by Management included a balance sheet as at 30 September 2018 which identified the following assets:

**BALANCE SHEET**

	Notes	Period Ended 30/09/2018 £'000
Land and buildings		164
Plant and Machinery etc.		146
Trade Debtors		704
Other Debtors	1	405
Prepayments and accrued Income		871
Cash at Bank and in Hand		207
		<hr/> 2,497 <hr/>

**NOTES**

**1. Other Debtors**

As at 30 September 2018, other debtors were understood to comprise of:

	£'000
Inter-company loan to UNILAD, Inc	112
Director Loans	5
Staff Loan	6
Rent deposit	282
<b>TOTAL</b>	<hr/> <b>405</b> <hr/>

- 5.13 It is understood that the rent deposit deed had actually been utilised by the landlord to cover arrears of rent and as a consequence this is not an asset of the Company.

**Auctus Limited t/a Charles Taylor and Cerberus Asset Management ("CAM")**

- 5.14 The physical assets of the Company were inspected by RICS registered independent agents and valuers, CAM on 4 October 2018 following the Joint Administrators' appointment further to a formal instruction setting out the requirements for the valuation dated the same day. CAM was asked to prepare an indicative valuation report setting out the Company's remaining business and assets. In addition, CAM was asked to assist the Joint Administrators in determining the method of disposal that was likely to be in the best interests of creditors as a whole.
- 5.15 As part of the instruction, CAM were also asked to provide security services during the trading period and to safeguard the Company's assets. This involved maintaining a presence on each site.
- 5.16 In accepting the instructions, CAM confirmed their independence to act in this matter and have confirmed they held the requisite level of professional indemnity insurance. Furthermore, we have been advised that the agents conducting the valuations have the appropriate level of experience, skill and competence to carry out the instructions.

**Cerberus Receivables Management Limited t/a Cerberus Receivables Management ("CRM")**

- 5.17 A verbal request was made by the Joint Administrators on 4 October 2018 to CRM to assess the Company's book debt ledger and work-in-progress. As part of this instruction, the Joint Administrators requested that CRM assess and analyse the advertising revenue of the Company. Formal instruction setting out the requirements for the valuation were provided on 4 October 2018.

5.18 In accepting the instruction, CRM confirmed their independence to act in this matter and have confirmed that they hold the requisite level of professional indemnity insurance. Furthermore, we have been advised that the agents conducting the valuation and assessment have the appropriate level of experience, skill and competence to carry out the instructions.

5.19 A summary of the asset valuations provided by CAM and CRM are provided below:

Category of Asset	Book Value (Note 1) £'000	High Value (Note 2) £'000	Low Value 1 (Note 3) £'000	Low Value 2 (Note 4) £'000
Book Debts	1,113	665	275	-
Fixtures, Fittings and Equipment	146	83	47	33
<b>TOTAL</b>	<b>1,259</b>	<b>748</b>	<b>322</b>	<b>33</b>

## **NOTES**

### **1. Book Value**

In regard to the Company's fixtures, fittings and equipment this refers to the carrying value of the assets in the Company's last available management accounts as at 30 September 2018. The book value of the Company's book debts and contracts has been taken from information provided by the Company and CRM.

### **2. High Value**

Also referred to as "market value in-situ". This assumes that all assets are sold together as a whole, in their existing location, as part of a sale as a going concern, and that there is sufficient time and resources available to fully market the business for sale.

Market value is defined as "the estimated amount for which an asset should exchange (at the valuation date) between a willing buyer and a willing seller in an arm's length transaction".

### **3. Low Value 1**

Also referred to as "market value ex-situ with appropriate marketing". This assumes that assets are removed from their current location, at the expense of the purchaser, after cessation of trading. This basis assumes adequate time and resources to properly market the assets for sale. This valuation has been provided for the tangible fixed assets.

### **4. Low Value 2**

Also referred to as "market value ex-situ without appropriate marketing". This assumes that assets are removed from their current location, at the expense of the purchaser, after cessation of trading. This basis assumes that assets are sold quickly and without adequate marketing being possible. This valuation has been provided for tangible fixed assets.

## **Marketing of the Business**

5.20 A marketing campaign was commenced by the Joint Administrators on 4 October 2018. The marketing campaign aimed to broadcast the opportunity to acquire the business and its trading assets to the open market. It was considered that to expose the opportunity to the open market would determine the best achievable price of the assets and determine the value of the intellectual property. Marketing of the Company included:



### **Distribution of a Marketing Flyer**

- 5.21 A marketing flyer was distributed by e-mail to Leonard Curtis' Acquire database on 4 October 2018. The database consists of intermediaries, funders, investors and potential purchasers.

### **Press Release**

- 5.22 The Joint Administrators issued a press release shortly following their appointment with the assistance of Souter PR Limited ("Souter"). Given the nature and popularity of the business, the Administration of the Company was widely reported by a number of mainstream media outlets. The press release encouraged interested parties to contact the Joint Administrators for further details.

### **Targeted Marketing**

- 5.23 The Joint Administrators contacted investors known to have previously expressed an interest in the business, in addition to identifying potentially interested parties with a similar business to that of the Company. The Joint Administrators approached these parties directly and provided details of the business to them subject to the receipt of a confidentiality undertaking.

### **Broadcasting the Opportunity on the Internet**

- 5.24 An online advertisement was broadcast on the following four websites:

	Website	Description
1.	<a href="http://www.leonardcurtis.co.uk">www.leonardcurtis.co.uk</a>	The website of the Joint Administrators.
2.	<a href="http://www.charlestaylor.co.uk">www.charlestaylor.co.uk</a>	The website of Charles Taylor Auctioneers, an independent auctioneer and valuation agent.
3.	<a href="http://www.cerberusam.com">www.cerberusam.com</a>	The website of Auctus Limited t/a Cerberus Asset Management ("CAM"), independent valuation agents instructed by the Joint Administrators.
4.	<a href="http://www.tp.co.uk">www.tp.co.uk</a>	The website of Turner Parkinson solicitors, part of Knights Professional Services Limited, the Joint Administrators appointed legal advisors.

- 5.25 The advertisement went live on 4 October 2018 across all four websites and included the name of the Company, details of the nature of the business, locations, staffing levels, turnover, and assets available for sale and how to register interest. All four advertisements remained live until the sale to the purchaser had concluded.

### **Rationale for Marketing Strategy**

- 5.26 When determining the strategy for marketing the business and assets of the Company for sale the following was considered:
- CAM has sector specific knowledge and experience in managing asset sales and is supported by a team of individuals certified by, and registered with, the Royal Institute of Chartered Surveyors ("RICS"). CAM has a nationwide presence and a significant and longstanding history of assisting insolvency practitioners with business and asset sales.
  - Charles Taylor is a Manchester based auctioneer and valuation agent with a history of carrying out both asset only sales and business and asset sales in conjunction with both company directors and insolvency practitioners.

- Leonard Curtis is a leading national business solutions practice which has an established history of providing business acquisition opportunities to the open market.
- Turner Parkinson is a trading name of Knights plc and Knights Professional Services Limited. Turner Parkinson are a large corporate solicitors practice ranked within the top 100 law firms in the United Kingdom. Marketing the business on this website advertised the opportunity to interested parties in the corporate and commercial sector;
- CAM, Charles Taylor and Leonard Curtis frequently market business and asset sales through their websites. In addition, the interested party database maintained by Leonard Curtis has been compiled over the course of many years carrying out similar transactions and, consequently, contains a wide range of interested parties and intermediaries with a history of pursuing and completing similar acquisitions.
- Issuing a press release which openly advertised the business maximised knowledge of the insolvency and the acquisition opportunity.
- By advertising the business and assets in the manner set out above, the proposed Joint Administrators anticipated the greatest level of exposure to potential interested parties.

#### **Outcome of Marketing**

- 5.27 The marketing campaign resulted in 41 expressions of interest from unconnected parties, and 1 expression of interest from a connected party. Non-disclosure agreements were returned by 32 unconnected parties and access was provided to a data room containing an information memorandum and details of the Company's assets and financial position.

#### **Deadline for Offers**

- 5.28 Owing to the very limited funds available to fund ongoing trade, the marketing and sale process was conducted on an accelerated basis. The Joint Administrators requested that interested parties provide indicative offers by 12:00noon on Monday 8 October 2018. The Joint Administrators received a number of credible offers before the deadline and as a result anticipated achieving a sale of the business in the short term. Given the comparable level of the offers received the Joint Administrators decided to ask for best and final offers with a final deadline of 5pm on 9 October 2018. Parties were advised that proof of funding was mandatory.
- 5.29 The Joint Administrators received a total of seven offers for the business before the final deadline which ranged from £5m to £17m.

#### **Exclusivity Period**

- 5.30 The Joint Administrators subsequently entered into an agreement with an unconnected party, Unilad Group Limited (CRN: 11564689) who provided a non-refundable deposit in the sum of £500,000 to secure a period of exclusivity to progress the matter with a view to concluding the proposed transaction within the exclusivity period. The exclusivity period was extended following the payment of an additional £500,000. The exclusivity period commenced on 10 October 2018 and following the extension was due to end on 19 October 2018.
- 5.31 During the exclusivity period, the Joint Administrators were not able to continue or participate in discussions or negotiations with anyone except the interested party relating to the disposal of any of the business or assets of the Company.

#### **Interim Injunction to prevent the Sale of the Business and Assets**

- 5.32 At 18.41 on 12 October 2018, the Joint Administrators received a letter from solicitors acting for John Quinlan ("JQ"), Liam Harrington ("LH") and Samuel Bentley ("SB"). It subsequently transpired that an unsuccessful bidder ("UB") was also one of the applicants to the injunction proceedings. The letter advised that instructions had been

provided to make an application for an urgent interim injunction to prevent any sale from proceeding until such time as the stakeholders were satisfied that the Joint Administrators were acting in accordance with their duties.

- 5.33 The Joint Administrators responded to the letter on 13 October 2018 setting out the reasons why their discretion to make decisions in regard to selling the business and assets could not be fettered and the Joint Administrators were acting in accordance with their duties.
- 5.34 At approximately 9.00am on 15 October 2018, the Joint Administrators received notification from the Applicant's solicitors that the Court had granted an interim injunction earlier in the day at 3.30am on 15 October 2018 to prevent any sale of the business from being completed. The Court had duly scheduled a further hearing to take place at 2.30pm on 15 October 2018 to hear the application for the extension of the injunction.
- 5.35 The Court subsequently dismissed the application of JQ, LH, SB and UB to prevent the Joint Administrators from concluding a sale of the business and its assets. Costs of the application were awarded against them.

#### **Sale of the Business and Assets**

- 5.36 A sale of the business and assets was completed during the exclusivity period on 16 October 2018 to an unconnected party, Unilad Group Limited (CRN: 11564689) ("the Purchaser") for £17m.
- 5.37 The Joint Administrators received the recommendation of independent agents, Cerberus Group, who had carried out valuations of the Company's assets prior to concluding the sale.
- 5.38 The Purchaser's offer was accepted on the basis that:
- Payment of the consideration of £17m would be made in full on completion;
  - The risk of default of payment was mitigated in full as there was no deferred terms of payment;
  - The offer was recommended by independent agents;
  - The offer included the transfer of all employees in accordance with TUPE, therefore safeguarding 205 jobs; and
  - Payment in full on completion provided the Joint Administrators with certainty as regards enabling a distribution to the creditors of the Company.
- 5.39 I can confirm that the full sales consideration of £17m has been received by the Joint Administrators.
- 5.40 The sale was not part of a wider transaction.
- 5.41 The sales consideration of £17m has been apportioned as follows:

<b>Assets Not Specifically Pledged</b>	<b>Notes</b>	<b>£</b>
Intellectual Property		16,124,994
Book Debts		500,000
Contracts		250,000
Office Holder Receivables	<b>A</b>	75,000
Fixtures, Fittings and Equipment		50,000
Claims		1
Goodwill		1
Business Information		1
Seller's Records		1
Stock		1
Other Assets		1
<b>Total</b>		<b><u>17,000,000</u></b>

## NOTES

### A Office Holder Receivables

This relates to works completed by the Joint Administrators during the trading period from 4 October 2018 to 16 October 2018.

- 5.42 A condition of the sale was that the Joint Administrators would pay the lease or rental of any leased assets up to 31 December 2018. The estimated cost of lease payments to the Administration is c£16k per month. In addition, the Joint Administrators were further required to pay amounts due under a settlement agreement previously entered into by the Company with an ex-employee from estate funds. The settlement was for £200k and has been paid from the proceeds of the sale.
- 5.43 *There are no other terms of the SPA that could materially affect the sales consideration.*
- 5.44 There were no option, buy back arrangements or similar conditions included as part of the sale agreement.
- 5.45 All 205 employees, including the remaining director, were transferred to the Purchaser under TUPE regulations, which will mitigate any preferential claims during the Administration.
- 5.46 The Company's cash at bank was excluded from the sale to the Purchaser.

### Licence to Occupy

- 5.47 In conjunction with the sale of the business, the Joint Administrators granted the Purchaser a licence to occupy each of the Company's two trading premises situated at 2 Tabernacle Street, London, EC2A 4LU and 12 Conavon Court, Blackfriars Street, Salford, M3 5BQ. Under the terms of the licence, the Purchaser has been granted permission to remain in the premises. A licence fee is payable by the Purchaser which is equal to all amounts due to each respective landlord under the terms of each respective lease.
- 5.48 To date, licence payments totalling £62,383 have been received by the Administrators from the Purchaser. The Joint Administrators have subsequently paid rent and charges due to the Company's landlords totalling £125,079.95 including VAT. The balance of the licence fees due from the Purchaser are held by our solicitors and will be paid to us shortly.

### Trading

- 5.49 A full account of the receipts and payments during the trading period from 4 October 2018 to 16 October 2018 is included at Appendix D.
- 5.50 As detailed at 5.41 above, the Purchaser acquired the Company's book debts and officeholder receivables for a cumulative sum of £575,000. No further receipts are anticipated from the trading period. Payments totalling £540,903.86 have been made to date in respect of the trading period, which includes commissions and wages payable to employees. The Joint Administrators were required to pay some historic commissions and wages to employees in order to retain the support of staff. Whilst this will result in a trading loss, the Joint Administrators consider that continued trading in the Administration has ultimately preserved and enhanced the value of the Company's intellectual property and as a result this will enable a significant distribution to unsecured creditors.

### Cash at Bank

- 5.51 As detailed at 5.5 and 5.6 above, the Company operated banking facilities with both NatWest and Arburthnot. The bank positions have been reconciled and movements in the bank position are set out below:

**NatWest**

Currency	Balance on Appointment as at 4 October 2018 £	Receipts 5 October 2018 to 16 October 2018 £	Monies Received in Error as at 26 November 2018 £	Total £
Sterling Account	130,617.36	490.50	143,408.07	274,515.93

**Arbuthnot**

Currency	Balance on Appointment as at 4 October 2018 £	Receipts 5 October 2018 to 16 October 2018 £	Monies Received in Error as at 26 November 2018 £	Total £
Sterling Account	46,112.30	165,579.33	310,513.70	522,205.33
US Dollar	-	-	43,799.01	43,799.01

5.52 The amounts received in error relate to funds due to the Purchaser either as a post-sale receipt or under the debtor book asset that it acquired. The Joint Administrators currently hold funds totalling £453,921.77 which are due to the Purchaser and this will be transferred to the Purchaser shortly. The balance held in the Arbuthnot US Dollar account will be transferred to the Purchaser direct from that account in due course.

5.53 Receipts totalling £165,579.33 into the Arbuthnot account during the period from 5 October 2018 to 16 October 2018 are debtor payments and have been allocated accordingly in the receipts and payments account at Appendix C.

**Bank Interest**

5.54 Interest totalling £10.19 has accrued to date on funds held in the Joint Administrators' case account.

**Books and Records**

5.55 The majority of the Company's records were maintained on a cloud storage facility. Physical records of the Company are minimal. As part of the sale of the business, the Purchaser acquired the Company's records for £1.

5.56 On 11 October 2018, the Joint Administrators wrote to each Director of the Company within the last three years requesting that any physical records in their possession be delivered up to the Joint Administrators. No records have been delivered up by the Directors to date.

5.57 It is a statutory requirement that the Joint Administrators retain the Company records and securely destroy them one year following the dissolution of the Company. The Administrators have received copies of certain records and those will be destroyed as appropriate.

**Corporation Tax**

5.58 A sale of the Company's intellectual property has resulted in a capital gain on which Corporation Tax is payable. The estimated amount of Corporation Tax payable as a result of the sale is c£3m. The Joint Administrators have instructed Champion Accountants LLP ("Champion") to calculate the exact tax payable following the set off of any allowable losses and expenses.

**Professional Advisors Used**

5.59 On this assignment the Joint Administrators have used the professional advisors listed below.

<b>Name of Professional Advisor</b>	<b>Service Provided</b>	<b>Basis of Fees</b>
CRM	Valuation of the book debts and work in progress	Time costs subject to the agreement of the Joint Administrators
CAM	Valuation of the Company's physical assets and to provide security	Time costs subject to the agreement of the Joint Administrators
Turner Parkinson	Legal advice in regard to the sale of the business and assets, trading the business and general advice	Time costs subject to the agreement of the Joint Administrators
Consultium Property Limited ("CAPA")	Property audit and review of any refunds due to the Company in respect of historic payments of non-domestic rates.	25% of realisations obtained by them
Eddisons Insurance Services Ltd ("Eddisons")	Asset Insurance	Time costs subject to the agreement of the Joint Administrators
Tech Britain	Advising on all I.T issues and securing the Company's social media accounts and intellectual property assets	Fixed fee of £65k plus VAT
Insol HR Limited ("Insol")	Employee advice and calculation of TUPE liability	Time costs subject to the agreement of the Joint Administrators
Insol Group Ltd ("IGL")	Pension advice	Time costs subject to the agreement of the Joint Administrators
Souter	Distribution of press release and managing media enquiries	Time costs subject to the agreement of the Joint Administrators
Champion	Accountancy advice and calculation of Corporation Tax on capital gain. Review and assessment of terminal loss relief claim.	Time costs subject to the agreement of the Joint Administrators

**CRM**

5.60 CRM provides specialist advice and solutions in recovery and realisation of distressed debt for insolvency practitioners, asset based lenders and small to medium sized enterprises. CRM were instructed due to their expertise in assisting insolvency practitioners in valuing distressed debts and ledgers.

5.61 To date, payments totalling £35,465.35 plus VAT have been made to CRM.

**CAM**

5.62 CAM has extensive sector specific product knowledge and experience in managing asset sales. CAM has a longstanding history of assisting insolvency practices with business and asset sales. They are supported by a team of RICS registered professionals who also specialise in security, removal and disposal of assets. CAM was instructed due to its ability to secure and value assets.

5.63 Payments totalling £79,274.70 plus VAT have been made to CAM to date.

**Turner Parkinson**

- 5.64 Turner Parkinson is a business law firm with market leading strength in offering commercial advice to businesses. Turner Parkinson were instructed by the Joint Administrators due to their long standing history of assisting insolvency office holders with insolvency matters.
- 5.65 The Joint Administrators have paid Turner Parkinson £118,491 plus VAT for the work that they have completed to date.

**CAPA**

- 5.66 CAPA forensically analyses and interrogates property outgoings and accounts payable data to highlight potential errors which may result from the Local Authority in relation to non-domestic business rates. CAPA has a number of years' experience conducting property audits for Insolvency Practitioners. CAPA has been instructed to perform a property audit and investigation into refunds from payment of non-domestic business rates in relation to the two trading premises.

**Eddisons**

- 5.67 Eddisons are a leading insurance advisor to insolvency practitioners. The Joint Administrators instructed Eddisons due to their longstanding history of assisting insolvency office holders.

**Tech Britain**

- 5.68 Tech Britain is an independent tech firm and has significant expertise in dealing with IT and related matters. The Joint Administrators instructed Tech Britain given their expertise in dealing with digital assets.
- 5.69 The Joint Administrators have paid Tech Britain £65,450 plus VAT for their work conducted in this matter.

**Insol**

- 5.70 Insol was instructed to provide assistance with the calculation of the employee TUPE liability. Their management team has over 20 years expertise in dealing with employment related issues arising from insolvency. Insol's costs totalling £610 plus VAT have been paid by the Joint Administrators and are included within the receipts and payments account at Appendix C.

**IGL**

- 5.71 IGL are financial consultants specialising in pension schemes. It is anticipated that IGL will shortly be instructed in this matter and advise the Joint Administrators as appropriate on the management of this scheme.

**Souter**

- 5.72 Souter are an award-winning PR agency working for clients across the UK. Souter were instructed given their experience in handling media enquiries.

**Champion**

- 5.73 Champion Accountants is a leading UK accountancy group for SMEs and entrepreneurs, specialising in management accounts, audit & tax compliance. The Joint Administrators have instructed Champion due to their expertise in tax matters.
- 5.74 Details of this firm's policy regarding the choice of advisors and the basis for their fees are given in Appendix I.

5.75 All payments made are reflected in the receipts and payments account at Appendix C.

## **6 ACHIEVING THE PURPOSE OF ADMINISTRATION**

6.1 The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:

- (a) Rescuing the Company as a going concern, or (if this cannot be achieved);
- (b) 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 (if (a) and (b) cannot be achieved);
- (c) Realising property in order to make a distribution to one or more secured or preferential creditors.

6.2 The first objective is not considered to be capable of being achieved.

6.3 The second objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in Administration). In the opinion of the Joint Administrators, this objective has been achieved as trading the business in administration enabled the intellectual property of the Company to be preserved. This has ultimately resulted in the Joint Administrators concluding a going concern sale which enhanced the value of the Company's business and assets. The sale also resulted in the transfer of 205 jobs mitigating the value of employee claims. The proceeds from the sale will be sufficient to enable a substantial distribution to creditors.

6.4 The third objective is not achievable as there are no known secured or preferential creditors.

6.5 The Administration has been, and will continue to be, financed by monies received from asset realisations.

## **7 JOINT ADMINISTRATORS' PROPOSALS AND EXIT ROUTE**

7.1 The Joint Administrators' Proposals for achieving the objective of Administration are attached at Appendix A.

7.2 The Joint Administrators have considered the various options available to the Company. As previously stated, based on information currently available, the Joint Administrators consider that realisations will be sufficient to enable a dividend to be paid to unsecured creditors. In this situation, the Joint Administrators may apply to court for permission to make such a distribution in the Administration. Alternatively, if considered preferable, on completion of the Administration, the Joint Administrators will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation ("CVL").

7.3 In the event that the Joint Administrators choose to place the Company into CVL, the Proposals provide for the appointment of myself and/or Andrew Duncan as (Joint) Liquidator(s). Creditors may nominate a different person to be Liquidator provided that the nomination is made after receipt of the Proposals and before they are approved.

## **8 EXTENSION OF ADMINISTRATION**

8.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.

8.2 In certain circumstances it may be necessary to extend the Administrators' term of office. In the circumstances of this case, this may be done for a specified period not exceeding twelve months with the consent of the unsecured creditors of the Company.



8.3 We consider that an extension may be necessary in this case as we anticipate may approach the Court to enable a distribution to creditors during the Administration. This will require substantial work in regard to agreeing creditor claims.

8.4 Creditors will be notified in due course of any decision requisitioned to extend the Administration.

## **9 PRE-ADMINISTRATION COSTS**

9.1 Pre-administration costs are defined as:

- Fees charged; and
- Expenses incurred

By the Administrator, or another person qualified to act as an insolvency practitioner before the Company entered Administration (but with a view to its doing so). "Unpaid pre-administration costs" are pre-administration costs which had not been paid when the Company entered Administration.

9.2 Time charged and expenses incurred by the Joint Administrators and their agents and solicitors in the period prior to their appointment are summarised below:

Charged by	Services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
Leonard Curtis	Discussions with the major creditor's advisors, attending to all statutory matters, drafting three reports to Court, attended various meeting with agents and solicitors.	63,093.20	-	N/a	63,093.20
Turner Parkinson	Meetings were held with Leonard Curtis to discuss a strategy and prepare various documents as regards the appointment and providing general legal advice.	2,972.00	-	N/a	2,972.00
Cerberus Receivables Management	Meetings were held with Leonard Curtis and other agents to discuss strategy and scope of works. Team attended sites in London and Manchester on 27 September 2018 with regard to a proposed appointment on that day. The Court hearing was adjourned late in the day to 4 October 2018.	8,167.68	-	N/a	8,167.68
Cerberus Asset Management	Meetings were held with Leonard Curtis and other agents to discuss strategy and scope of works. Team attended sites in London and Manchester on 27 September 2018 with regard to a proposed appointment on that day. The Court hearing was adjourned late in the day to 4 October 2018.	10,957.70	-	N/a	10,957.70
<b>TOTAL</b>		<b>85,190.58</b>	<b>-</b>	<b>N/a</b>	<b>85,190.58</b>

9.3 Enclosed at Appendix E is an analysis of the Leonard Curtis' pre-administration costs. The analysis shows that total pre-administration time costs of £63,093.20 have been incurred which represents 132.8 hours at a rate of £475.10 per hour.

**Work Undertaken by Leonard Curtis**

- 9.4 In the period prior to Administration, Leonard Curtis carried out an assessment of the Company's financial position on the information available with a view to establishing whether Administration was an appropriate course of action. This work included reviewing the judgment in favour of AP.
- 9.5 The work undertaken by Leonard Curtis prior to the appointment included but was not limited to:
- Conducting searches in respect of the Company to obtain financial and other information. A review of the financial information was subsequently conducted;
  - Reviewing any potential conflict with the Company and the Directors;
  - Conducting director disqualification and individual insolvency searches members of the Company's management;
  - Conducting a Company search to establish if the Company operated any:
    - Pension scheme;
    - Data Protection registration; and
    - Financial Conduct Authority registration
  - Conducting anti-money laundering searches and completing anti-bribery and vulnerable person checks;
  - Preparing a number of reports to Court in support of AP's Administration petition and liaising with AP's solicitors and Counsel.
  - Regular internal meetings and conference calls between Leonard Curtis staff were conducted in respect of the strategy leading up to appointment;
  - Researching the Company's assets and activities in order to complete a marketing flyer;
  - Liaising with CAM and CRM in order to update them of the strategy and the process of the proposed administration;
  - Taking employee advice and drafting a controlled statement to all staff in preparation for the appointment.

**Work Undertaken by Turner Parkinson**

- 9.6 Turner Parkinson were instructed to provide advice provided to the proposed Administrators in relation to the appointment and the proposed strategy.

**Work Undertaken by CRM**

- 9.7 On 27 September 2018, CRM were placed on standby at each of the Company's two premises in London and Manchester in anticipation of the appointment being made on that date. The Court subsequently adjourned the hearing to 4 October 2018. CRM's costs prior to the appointment relate to travel, attendance, research of the Company and assistance to the proposed Administrators in developing the strategy for the Administration.

**Work undertaken by CAM**

- 9.8 On 27 September 2018, CAM were placed on standby at each of the Company's two premises in London and Manchester in anticipation of the appointment being made on that date. The Court subsequently adjourned the

hearing to 4 October 2018. CRM's costs prior to the appointment relate to travel, attendance and providing advice to the proposed Administrators in regard to the security requirements on appointment.

- 9.9 The payment of unpaid pre-administration costs (set out above) as an expense of the Administration is subject to the approval of the appropriate class of creditors, separately to the approval of the Administrators' Proposals. This approval will be the responsibility of the Creditors' Committee if one is appointed or alternatively will be by a decision of the general body of creditors.

#### **Court Approval to Costs**

- 9.10 As part of the Administration order, the Court ordered that the Joint Administrators defray HMRC's costs in presenting the winding-up petition to the Company, in addition to paying AP's costs for preparing the Administration application. A summary of those costs net of VAT is outlined below:

Charged by	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
Stephen Rimmer Solicitors LLP	18,012	-	N/a	18,012
Petitioner's Costs	902	-	N/a	902
Counsel's Costs	26,025	-	N/a	26,025
	<u>44,939</u>	<u>-</u>	<u>N/a</u>	<u>44,939</u>

### **10 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS**

#### **General**

- 10.1 The basis of the Joint Administrators' remuneration may be fixed either as a percentage of the value with which they have to deal ('a percentage basis'), as a set amount, or by reference to the time properly given by the Joint Administrators and their staff in attending to matters as set out in a Fees Estimate. A combination of these bases may be fixed, with different bases being fixed in respect of different things done by the Joint Administrators. Additionally, where a percentage basis is fixed, different percentages may be fixed in respect of different things done by the Joint Administrators.

#### **Approval by appropriate body**

- 10.2 The Joint Administrators think that the Company will have sufficient property to enable a distribution to be made to unsecured creditors. In such circumstances, it is for the Creditors' Committee to determine the basis of remuneration. If there is no Committee, or if the Committee fail to make the requisite determination then the basis of remuneration must be fixed by a decision of the creditors.
- 10.3 The outcome of this decision will be reported to all creditors in due course.

#### **Information to be given to creditors**

- 10.4 The Joint Administrators wish, in this case, to seek the creditors' agreement to their remuneration being fixed by reference to the time properly given by them and their staff in attending to matters as set out in a Fees Estimate. Prior to seeking approval of this basis, the Joint Administrators are required to provide all known creditors with their Fees Estimate and details of the expenses that they consider will be, or are likely to be, incurred during the administration ("Statement of Likely Expenses").

#### **The Fees Estimate**

- 10.5 The Joint Administrators' Fees Estimate for the whole of the Administration is set out at Appendix F. It includes the following:

- Details of the work that the Joint Administrators and their staff propose to undertake;
- The hourly rate or rates that Joint Administrators and their staff propose to use; and
- The time that the Joint Administrators anticipate that each part of the work will take.

Details of the Joint Administrators' time costs to 20 November 2018 have also been included for comparison purposes. In summary, time costs of £456,303.90 have been incurred to 20 November 2018 which represents 932.9 hours at a rate of 482.20 per hour. As at 29 November 2018, time costs totalling £63,237.20 have been recorded to this matter which have not yet been posted to the Joint Administrators' time recording system.

- 10.6 The total amount of time costs as set out in the Fees Estimate is £1,267,287.90. Once approved by the appropriate body of creditors, the remuneration drawn by the Joint Administrators must not exceed this total amount without prior approval. It should be noted that in some instances payment of these costs will be limited to the amount of realisations available in the administration.
- 10.7 The Fees Estimate is based upon information currently available to the Joint Administrators. Based upon this information, the Joint Administrators do not anticipate that the Fees Estimate will be exceeded. However should information come to light during the course of the administration which means that the Joint Administrators will be required to undertake work not envisaged at the time that the Fees Estimate was provided, it may be necessary for the Joint Administrators to revert to creditors for further approval.
- 10.8 Details of the firm's charge-out rates and policy regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix I.
- 10.9 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded using the following link:
- <https://www.r3.org.uk/what-we-do/publications/professional/fees>
- 10.10 If you would prefer this to be sent to you in hard copy please email [recovery@leonardcurtis.co.uk](mailto:recovery@leonardcurtis.co.uk) or contact Joe Thompson of this office on 0161 831 9999.

#### **Statement of Likely Expenses**

- 10.11 The Joint Administrators' Statement of Likely Expenses is set out for creditor information at Appendix G. To assist creditors' understanding of this information of this information, it has been separated into the following categories:
- (i) **Standard Expenses:** this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
  - (ii) **Case Specific Expenses:** this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in this particular case. Also included within this category are costs that are directly referable to the administration but are not paid to an independent third party (and which may include an element of allocated costs). These are known as "Category 2 disbursements" and they may not be drawn without the approval of the general body of creditors in the same way as fees and the general body of creditors will be contacted directly in this respect. The basis of the calculation of their recharge is detailed in Appendix I.

#### **10.12 Further Updates**

The Joint Administrators will provide creditors with an indication of whether the remuneration anticipated to be charged by them is likely to exceed the Fees Estimate, and if so the reasons for this, in their subsequent reports. Information will also be provided in subsequent reports on whether the expenditure detailed in the Statement of Likely Expenses has been or is likely to be exceeded and the reasons why.

## **11 ESTIMATED OUTCOME FOR CREDITORS**

- 11.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix H.
- 11.2 The Estimated Outcome Statement assumes the following:
- a) That asset realisations are in line with those estimated at Appendix B;
  - b) That the Joint Administrators' fees estimate (as detailed at Appendix F) is approved and is not exceeded; and
  - c) That the expenses of the administration are as set out in the Statement of Likely Expenses at Appendix G and are not exceeded.
- 11.3 In summary:
- Secured Creditors – there are no secured creditors in this matter.
  - Preferential Creditors – we do not anticipate to receive any preferential claims in the Administration following the transfer of the employees to the Purchaser in accordance with TUPE regulations.
  - Unsecured Creditors – it is anticipated that there will be a significant distribution to unsecured creditors in this matter. The level of distribution is subject to the payment of costs and expenses and the quantification of creditor claims. As regards unsecured creditors we have been advised that following our appointment Lad Bible Group has taken an assignment of AP's debt.

## **12 RELEASE OF ADMINISTRATORS FROM LIABILITY**

- 12.1 As soon as all outstanding matters in the Administration have been attended to it is anticipated that we will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically to Creditors' Voluntary Liquidation. Alternatively, if the Administrators pay a dividend out of the Administration it may be appropriate to file a dissolution notice at Companies House.
- 12.2 On the registration of the relevant notice with the Registrar of Companies, the Administration and the appointment of the Administrators will automatically cease.
- 12.3 It is for the creditors to fix the date upon which we are discharged from liability in respect of any action of ours during the Administration. The Voting Form at Appendix K includes a decision that we be discharged from liability immediately upon our appointment ceasing to have effect.

## **13 VOTING PROCEDURE AND CONCLUSION**

- 13.1 It is important that you give careful attention to this report and its Appendices.
- 13.2 Details of all decisions to be made by creditors are included on Appendix J – Notice of a Decision Procedure by Correspondence. In order for your vote to count, you should ensure that your completed voting form (see Appendix K) has been delivered to the Joint Administrators on or before the Decision Date given on the front of this report and in Appendix J. Your vote should be accompanied by a proof of debt, unless one has previously been provided, failing which your vote may be disregarded.
- 13.3 Creditors' attention is drawn to Chapter 9 of Part 1 of the Rules, which detail the rules for delivery of documents.

13.4 Creditors will be notified of the outcome of the decision procedure in due course.

Should you have any queries or require any further clarification please contact Joe Thompson at my office, **in writing**.  
Electronic communications should also include a full postal address.

Yours faithfully,

For and on behalf of

**BENTLEY HARRINGTON LIMITED T/A UNILAD**



**ANDREW POXON**

Joint Administrator

Andrew Poxon is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 8620 and Andrew Duncan is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 9319

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

**JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS**

It is proposed that:

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that Andrew Poxon and/or Andrew Duncan be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65(3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Andrew Poxon and/or Andrew Duncan be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

## APPENDIX B

## ESTIMATED FINANCIAL POSITION AS AT 4 OCTOBER 2018

	Notes	Book value £'000	In Administration £'000
<b>Assets Not Specifically Pledged</b>			
Intellectual Property	1	-	16,125
Book Debts	1	1,113	500
Accrued Income and Contracts	1	665	250
Office Holder Receivables	1	-	75
Fixtures, Equipment and Leasehold Property	1	310	50
Goodwill (£1)	1	-	-
Business Information (£1)	1	-	-
Seller's Records (£1)	1	-	-
Claims (£1)	1	-	-
Stock (£1)	1	-	-
Other Assets (£1)	1	-	-
Other debtors	2	123	N/k
Cash at Bank	3	177	177
		<u>2,388</u>	<u>17,177</u>
Preferential creditors	4	-	-
<b>Net property available for prescribed part</b>		<u>2,388</u>	<u>17,177</u>
<b>Prescribed part calculation</b>	5	N/a	N/a
<b>Available for floating charge creditor</b>		2,388	17,177
None		<u>-</u>	<u>-</u>
<b>Surplus as regards floating charge holder</b>		2,388	17,177
<b>Add back prescribed part</b>	5	<u>N/a</u>	<u>N/a</u>
<b>Available for unsecured creditors</b>		2,388	17,177
<b>Unsecured creditors</b>			
Trade and Other Creditors	6	(9,194)	(9,194)
Finance Creditors	7	(228)	(228)
HM Revenue & Customs	8	(1,982)	(1,982)
<b>Total value of unsecured creditors</b>		<u>(11,404)</u>	<u>(11,404)</u>
<b>Estimated Surplus / (Deficiency) as regards unsecured creditors</b>		<u>(9,016)</u>	<u>5,773</u>

## NOTE

The outcome is subject to the payment of costs, expenses, taxation and the quantification of creditor claims.



**APPENDIX B (CONTINUED)**

**NOTES TO THE ESTIMATED FINANCIAL POSITION**

All book values have been taken from the Company's latest financial information or from valuations obtained upon administration by independent valuers. It should be noted that no provision has been made for the costs and expenses of the administration.

**1. Sale of Business**

The book value figures have been extracted the most recent management information. The estimated to realise figure has been achieved following the sale of business and assets on 16 October 2018.

**2. Other Debtors**

This relates to an inter-company debtor and various director and employee loans. The realisable value has not yet been determined at this stage.

**3. Cash at Bank**

The book value and estimated to realise values have been taken from details provided by Arbutnot Latham and NatWest.

**4. Preferential Creditors**

We do not anticipate that there will be any preferential creditors of the Company.

**5. Prescribed Part**

As there is no secured creditor, there will be no requirement to make a provision for a prescribed part.

**6. Trade Creditors**

This figure has been extracted from company records and should not be regarded as an agreed amount.

**7. Finance Creditors**

This figure has been extracted from company records and should not be regarded as an agreed amount

**8. HM Revenue & Customs**

This figure has been taken from the Winding Up Petition submitted by HMRC, and information from the Company's records in regard to VAT and payroll. This should not be regarded as an agreed amount.

## APPENDIX B (CONTINUED)

## CREDITORS LIST FOR THE ESTIMATED FINANCIAL POSITION

Name	Claim Type	Address -							Per Estimated Financial Position £
84 World t/a Dundrum Limited Joshua Patterson	U	Dundrum Limited	Spectrum Business Centre	Anthony's Way	Rochester	Kent	ME2 4NP		4,500.00
Adam Geoffrey Management Ltd	U	Lloyds House	18-22 Lloyd Street	Manchester			M2 5WA		41,670.10
Admiral Leasing	U	Chambers Business Centre	Chapel Road	Oldham			OL8 4QQ		42,599.77
ALDERMORE	U	1st Floor	Block B	Wester Houser	Lynchwood	Peterborough	PE2 6FZ		55,010.21
Alex Carpenter	U	16 Dover Close	Horsham	West Sussex			RH13 9XX		9,033.06
Alex Hoborn	U	3 Roslyn House	Rushcroft Road				SW2 1LG		700.00
Alex Partridge	U	19 Granville Road	Eastbourne	East Sussex			BN20 7HB		-
ALHAN GENCAV TIA ULTRA HAZE	U	Kemp House	160 City Road	London			EC1V 2NX		3,500.00
Alice Boxall-Knowles / ABK Hair and Make Up	U	The Barn	Fennis Lane	Westend	Surrey		GU19 5RF		2,635.90
Alina Grishina	U	5 Pages Hill	London				N10 1PX		100.00
Alive Network Ltd	U	Ground Floor	Suite Silk Mill Studios	Princess Street	Newcastle-under-Lyme	Staffordshire	ST5 1DD		507.00
AMALGAM MODELMAKING LTD	U	The Old Sorting Office	Eastfield Road	Bristol			BS6 6AB		900.00
Andrew Crawford	U	7 Melrose Drive	Grest	Sutton			CH66 2YH		80.00
Animal Magic	U	The Old Thatched Cottage	Hailsham Road	Polegate	East Sussex		BN26 6RF		1,000.00
Anthony Gumer	U	121 Lovelace House	96-122 Uxbridge Road	Ealing			W13 8RD		2,557.25
Anthony Milson	U	36 Clifton Park Ave	London	SW20 8BD					2,590.00
ApexTV	U	330 Clydesdale Trail	Medina				MN5534 0		714.04

# Bentley Harrington Limited t/a UNILAD - In Administration

Aquaool	U	2 Scholar Green Road	Trafford Park	Manchester	M32 0TR	134.40
Arkie Finance	U	52 280 Sanders Road	Wellinborough		NN8 4BX WA14	76,758.00
Ashley Job	U	13a Vicarage Lane	Bowdon	Cheshire	3AT EC2A	-
AudienceNet Limited	U	65/67 Leonard Street	London		4QS	71,928.00
AURORA LEASING LIMITED	U	2 Downland Close	Whetstone	London	N20 9LZ	4,968.00
Avalon Management Group Limited	U	4a Exmoor Street	London		W10 6BD	2,500.00
Backgrid London Ltd	U	Kingmaker House	6th Floor	15 Station road	EN5 1NZ	174.00
Barcroft Media	U	138 Kingsland Road	London		E2 8DY	9,000.00
Be Instead Media Ltd	U	Flat 101 Finn Apartments	48 Vyner Street	London	E2 9DQ SW17	29,239.65
Beaver Pest Control	U	Trident Business Centre	89 Bickersleth Road	London	9SH	1,091.76
Ben Mealing	U	Dovercourt House	59 Park View Road	London	W5 2JF EC2A	-
BES Properties Limited	U	The Roma Building	32-38 Scrutton Street	London	4RQ	8,538.26
Bignarsle Ltd	U	PO Box 12490	Harlow	CM20 3GN		18,180.00
Blab Event und Sales GmbH	U	Langenloiserstrasse	Krems		3500	220.48
BLOOMBOX PRODUCTIONS	U	50 Godstone Road	Pretly		CR8 2DD EC3A	7,202.79
Boomerang Camels LTD	U	52-56 Leadenhall Street	London		2EB	289.88
Bradley Marshall	U	5 Far Lane	Manchester	Lancashire	M18 7FF MK12	4,250.00
BSH Home Appliances Ltd	U	Grand Union House	Wolverton Road	Milton Keynes	5PT GU14	178.34
Bubblegum Balloons	U	Unit B1 Armstrong Mall	Southwood Business Park	Farnborough	0NR	182.40
Bute Capital	U	2 Downland Close	Whetstone	London	N20 9LZ	8,380.36
Callum Maxwell	U	12 Thornton Road	Leyton		E11 4DH EC2A	200.00
CAMERAWORKS	U	14 Anning Street	Shoreditch	London	3HB	3,118.90
Caroline Marley ACA	U	Flat 2	Royston Court	Ashby Road	SE4 1PR EC4A	15,654.57
Carter Ruck	U	6 St Andrew Street	London		3AE	11,561.40

# Bentley Harrington Limited t/a UNILAD - In Administration

Caters News Agency	U	121 Suffolk Street	Queensway	Queensgate	Birmingham	B1 1LX E1W 1UN W1T 3QN	8,413.58
Caterwings Limited	U	Wework	1 St Katharines Way	Wapping			1,441.58
Centaur Divisional	U	79 Wells Street	London				8,246.70
Central European News Ltd	U	30 St Georges Place	Canterbury	Kent		CT1 1UT	3,114.00
Central Watch	U	Southbank House	Black Prince Road	London		SE1 7SJ	27,458.94
Cezanne OnDemand (DD)	U	3rd Floor	46 Loman Street	London		SE1 0EH W1S 3EP	1,000.32 1,886.24
CHAIT INVESTMENT CORPORATION LIMITED	U	3 Burlington Gardens C/o Epic Property Asset Management Limited	London				
Chait Investments Limited	U	Gable House	Gable House	239 Regents Road	Finchley	N3 3LF GU6 7QH	428,487.99
Charlotte Gould	U	Orchard Cottage	The Avenue	Ewhurst	Surrey		-
CHELSEA FITZGERALD	U	St Clement House	25-27 Heath Street	London		NW3 SN3 5BW	1,000.00
Chris Goodson	U	4 Foxbridge	Swindon				-
City of London Locksmiths	U	17 Vanburgh House	40 Folgate Street	London		E1 6UL	109.00
Clapham Studios LTD	U	3 Mills Studio	3 Mill Lane	London		E3 3DU CM16 4LR	450.00 583.68
Clasper Property Services Ltd	U	Clasper House	Hemall Street	Epping		EC3R 5AA W1T 4QS	5,720.28 1,266.00
Clear Insurance Management Ltd	U	1 Great Tower Street	London				
Coda Post Production Limited Company	U	76-78 Charlotte Street	London				
Compliance in Construction	U	Business First	25 Goodlass Road	Block A Knowlsey Industrial Park	Speke	L24 9HJ	600.00
Compliance Training Solutions Ltd	U	The Ashcroft Centre	Ashcroft Road		Liverpool	L33 7TW SW6 38U SW1Y 4SP	420.00 2,016.20 350.00
Crown Media Management Ltd	U	Matrix Complex	91 Peterborough Road	London			
Curtis Brown Group Ltd	U	Haymarket House	28-29 Haymarket			BN1 5DE	218.00
Dan Hasson	U	32 Buxton Road	Brighton			N22 7AQ	3,000.00
Dan Holloway	U	175 Albert Road	London			BR5 2AN	100.00
Dan Weir	U	50 Oakdene Road	Orpington	Kent			
Daniel Renwick	U	Argyle House	2a Venetia Road	London		W5 4JD	60.00

# Bentley Harrington Limited t/a UNILAD - In Administration

Daniella Galacher	U	100 Chippinghouse Road	Sheffield	S8 0ZH SW10 9DA	585.00
Daniella Pyne	U	1A Finborough Road	Chelsea		1,250.00
David Cohen	U	Lloyds House	Lloyd Street	M2 5WA	33,381.41
David W Peak	U	16 Prestbury Close	Bury	BL9 9DY	300.00
De Lage Landen Leasing Ltd	U	PO Box 430	Watford	WD18 8EZ	633.50
DOMO	U	10704	Cumberland Road	60656- 147	8,038.28
Emerge	U	Units E1, E4	New Smithfield Market	Chicago IL	468.00
EPIC PROPERTY ASSET MANAGEMENT	U	3 Burlington Gardens		Whitworth Street East	-
Essex Insurance Brokers	U	2 Blenheim Court	Northolt Way	RM12 5RX CW11 3AE	10,470.65
Everwell Occupational Health Ltd	U	Suite 1	Edwin Foden Business Centre	Moss Lane	420.00
Extra Time Management Limited	U	21 Brimstone Drive	Stevenage	Hertfordshire	4,200.00
Fines Baylwick Hotel	U	Fines Baylwick House	London Road	Binfield	-
Formula E Operations Limited	U	3 Shortlands	9th Floor	London	566.86
Forum Insurance / Beazley	U	Salmara House	181 Kenton Road	HAA3 0EY	8,700.00
Freuds Communications Ltd	U	The Beverly	1 Stephen Street	W1T 1AL	22,500.00
Gabriel Owen	U	187 Brecknock Road		N19 5AB	1,500.00
Gemma Nichols	U	17 Claremont Road	Marlow	FL7 1BH	360.00
Genesis-Plus Ltd	U	Arch 178	Lambeth	SE1 7LY	9,956.29
Gerrard Williams	U	1 Rue Du Calvaire	Huby Street	62140	250.00
Gelly Images	U	101 Bayam Street	London	NW1 0AG	25,233.34
GG Esports Academy, LLC	U	100 North Tyron street	Charlotte	NC	28255
Google Ireland Ltd	U	Gordon House	Barrow Street	Dublin 4	3,444.98
Gordon Dadds	U	Llenmaes	Michaelston Road	St Fagans	6,000.00
H R Accountancy Services Ltd	U	195a Kenton Road	Harrow	HAA3 0HD	66,838.68

# Bentley Harrington Limited via UNILAD - In Administration

H&P Associates Limited	U	424 Linen Hall	162-168 Regent Street	London	W1B 5TD	2,881.00
Health Assured Ltd	U	The Peninsula	Victoria Place	Manchester	M4 4FB TN13	2,109.24
Hemlow	U	Suite B	1st Floor	1 Suffolk Way	1YL PL12	13,487.79
Hemleyfraser	U	St James Court	74-94 Fore Street	Saltash	6JW	4,102.15
Hi Tech Store	U	20 Maricas Avenue	Harrow	London	HA3 6JA BN12	8,179.60
HM Revenue & Customs	U	Durrington Bridge House	Barrington Road	Worthing	4SE	1,981,666.00
HotSpot Media Ltd,	U	246A Kenton Road	Belmont		HA3 8BY	240.00
ILike Media Limited	U	Acland House	43192	Acland Road	BH8 1JJ RH15	1,087.20
Incorpore Limited	U	14 Mill Road	Burgess Hill		8DR	510.00
Indie Film LTD	U	29 Elm Drive	Rayleigh	Essex	SS6 8AB SE10	1,500.00
Inspired Through Sport	U	161-165 Greenwich High Road			8JA	4,800.00
Intangible Business Limited	U	2 Blenheim Court	Northolt Way	Hamchurch	RM12 5RX	2,457.60
Jahannah James	U	20b Montague Avenue	Brockley	London	SE4 1YP SE16	8,680.00
Jam Press Limited	U	21 Eyot House	London		4BN	250.00
James Welsh	U	1203 Sovereign Tower	1 Emily Street	London	E16 1LU	912.00
Jennifer Drew	U	Maximal FX	Studio AG1	16 Liverpool Road	E10 6DN	450.00
Jeshaun Vanniel	U	Jeshaun Vanniel	8 Linton Close	Miltham	CR4 4AR	305.20
JG PEST CONTROL	U	JG Environmental	Unit 29 Thomey Business Park	Thomey Lane	SL0 9HF	-
JJ Locations Limited	U	17A Perseverance Works	25-27 Hackney Road	Shoreditch	E2 8DD	3,055.22
John Weaver	U	76 Roman Road	Manchester		M35 9JZ SW19	250.00
Jon Barker	U	38 Bewley Street	Wimbledon		1XD	600.00
Joseph Crone	U	27 Netheravon Road	Chiswick	London	W4 2NA DA15	3,760.22
Joseph Moss	U	103 Park Mead	Sidcup	Kent	9PF NW3	500.00
Joseph-Patrick Hung	U	Flat 29	Northways College Crescent	London	5DR	308.20

# Bentley Harrington Limited t/a UNILAD - In Administration

Julien Media	U	5784 west Jefferson Boulevard	Los Angeles	United States	CA 90016	25,528.28
Justin Theodore	U	16 High Park Road	London	United States	TM94BH NY 10016	400.00
JW Player / Longtail Ad Solutions, Inc.	U	2 Park Avenue 179-191 Borough High Street	Floor 10 London	New York United States	10016	67,716.74
Kaplan Financial	U	40 Gowers Walk	Flat 33	London	SE1 1HR	163.00
Kashman Harris	U	41 Barnsdale Close	Loughborough	London	E1 8BH	2,000.00
Kate O'Keefe	U	Tuition House	St George's Road	London	SW19 4DS WD19 4EF CF62 7RG	150.00 336.00 1,500.00
KENNEDY NEWS AND MEDIA LTD	U	33 Pinner Road	Herfordshire	Vale of Glamorgan	NG6 8JU	720.00
Klan Thomas	U	6 Clifton Street	Barry	Nottinghamshire	M1 1EZ	2,500.00
Kinging-It Ltd	U	26 Downing Street	Nottingham	United States	M8Y0A1 CA	5,000,000.00
Kurtis Stocks	U	20 Dale Street	Manchester	Canada	90045 SE13 6HU	16.75
Lad Bible Group Limited	U	185 Legion Road 8939 s. Sepulveda Boulevard	North Toronto Suite 508	Los Angeles	90045 SE13 6HU	918.66
Landon Dowdsingh	U	8 Lanier Road	Flat 4	London	OL3 6LW	246.20
Launchpad Entertainment, LLC	U	Boot Cottage	Running Hill Gate	Upminster	OL3 6LW	40.00
Liam Coles	U	Hackney Service Centre	4th Floor	1 Hillman Street	E8 1DY	17,870.37
Linda Edwards	U	6th Floor	AMP House	Dingwall Road	CR0 2LX EC2A 3PD	2,575.20
London Borough of Hackney	U	45-46 Charlotte Road	Shoreditch	London	N10 3LD	768.00
London Football	U	17 Connaught Gardens	London	Essex	N15 4ER	11,723.85
Love Printing Limited	U	28 Lawrence Road	Flat 2-11 London	Essex	N15 4ER	350.00
LSK Production	U	Middle House	Moor End	Essex	2RQ SE1	300.00
Lucie Norris	U	103 Gaunt Street	Daws House	London	NW6 4SD RM8 2XD	300.00
Lynne Treasaden	U	Daws House	33-35 Daws Lane	London		748.00
Mainstage Festivals Limited	U	70 Badlington Road				
Marcus Edwards	U					
Margarita Dimitrova	U					

# Bentley Harrington Limited t/a UNILAD - In Administration

Mark Smalley	U	27 Chaise Meadow	Lymm	Warrington	WA13 9NX	100.00
Mayhem Events	U	Pryors Farm	Ongar Road	Abbridge	RM4 1AA WC2E 8BE	8,218.80 2,140.07
McKenzi Personal Training	U	Jubilee Hall Gym	30 Piazza London			
MIDE ENTERTAINMENT LIMITED	U	139 Stafford Road	Croydon	Surrey 191 Fazeley Street	CR0 4NN	42,000.00
MEDIA DOG	U	Studio 34	Fazeley Studios	Birmingham	B5 5SE	150.00
Media Drum Limited	U	Avix Business Centre	Neville House	Birmingham	B16 8PE EC1R 4PF	39.03 14,400.00
MESH MARKETING LIMITED	U	42705 Laystall Street	London			
Metronet (UK) Limited	U	Turing House	Archway	Manchester	M15 5RL	7,764.56
Mia James	U	55 a Oakley Road	Keston		BR2 8HD	240.49
Microsoft	U	NEO	Charlotte Street	Manchester	M1 4ET EC1V 2 NX	1,510.44 900.00
Mich Beauty Limited	U	Kemp House	152 City Road			
Minaxi Bathia	U	42 Links Way	Northwood	Middlesex	HA6 2XB WC2B 6AH	209,384.00 53,171.70
MISHCON DE REYA	U	Africe House	70 Kingsway	London		
MORELLO CHERRY PIPS LTD	U	265 Deansgate	Manchester		M3 4EN	80.00
Mytton Ltd (Alex Mytton)	U	7 Bourne Court	Southend Road	Woodford Green	IG8 8HD	3,698.55
Naked Dough Limited	U	Westfield London	Ariel Way	Shepherd's Bush	W12 7GF B13 8JP0	49.49 60.00
News Dog Media	U	Moseley Exchange	149-153 Alcester Road	Moseley	EC1R 3AD	31,788.59
Newsflare Limited	U	Scriptor Court	157 Farnindon Road	London	WD25 7GS	1,840.44
Ocean Aspect Ltd	U	Leavesden Studios	5 Hercules Way	Leavesden	EC1R 4AB TA20 1JA	47,688.00 15,000.00
Oliver Marketing Limited	U	151 Roseberry Avenue	London			
On The Box Limited	U	Leamington Registries 1	Hope Terrace, Chard, Somerset, TA20 1JA	Chard		
On The Tools Ltd	U	Suite 1&2	Sir Robert Peel Mill	Mill Lane San Jose CA 95110	B78 3QD	660.00
Ooyala	U	2099 Gateway	Pl Ste 600	Fazeley USA		48,320.32
Oracle America, Inc.	U	28 East	28th Street	New York	NY 10016	25,095.00



# Bentley Harrington Limited via UNILAD - In Administration

P Entertainment Ltd	U	2nd Floor Northumberland House	303-306 High Holborn	London	WC1V 7JZ	7,200.00
Panelux	U	Waxlow Road	Park Royal	London	NW10 7NU	4,732.33
Patricia Barnicoat	U	24 Hawsmead Drive	Kendal		LA95HD	1,370.80
Permutive Limited (Onlysx)	U	3rd Floor	45 Gee Street	London	EC1V 3RS	84,000.00
Pieter Mattheus Snyman	U					769.20
Pinnacle Photo Agency Ltd	U	Tremollberry	Coleford	Crediton	EX17 5DG	480.00
Preferred Choice	U	3rd Floor Colman House	King Street	Maidstone	ME14 1DN	8,100.00
Premier PR	U	43192 Bucknall Street	London		WC2H 8LA	1,815.00
Premium Credit Limited	U	Ermyrn House	Ermyrn Way	Leatherhead	KT22 8UX	-
PRESS ASSOCIATION IMAGES	U	292 Vauxhall Bridge Road	London		SW1V 1AE	5,760.00
Prime Studio	U	25 G	Floodgate Street	Digbeth	B5 5ST	105.00
Procam	U	Unit 1	Wave Trade Park	Concord Road	W3 0BF	2,091.60
PRS / PPL Public Performance Licence	U	PO Box 4575	Worthing		BN11 9AR	2,899.23
Pulsar	U	31 Old Nichol Street	London		E2 7HR	6,000.00
Push Merchandising Limited	U	Alpha House	4 Creek Street	Stockport	SK3 8AB	67.42
Rachael Gill	U	9 Durham Avenue	Lytham St Annes	Lancashire	FY8 2BD	80.00
Reach Publishing Services Ltd formerly Trinity Mirror Publishing Ltd	U	PO Box 2003	Liverpool		L69 3FR	120.00
Reed Business Information Limited	U	The Quadrant	Sutton	Surrey	SM2 5AS	1,980.16
REGUS	U	1 Churchill Place	London		E14 5HP	178.20
REICE WEATHERS	U	28a Remington Street	Islington	London	N1 8DH	375.00
Reuters News & Media Ltd	U	30 South Colonnade	Canary Wharf	London	E14 5EP	-
Ridder Limited	U	71-75 Shelton Street	Covent Garden	London	WC2H 9JQ	-
Ridder Ltd / WakeUp Docklands	U	71-75 Shelton Street	Covent Garden	London	WC2H 9JQ	420.00
Riverside Deliveries	U	4 Pargate Chase	Rochdale		OL11 5DZ	2,331.18

# Bentley Harrington Limited t/a UNILAD - In Administration

Robert Shears	U	3 Fortunes Way	Bedhampton	Havant	Hampshire	PO8 3LX	480.00
Ron Timelin Photography	U	58 Addington Road	West Wickham	Kent		BR4 9BS	1,000.00
RPO Productions	U	10 Nightingale Lane	Bromley			BR12QH	38,702.40
Ryan Hindi	U	17 Rue Des Gravilliers	Paris			75003.F R	3,006.85
SALESSEEK LTD	U	The Organ Works	Turnham Green	Terrace Mews		W4 1QU M27 5AW	96.46
Salford City Council	U	Salford Civic Centre	Swinton	Manchester			-
Scott Youden	U	26 Plymouth Avenue	Brighton			BN2 4JB SW18 4UN	300.00
Sean Crossan	U	32 St Johns Drive	London				200.00
Sean O'Connor	U	131 Morell Street	43132	GLASGOW	Lanarkshire	G5 0NJ	12,732.26
Sean Rutledge	U	10 London Lane	Bromley	Kent	BR1 4HD		300.00
Section Media	U	11 Golden Square	London			W1F 9JB	13,500.00
Shareablee	U	123 William Street	19th FL	New York	NY	10038	3,750.00
SHERIDANS	U	76 Wardour Street	London			W1F 0UR	4,200.00
SHL FILM & TV LTD	U	171a Tettenhall road	Wolverhampton			WV60BZ	9,712.80
Shutterstock	U	350 Fifth Avenue	21st Floor	New York	NY	USA	1,215.00
Simon Doherty	U						121.30
sinclair bransby-williams	U	23 chillon street	London			E26DZ	500.00
SIXT RENTA CAR LTD	U	Sixt House 5	Langley Quays	Waterside Drive	Langley	SL3 6EY PO19 1HH TW9 2PR	- 10,806.79 48,564.30
Sodalamp	U	5 East St	Chichester				770.80
Societe Generale Equipment France Limited	U	Parkshot House	5 Kew Road	Richmond	Surrey	N1 1QP SO31 4RF BR2 9FW RM12 5DT	60.00 950.00 15,586.91
SOI Ltd.	U	121-122 Upper Street	London				
Solent News & Photo Agency	U	23 Mitchell Point	Invoice	Ensign Way	Hamble		
Sophie Craig	U	flat 2	Evelyn court	4 Jefferson Place			
Soundcatchers	U	78 st andrews avenue	Homchurch				

# Bentley Harrington Limited t/a UNILAD - In Administration

Spenny Ltd	U	72 Monmouth Road	Smethwick	West Midlands	B67 5EE NW6 6AD	14,093.95	
Spring Sheltz	U	92A Brondesbury Villas	London			1,500.00	
Stacey Walker	U	8 Linton Close	Mitcham		CR4 4AR	300.00	
Stephane Vduedo Dos Reis	U	17 RUA DA IGREJA,	5370-030 ALVITES	MIRANDELA	PORTUGAL	200.00	
Storyful Limited	U	Ground Floor	76 Lower Baggot Street	Dublin	2	Ireland 22,300.00	
SuggesTV Limited	U	Rocketspace	40 Islington High Street	London,	N1 8EQ CM20 2DW	1,095.87 11,300.58	
SWIFT CLEANING	U	Swift House	River Way	Harlow	Essex	BS34 7JU	4,856.06
SWNS	U	Abbey Wood Park	Filton	Bristol			38.28
T & T Creative Media LLC	U	1660 International Drive	8th Floor	McLean	VA	22102 SW12 8RF	456.00
T.HAMILTON LTD	U	147 RAMSDEN ROAD	LONDON				5,215.80
Talent Talks	U	3 Mills Studio	Three Mill Lane	London	E3 3DU		7,326.04
Tancredi	U	Berkeley Square House	Berkeley Square	London	W1J 6BD W1W 5DT		461.71
Teads Ltd	U	Suite 1.4	3-4 Devonshire Street	London			3,200.00
Tessa Durkin	U	4 Provence Avenue	Brockhall Village	Old Langtho	Lancashire	BB6 8DF	150.00
The City Of Edinburgh Council	U	Room 4.28	City Chambers	253 High Street	Edinburgh,	EH1 1YJ	1,148.34
THE MEDIA TRUST	U	1660 International Drive	8th Floor	McLean	VA	22102	4,160.00
The Wall Of Comedy	U	63 Lansdowne	Place Hove	East Sussex		BN3 1FL	136.99
Thomas Handley	U	143 Finchley Road	Birmingham	B44 0JY			2,885.05
Thyssenkrupp	U	The Lookout	4 Bull Close Road	Lenton	Nottingham	NG7 2U TN132N T	-
Tom Parsons - Sub Contractor	U	2 clenches Farm,	Clenches Farm Road	Sevenoaks	Kent		250.00
Tom Patrick Coley	U	32 Greenstorge Lane	Stourbridge	West Midlands	Colchester Business Park	DY7 5BD CO4 9QQ	690.00
Total Merchandise Ltd	U	Suite 1	The Centre	The Crescent	Colchester	EC1R 5BX SE21 8EN	2,700.00
Tough Mudder Ltd	U	101 Clerkenwell Road	Suite 505	London	UK		486.00
Triangle News Group Ltd	U	Parkhall Business Centre	40 Martell Road *returned post	Dulwich,			

# Bentley Harrington Limited t/a UNILAD - In Administration

TripleC Consulting Limited	U	23 Trannere Road 113-114 Buckingham Avenue	London		SW18 3QH	1,000.00
Tsohost	U		Slough		SL1 4PF	2,770.03
Tubular	U	PO Box	7775	#96345	94120- CA	15,311.00
Type_a Agency Ltd	U	20-22 Wenlock Road	London		N1 7GU	27,800.00
Uber	U	Mr. Treublaan	7 1097	DP	Amsterdam	452.29
United Inc	U					129,772.52
V&A Enterprises	U	Victoria and Albert Museum	Cromwell Road		SW7 2RL	9,800.00
Vanessa Sultana	U	67 Purley Bury Ave	Purley,		CR8 1JF	144.20
Voronika Alexander	U	179a West Barnes Lane	New Malden		KT3 8HR	-
VIBRANT PARTNERSHIPS	U	Myddelton House	Bulls Cross		EN2 9HG SW8	600.00
Video Europe	U	Studio 3	Ground Floor		3HE	1,734.00
VIRALHOG	U	Bozeman,	MT		59718- 9202,	6,564.46
Visually Speaking Ltd	U	23 Queen Anne's Grove	London		W41HW EC2A	12,000.00
Wildfire Social Ltd	U	2-4 Great Eastern Street	London		3NW	1,051,530.65
YunoJuno	U	Tanner Street	London,		SE1 3LE	53,412.22
Zach Denyer	U	14 Kenilworth Close	BRIGHTON		BN2 4LF BS21	7,493.42
Zoe Masters	U	15 Victoria Road	Cleveland		7RY	423.50
Employee claims	U					867,529.34
<b>TOTAL</b>						<b>11,404,429.28</b>

## APPENDIX C

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS FROM  
4 OCTOBER 2018 TO 29 NOVEMBER 2018**

	NOTES	Estimated Financial Position £	Received by Joint Administrators £
<b>RECEIPTS</b>			
<b>Assets Not Specifically Pledged</b>			
Intellectual Property		16,124,994.00	16,124,994.00
Book Debts		500,000.00	500,000.00
Monies Received in Error	1	-	453,921.77
Accrued Income / Contracts		250,000.00	250,000.00
Cash at Bank		177,220.16	177,220.16
Debtor Receipts		165,579.33	165,579.33
Office Holder Receivables		75,000.00	-
Fixtures, Fittings and Equipment		50,000.00	50,000.00
Licence Fee Including VAT – London		-	47,500.00
Licence Fee - Manchester		-	14,883.00
Goodwill		1.00	1.00
Business Information		1.00	1.00
Claims		1.00	1.00
Seller's Records		1.00	1.00
Stock		1.00	1.00
Other Assets		1.00	1.00
Bank Interest		-	10.19
<b>TOTAL RECEIPTS</b>		<u>17,342,799.49</u>	<u>17,784,114.45</u>
<b>PAYMENTS</b>			
Trading Account	2		(465,903.86)
Settlement Agreement	3		(200,000.00)
Legal Fees and Expenses – Turner Parkinson			(118,491.00)
Agents Fees & Expenses – CAM			(79,274.70)
Agents Fees & Expenses – Tech Britain			(65,450.00)
Rent – London			(87,083.33)
Agents Fees & Expenses – CRM			(35,465.35)
Rent – Manchester			(30,079.95)
Lease Payments – Bute Capital Ltd	4		(22,877.80)
Counsel Fees			(9,975.00)
Agents Fees & Expenses – Insol			(610.00)
Bank Interest and Charges – Allied Irish Bank			(83.50)
Category 1 Disbursements			(5.00)
<b>TOTAL PAYMENTS</b>			<u>(1,115,299.49)</u>
<b>DISTRIBUTIONS</b>			
Unsecured Creditors			-
<b>BALANCE IN HAND</b>			<u>16,668,814.96</u>
<b>Represented by:</b>			
Current Account – Allied Irish Bank			16,558,843.89
Deposit Account			53,290.19
VAT Control Account	5		56,680.88
			<u>16,668,814.96</u>

**APPENDIX C (CONTINUED)**

**NOTES TO JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS FROM  
4 OCTOBER 2018 TO 29 NOVEMBER 2018**

**1. Monies Received in Error**

The amounts received in error relate to funds due to the Purchaser either as a post-sale receipt or a debtor receipt relating to those it acquired on 16 October 2018. The Joint Administrators currently hold funds totalling £453,921.77 which are due to the Purchaser and this will be transferred to the Purchaser shortly. The balance held in the Arbuthnot US Dollar account will be transferred to the Purchaser direct from that account in due course.

**2. Trading Account**

An account of the trading period is included at Appendix D.

**3. Settlement Agreement**

It was condition of the sale to the Purchaser that the Joint Administrators paid a settlement sum of £200k to an ex-employee.

**4. Finance Creditor**

It was condition of the sale to the Purchaser that the Joint Administrators paid all hire purchase and lease payments up to 31 December 2018.

**5. VAT Control Account**

The balance shown in the VAT Control Account relates to VAT reclaimable by the Joint Administrators on payments made to date. Steps will be taken to reclaim these amounts in due course.

APPENDIX D

**SUMMARY OF JOINT ADMINISTRATORS' TRADING ACCOUNT OF RECEIPTS  
AND PAYMENTS FROM 4 OCTOBER 2018 TO 16 OCTOBER 2018**

	£
<b>TRADING RECEIPTS</b>	
Office Holder Receivable	75,000.00
<b>TOTAL RECEIPTS</b>	<u>75,000.00</u>
 <b>PAYMENTS</b>	
Metronet – Internet Servers	(1,807.76)
Venus – Business Communications	(9,733.63)
Talent Payments	(90,230.97)
Lease payments	(2,500.03)
Facebook Boosting	(7,940.13)
Wages and Commissions	(428,691.34)
<b>TOTAL PAYMENTS</b>	<u>(540,903.86)</u>
 <b>TRADING LOSS</b>	<u><b>(465,903.86)</b></u>

## APPENDIX E

## SUMMARY OF JOINT ADMINISTRATORS' PRE-ADMINISTRATION COSTS

	Total Units	Cost £	Average Hourly Rate £
Financial assessment	59	3,061.40	518.88
Strategy & purpose evaluation	535	27,253.40	509.41
Preparation of documents	734	32,778.40	446.57
Total	1,328	63,093.20	
Average Hourly Rate (£)		475.10	
All Units are 6 minutes			



APPENDIX E (CONTINUED)

**DETAILED ANALYSIS OF PRE-ADMINISTRATION COSTS**

**Financial Assessment**

Time recorded to this category of work has involved:

- Reviewing publicly available financial information;
- Reviewing information provided by the major creditor's solicitor; and
- Reviewing information made available by the Company following the adjourned Court hearing on 27 September 2018.

**Strategy & Purpose Evaluation**

Time recorded to this category of work involved;

- Preparing case strategy;
- Preparing an Information Memorandum for interested parties;
- Attending meetings with Turner Parkinson with regards the strategy and application to Court;
- Various internal meeting to ascertain case plan;
- Meetings, telephone conversations and emails with CRM and CAM to discuss the proposed strategy;
- Liaison with CAM with regards the security of the Company premises following the proposed appointment of Joint Administrators;
- Completion of various pre appointment checklists as required;
- Various meetings with I.T agents to discuss I.T strategy; and
- Liaising with various agents during initial sale strategy on 27 September 2018 as regards a proposed appointment on that date.

**Preparation of Documents**

We were engaged to produce an initial report to Court in support of an Administration application being made by AP. Time was spent liaising with AP's legal team and Counsel. An initial report dated 14 September 2018 was produced and filed at Court. It had been envisaged that the proposed Administrators would be able to engage with management to discuss a strategy. This did not happen and as a consequence time was spent preparing a second report to Court dated 25 September 2018.

Time recorded to this category of work has involved:

- Following the initial Court hearing on 27 September 2018, Leonard Curtis had limited engagement with management and the Company's advisors. A third report to Court was produced dated 2 October 2018 in readiness for the adjourned Court hearing dated 4 October 2018;
- Undertaking anti-money laundering checks;
- Undertaking ethical and conflict checks;
- Preparation of correspondence and internal checklists;
- Liaising with employment agents with regards to employment strategy;
- In anticipation of a potential appointment the following was also recorded in this category:
  - Preparation of documentation with regard to a proposed AMA process;
  - Preparation of a non-disclose agreement;
  - Setting up of the data room;
  - Review of employee position and strategy and liaising with employee advisors; and
  - Preparation of a marketing flyer.

## APPENDIX F

## JOINT ADMINISTRATORS' FEES ESTIMATE INCORPORATING TIME INCURRED TO 20 NOVEMBER 2018

	FEES ESTIMATE			INCURRED TO 20 NOVEMBER 2018		
	Units	Cost	Average hourly rate	Units	Cost	Average hourly rate
	No	£	£	No	£	£
Statutory & Review	760	26,102.00	343.45	105	4,446.40	423.47
Receipts & Payments	505	20,693.00	409.76	61	2,743.20	449.70
Insurance	715	25,828.00	361.23	53	2,202.90	415.64
Assets	6,591	270,134.20	409.85	3,835	199,840.40	521.10
Liabilities	7,550	320,635.00	424.68	1,454	66,789.80	459.35
Landlords	760	35,210.00	463.29	78	3,641.60	466.87
Trading	2,950	146,760.00	497.49	2,320	115,253.50	496.78
General Administration	1,225	40,077.50	327.16	455	23,321.80	512.57
Appointment	322	12,571.20	390.41	322	12,571.20	390.41
Planning & Strategy	1,275	50,360.00	394.98	90	3,518.80	390.98
Post Appointment Creds Decisions/Meetings	2,240	90,112.00	402.29	536	15,081.50	281.37
Investigations	4,150	174,855.00	421.34	83	4,314.80	519.86
Case Specific	100	3,590.00	359.00	27	1,173.00	434.44
Legal Services	950	50,360.00	530.11	25	1,405.00	562.00
	30,093	1,267,287.90	421.12	9,444	456,303.90	483.17

APPENDIX F (CONTINUED)

**JOINT ADMINISTRATORS' FEES ESTIMATE**

**DETAILS OF WORK PROPOSED TO BE UNDERTAKEN**

**Statutory and Review**

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it will ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work that has and is expected to be carried out under this category will comprise the following:

- Case management reviews - LC Compliance Department will spend time during the Administration reviewing the Joint Administrators' case files. This will involve reviewing all correspondence, statutory documentation, creditor claims, asset realisations and procedures undertaken by the Joint Administrators before and upon their appointment. A report encompassing details of the review will subsequently be produced which is likely to contain recommendations to the Joint Administrators to ensure that all matters are being progressed and that adherence to statutory requirements continue to be met. Senior members of LC are likely to spend time reviewing the outcome of the report. Time will be incurred by the case administrators and managers conducting work recommended by the Compliance department. As the case progresses the case administrator will as a minimum carry out six monthly reviews to ensure that the case is progressing as planned;
- Allocation of staff, management of staff, case resourcing and budgeting
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- Review of directors' sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements; and
- Completion of case closing procedures at the end of the case.

Time appended to this category consists of reviews of the case file by the case worker, in order to ensure that all statutory requirements were adhered to. Further time has been spent by our Compliance Department reviewing the file and the recoverability of the pre appointment time costs.

Time has also been spent conducting Anti Money Laundering searches on the parties we have engaged with. Time was spent engaging with the Applicant's solicitor in order to obtain the appropriate details in order to enable the case worker to carry out the relevant searches.

**Receipts and Payments**

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank accounts;
- Management of case bank account(s) to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff to ensure that fixed and floating charge assets have been properly identified and prescribed part funds have been set aside where appropriate;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports;
- Timely completion of all post appointment tax and VAT returns; and
- Managing estate expenses.

Time attributed to this category consists of correspondence between the Joint Administrators and various professional bodies instructed during the course of the Administration. Time was spent establishing their costs and transposing the figures into the Estimated Outcome Statement.

Time has also been spent allocating the funds received from Turner Parkinson to the relevant ledgers, this includes liaising with our in-house cashiers department. Time has also been spent opening a case bank account.

### **Insurance, Bonding and Pensions**

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Reviewing and progressing any pre-appointment insurance claims
- Notification and progression of post-appointment insurance claims;
- Periodic review of insurance requirements over physical assets, to minimise costs to the estate;
- Calculation and request of joint administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors;
- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice;
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company directors to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pensions legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme; and
- Liaising with pension companies to arrange for prompt wind up of schemes.

Time incurred to date consists of calculating the Joint Administrators' bonding level and dealing with the Company's insurance provider.

Further time has been spent liaising with the Company's insurance brokers with regards to pre-appointment insurance claims.

### **Assets**

- Agreeing strategy for realisation of Company assets – time has been spent completing a sale of business which included Book Debts, Business Information, Contracts, Claims, Fixtures, Fittings and Equipment, Goodwill, Intellectual Property, Office Holder Receivables, Seller's Records, Stock and Other Assets;
- Bank account – the Joint Administrators have liaised with NatWest and Arburthnot Latham to realise the credit balances held in various accounts on our appointment;
- Directors Loan Account – time will be spent investigating any potential director and employee loan accounts. The level of work required by the Joint Administrators will be determined by the results of the investigation.
- Identification and return of third party assets;
- Instruction of various agents and lawyers to assist with the sale of the business and investigations with other potential assets.

Time has been incurred to date as follows:

### **Sale of Business**

The Joint Administrators started their marketing of the business and assets immediately post appointment and therefore a large portion of time costs have been incurred. This relates to:

- Reviewing the Company's financial information in order to ascertain the Company's current financial position for marketing purposes;
- Contacting previously known interested parties and investors and other parties introduced by Management;
- Dealing with enquiries produced as a result of national press and social media coverage;
- Producing a marketing flyer that was circulated to our database of potential purchasers and posted to four websites as detailed at section 5 above;
- Producing an Information Memorandum pack that was subsequently entered into a data room for interested parties to access;
- Liaising with all 41 interested parties and other advisors where appropriate by way of emails and telephone conversations. The parties were required to sign a NDA prior to being provided with access to the data room;
- Holding significant number of meetings with agents and lawyers as regards negotiation of the sale and producing sales contracts and various property licences;
- Significant time was expended in dealing with our agents, lawyers, management and employees as regards securing the Company's I.T systems, social media accounts and domain names etc.;
- Negotiating terms with the Purchaser, entering into a period of exclusivity;
- Liaising with Cerberus Group to include CAM and CRM as regards offers received and considering their recommendation letter;
- Dealing with an expedited injunction which was granted to prevent the Administrators selling the business. Time was spent dealing with the response to the injunction and liaising with Counsel. Time was also spent attending the court hearing with lawyers and Counsel;
- Time has been expended in dealing with tax advisors as regards the proposed sale and tax liabilities that will arise following the sale;
- Liaising with Turner Parkinson who finalised the sale and organising the transfer of the funds paid received on completion;
- Engaging with members of staff on a regular basis to keep them informed of progress and their transfer to the Purchaser and notifying them that their employment has been transferred to the Purchaser;
- Liaising with Insol Group for general advice in relation to the employees;
- Drafting and reviewing the Joint Administrators Report and Statement of Proposals. This letter was prepared by the case administrator and case manager and was ultimately reviewed by senior members of staff including Directors and the Joint Administrators.

### **Book Debt Ledger and Contracts**

Time has been incurred instructing CRM to conduct a review of the book debt ledger and to monitor collections and payments during the period of following appointment.

The Joint Administrators have been in regular contact with CRM in order to stay fully apprised of the Company's progress during the trading period.

Liaising with CRM as regards offers made and the ultimate sale of the business and drafting of the sale contracts.

The Joint Administrators have reviewed the valuations produced by CRM and their letter of recommendation as regards the sale.

#### **Cash at Bank**

Time has been spent dealing with the Company's bankers to request the Company's cash at bank and obtaining information required for our investigation purposes.

Time spent that can't be allocated to a specific asset includes:

- Reviewing injunction documents served on the Joint Administrators;
- Attendance at injunction hearing regarding the sale of business and assets; and
- Reviewing press releases.

#### **Liabilities**

This category of time includes both statutory and non-statutory matters.

##### *Statutory*

- Processing of claims from the Company's creditors – all claims received from the Company's creditors will be logged. It is anticipated that there will be a dividend to the unsecured creditors and therefore all claims will be collated and passed to a subsequently appointed Liquidator if appropriate. Consideration in regard to preparing an application to Court to obtain authority to make a distribution out of Administration rather than incur the additional costs of liquidation. The projected time assumes that the Administrator will agree claims if required and make a distribution;
- Preparation, review and submission of pre-appointment tax and VAT returns;
- Preparation and submission of periodic progress reports to creditors – it is anticipated that a 6 month progress report and a final report will be issued during the course of the Administration.

Time recorded to this category consists of issuing Proof of Debt forms and receiving claims to be logged on the system.

##### *Non-statutory*

- Dealing with enquiries from the Company's creditors; and
- Dealing with enquiries from the Company's employees.

Time has been incurred issuing letters in relation to the appointment of the Joint Administrators to:

- The Company's creditors;
- The petitioning creditor; and
- The relevant departments of HM Revenue & Customs in relation to PAYE and VAT.

Further time has been spent liaising with various creditors by way of telephone conversations and emails.

Numerous other claims are being received and will be dealt with in due course. Furthermore, we have been notified of a potentially significant claim from Lad Bible. We have now had sight of legal letters issued earlier in 2018 and we

will be required to deal with this potential claim. We will be liaising with the Company's former management and advisors in this respect.

### **Landlords**

- Review of current leases in respect of Company premises – 2 licence to occupy have been granted. The payment of the licence fee will be monitored by the Joint Administrators;
- Liaising with landlords in respect of premises; and
- Monitoring licence to occupy payments.

Time has been spent liaising with Turner Parkinson who executed the Licences to Occupy. The Joint Administrators have monitored payments going to the landlords in order for the Purchaser to occupy the premises. I can advise that the initial payments due on completion have been paid to both landlords.

It is assumed that the Purchaser will vacate the various premises in due course and we will need to implement a property strategy with the landlords and their advisors. Furthermore, there is a guarantee position to consider in respect of the London premises with involves the previous tenant.

### **Trading**

Immediately on appointment meetings were held with available management to discuss the trading of the business. In addition, one potential acquirer made it a condition of their offer that trading of certain aspects of the business was essential to preserve value and their interest.

Following various meetings and discussions with agents it was concluded that trading the business was in the interests of creditors. Systems were put in place to control all aspects of trading and associated expenditure. Employees were regularly updated on progress.

Following the sale of the business time was also being spent in funding trading matters and cut off issues with the Purchaser.

Work carried out during the period of trading by Leonard Curtis included the following:

- Arranging for meter readings to be taken at the Company premises;
- Liaising with the financial controller with regards matters relating to ongoing trading;
- Securing the premises;
- Liaising with CAM to seek updates with regards sales made in the period;
- Liaising with CRM to seek updates with regards debtor realisations during the period;
- Ongoing review of staffing requirements during the trading period;
- Liaising with employees retained during the period of trading; and
- Correspondence with the landlords with regards to continuation of trade.

### **General Administration**

- General planning matters;
- Setting up and maintaining the Administrators' records;
- Arranging access to the Company's accounting records;
- Dealing with general correspondence and communicating with directors and shareholders; and
- Dealing with press releases and significant email traffic.

Time incurred to this category consists of general work completed that cannot be attributed elsewhere. Work carried out included:

- Notifying the directors of their statutory requirement to submit a Statement of Affairs;

- Monitoring the level of publicity of the Administration;
- General correspondence with the Company's director and former director;
- General correspondence with Company employees with regards to the standard Administration process;
- Establishing IT security;
- A review of the pre and post appointment time spent by LC staff;
- Internal meetings to update the Administration strategy;
- Correspondence between the Joint Administrators and the Company's accountant; and
- Liaising with the Purchaser.

### **Appointment**

- Statutory notifications to creditors and other interested parties following the administrators' appointment;
- Preparation of case plan; and
- Finalisation of case strategy, including recording of any strategic decisions.

### **Planning & Strategy**

- Monitoring the Administration to ensure the strategy and purpose can be achieved; and
- Regular internal meetings will be held between the Joint Administrator and case workers to plan work going forward.

### **Post Appointment Creditors' Decisions**

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the administration;
- Preparation of Fees Estimate and Statement of Expenses in accordance with Insolvency (England and Wales) Rules 2016; and
- Convening a decision by correspondence to agree Fees Estimate with appropriate body of creditors;
- Reporting on outcome of voting.

### **Creditors' Committee Meetings**

- To be confirmed if a Committee is formed.

### **Investigations**

- Obtaining the Company's records;
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations. Statutory Investigations will include determining if any of the following have occurred:
  - Transactions at an Undervalue;
  - Preferences;
  - Transactions putting assets beyond the reach of creditors
  - Mifefasance or breach of any fiduciary duty
  - Wrongful trading
  - Undue retention of Crown monies
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of all directors involved in the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years.



**Case Specific**

Time recorded to this category has or will be spent in dealing with issues specific to this case. Time will be spent in considering each matter, responding as appropriate and where relevant, meetings with third parties.

**Legal Services**

- This consist of time anticipated to be spent by our in-house legal department advising on any legal matters in respect of the Administration. Our in-house legal department will be used to advise on various matters in order to reduce the amount of external legal fees incurred. It is envisaged time will be spent in dealing with the following matters:
  - Lad Bible claim;
  - Landlord issues;
  - Agreement of creditor claims; and
  - Dealing with contentious creditor issues.

## APPENDIX G

## JOINT ADMINISTRATORS' STATEMENT OF LIKELY EXPENSES

## Standard Expenses

Type	Description	Amount £
AML Checks	Electronic client verification	15.00
Bond Fee	Insurance bond	135.00
Document Hosting	Hosting of documents for creditors	42.00
Software Licence Fee	Case management system licence fee	87.00
Statutory Advertising	Advertising	170.00
Storage Costs	Storage of books and records	200.00
	<b>Total standard expenses</b>	<b>649.00</b>

## Case Specific Expenses

Type	Description	Amount £
Legal Fees	Costs of preparing sales and purchase agreement, advice in regard to sale, and general legal advice in regard to contentious issues	120,000.00
Agents' Fees – CAM	Costs of valuing and realising assets, providing security and ongoing support in the Administration.	100,000.00
Agents' Fees – CRM	Assistance with assessing the accrued income, contracts and book debts.	40,000.00
Agents' Fees – Tech Britain	Cost of securing the Company's digital assets and providing I.T support, advice and services.	65,450.00
Agents' Fees - CAPA	Investigating any refund from the local authority in respect of non-domestic rates refund	25% of any refund awarded
Agents' Fees - Eddisons	Arranging open cover insurance	250.00
Agents' Fees - Insol	Providing employee advice	1,000.00
Insurance	Costs of insuring the Company's assets	2,208.50
Accountancy Fees	Assisting the directors with the preparation of the Statement of Affairs, calculation of tax position and reviewing tax relief available.	25,000.00
LC Staff	Category 2 disbursement requiring specific creditor / committee approval	1,000.00
	<b>Total case specific expenses</b>	<b>354,908.50</b>

## APPENDIX H

## ESTIMATED OUTCOME STATEMENT

	Secured £'000	Preferential £'000	Unsecured £'000
Amount estimated to be available to class of creditor	-	-	17,177
Amount due to creditor per Appendix B	-	-	(11,404)
Estimated dividend rate (as a %)	0%	0%	100%

## NOTE

The outcome is subject to the payment of costs, expenses, taxation and the quantification of creditor claims.

## LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

### Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard	Complex
	£	£
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment. Due to the technical nature and special circumstances of this assignment, complex rates are being used.

### Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

### Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

### Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount																								
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per individual																								
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td>£10 p.a. or £25 for life of case</td><td></td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£83.02 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

#### Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

**APPENDIX J**

**NOTICE OF A DECISION PROCEDURE BY CORRESPONDENCE**

**Re: BENTLEY HARRINGTON LIMITED T/A UNILAD (IN ADMINISTRATION) ("the Company")**

**Previously known as: None**

**Registered number: 08527705**

**Court details: High Court of Justice, Business and Property Courts of England and Wales**

**Court Ref: CR-2018-006034**

**NOTICE TO CREDITORS OF A DECISION PROCEDURE TO BE CONSIDERED BY CORRESPONDENCE  
IN ACCORDANCE WITH PARA 51(1) OF SCHEDULE B1 TO THE INSOLVENCY ACT 1986 AND RULES 15.8  
AND 18.18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016**

We, Andrew Poxon of Leonard Curtis, Tower 12, 18/22 Bridge Street, Spinningfields, Manchester, M3 3BZ and Andrew Duncan, Level 5, The Grove, 248A Marylebone Road, London NW1 6BB, were appointed Joint Administrators of the Company on 4 October 2018.

**NOTICE IS HEREBY GIVEN** pursuant to Para 51(1) of Schedule B1 to the Insolvency Act 1986 and Rules 15.8 and 18.18 of the Insolvency (England and Wales) Rules 2016 that the creditors are being asked to make a decision as to whether they approve the Administrators proposals set out at Appendix A, agree the basis of the Joint Administrators' remuneration and approve three other decisions by way of correspondence.

To participate in the vote creditors will need to have delivered a completed voting form to my office at Tower 12, 18/22 Bridge Street, Spinningfields, Manchester, M3 3BZ or via email to [Joe.Thompson@leonardcurtis.co.uk](mailto:Joe.Thompson@leonardcurtis.co.uk) by 23:59pm on 13 December 2018 together with a proof of debt form if one has not previously been lodged. Failure to deliver a proof of debt will result in your vote being disregarded.

NB. Creditors' attention is drawn to Chapter 9 of Part 1 of the Rules, which detail the rules for delivery of documents.

The resolutions to be considered are:

1. That the Joint Administrators' Proposals are approved.
2. In the absence of a creditors' committee, that the remuneration of the Joint Administrators be fixed by reference to time properly spent by them and their staff in attending to matters as set out in the Fees Estimate (for an amount not exceeding £1,267,287.90).
3. That the unpaid pre-administration costs as detailed in the Joint Administrators' Statement of Proposals be approved for payment as an expense of the Administration.
4. That the basis of the recharge of the Joint Administrators' category 2 disbursements be fixed by reference to the rates set out in the Joint Administrators' Statement of Proposals and that they be authorised to be reimbursed such disbursements as and when funds permit.
5. That the Joint Administrators be discharged from liability in respect of any action(s) of theirs as Administrators pursuant to the provisions of paragraph 98(2)(b) of Schedule B1 to the Insolvency Act 1986, immediately upon their appointment ceasing to have effect.

**Statutory Information and Creditors' Entitlement To Vote**

In accordance with Rule 15.8 of the Insolvency (England and Wales) Rules 2016 please be aware of the following information:

- Creditors are only entitled to vote if they have delivered a proof of debt prior to the decision date and the claim has been accepted in whole or in part, together with a voting form. Whilst I am permitted to agree claims below £1,000 without a proof of debt, a creditor whose claim is less than £1,000 is not able to vote without having lodged a proof of debt. Creditors who have opted out from receiving notices may, nevertheless, vote if a proof of debt has been lodged.
- Creditors must deliver their voting form no later than 23:59pm on 13 December 2018. Forms should be posted to Bentley Harrington Limited t/a UNILAD at Leonard Curtis, Tower 12, 18/22 Bridge Street, Spinningfields, Manchester, M3 3BZ. Alternatively voting forms can be faxed to 0161 831 9090 or submitted by email to Joe.Thompson@leonardcurtis.co.uk.
- I am obliged to advise creditors that applications to have any decision reviewed must be made to High Court of Justice, Business and Property Courts of England and Wales under reference CR-2018-006034. Any such application should be made within 21 days of the decision date.
- If creditors are not satisfied with the decision procedure being used, they may request a physical meeting be convened providing their claim is 10% of the value of the creditors or 10% of the number of creditors request the same or 10 individual creditors request that a meeting be convened. All requests to hold a physical meeting should be made in writing but can be made by email to Manchester.meetingreq@leonardcurtis.co.uk. Requests for a physical meeting should be made within five business days of delivery of this notice.

Dated 29/11/2018

Signed



**ANDREW POXON  
JOINT ADMINISTRATOR**

**Contact details**

Andrew Poxon and Andrew Duncan  
Leonard Curtis  
Tower 12, 18/22 Bridge Street  
Spinningfields  
Manchester  
M3 3BZ  
Tel: 0161 831 9999

VOTING FORM FOR CREDITORS

Re: BENTLEY HARRINGTON LIMITED T/A UNILAD (IN ADMINISTRATION) ("the Company")

Previously known as:

Registered number: 08527705

Court details: HIGH COURT OF JUSTICE, BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

COURT REF: CR-2018-006034

Please indicate whether you are in favour or against each of the decisions set out below.

Please note that this form should be returned prior to 23:59pm on 13 December 2018 to my offices at Leonard Curtis, Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ. Alternatively the form can be faxed to Leonard Curtis on 0161 831 9999 or submitted by email to Joe.Thompson@leonardcurtis.co.uk. In order for your vote to be valid a proof of debt should also have been lodged.

**RESOLUTIONS TO BE CONSIDERED**

**Decision 1**

That the Joint Administrators' Proposals are approved.

I am \*in Favour / Against

**Decision 2**

In the absence of a creditors' committee, the remuneration of the Joint Administrators be fixed by reference to time properly spent by them and their staff in attending to matters as set out in the Fees Estimate (for an amount not exceeding £1,267,287.90).

I am \*in Favour / Against

**Decision 3**

That the unpaid pre-administration costs as detailed in the Joint Administrators' Statement of Proposals be approved for payment as an expense of the Administration.

I am \*in Favour / Against

**Decision 4**

That the basis of the recharge of the Joint Administrators' category 2 disbursements be fixed by reference to the rates set out in the Joint Administrators' Statement of Proposals and that they be authorised to be reimbursed such disbursements as and when funds permit.

I am \*in Favour / Against

**Decision 5**

That the Joint Administrators be discharged from liability in respect of any action(s) of theirs as Administrators pursuant to the provisions of paragraph 98(2)(b) of Schedule B1 to the Insolvency Act 1986, immediately upon their appointment ceasing to have effect.

I am \*in Favour / Against

*\*delete as appropriate*

**TO BE COMPLETED BY CREDITOR:**

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_

Name of creditor: \_\_\_\_\_

Position: \_\_\_\_\_



**PROOF OF DEBT**

**RELEVANT DATE: 4 OCTOBER 2018**

**Name of Company in Administration:**

**Bentley Harrington Limited t/a UNILAD**

**Company registered number:**

**08527705**

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

**Bentley Harrington Limited t/a UNILAD - In Administration**

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7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

**Notes:**

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.

APPENDIX M

NOTICE OF AN INVITATION TO CREDITORS TO FORM A CREDITORS' COMMITTEE

In the:	HIGH COURT OF JUSTICE, BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES	No:	CR-2018-006034
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Re:	BENTLEY HARRINGTON LIMITED T/A UNILAD (IN ADMINISTRATION)
Previous Name:	N/a
Registered No:	08527705

Address of Company	Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ
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NOTICE IS HEREBY GIVEN, IN ACCORDANCE WITH PARAGRAPH 57 OF SCHEDULE B1 TO THE INSOLVENCY ACT 1986, RULE 3.39 AND PART 17 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016, THAT creditors are invited to decide whether a creditors' committee should be established if sufficient creditors are willing to be members of that committee. Andrew Poxon and Andrew Duncan invite creditors to put forward their nominations for membership of the committee. Such nominations must be received by the date specified in this notice. The Joint Administrators can only accept nominations if they are satisfied as to the creditors' eligibility under Rule 17.4 of the Insolvency (England and Wales) Rules 2016.

Nominations must be received by:  
and should be delivered to:

**13 December 2018**  
**Andrew Poxon and Andrew Duncan**  
**Tower 12, 18/22 Bridge Street**  
**Spinningfields**  
**Manchester**  
**M3 3BZ**  
**Tel: 0161 831 9999**  
**Email: recovery@leonardcurtis.co.uk**

Signed:		Dated:	29/11/2018
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Creditors are referred to section 1.17 of this report for a link to guidance for creditors as to the roles, duties and responsibilities of members of creditors' committees.