In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

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

1 Company details

Company number	0 9 7 9 6 3 5 1
Company name in full	Retig Ltd

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

2 Administrator's name

Full forename(s)	Matthew James
Surname	Cowlishaw

3 Administrator's address

Building name/number	156 Great Charles Street
Street	Queensway
Post town	Birmingham
County/Region	
Postcode	B 3 3 H N
Country	

4 Administrator's name ❶

Full forename(s)	Paul James
Surname	Meadows

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

5 Administrator's address ❷

Building name/number	156 Great Charles Street
Street	Queensway
Post town	Birmingham
County/Region	
Postcode	B 3 3 H N
Country	

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

AM10
Notice of administrator's progress report

6 Period of progress report

From date	d 0 d 2	m 1 m 0	y 2 y 0 y 2 y 1
To date	d 0 d 1	m 0 m 4	y 2 y 0 y 2 y 2

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X	X
Signature date	d 2 d 9	m 0 m 4 y 2 y 0 y 2 y 2

AM10
Notice of administrator's progress report

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: Vinay Mistry

Company name: Teneo Financial Advisory Ltd

Address: 156 Great Charles Street
Queensway

Post town: Birmingham

County/Region:

Postcode: B 3 3 H N

Country:

DX:

Telephone: +44 121 619 0120

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

Teneo®

The Global CEO Advisory Firm

Court Case No. 470 of 2020
High Court of Justice
Chancery Division
Birmingham District Registry

Company Number: 09796351

Registered Office: c/o Teneo Financial Advisory Limited
156 Great Charles Street
Queensway
Birmingham
B3 3HN

Retig Ltd (in administration) ("the Company")

Progress report to creditors for the period 2 October 2021 to 1 April 2022 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules")

29 April 2022

Matthew James Cowlishaw and Paul James Meadows ("the Joint Administrators") were appointed Joint Administrators of Retig Ltd on 2 October 2020 by the Directors. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited ("Teneo") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally. As stated in the administration appointment documents, these are COMI proceedings (i.e. the centre of main interests is in the UK).

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

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Key messages

Key messages

Joint Administrators of the Company

Matthew James Cowlishaw

Paul James Meadows

Teneo Financial Advisory Limited

156 Great Charles Street

Queensway

Birmingham

B3 3HN

Contact details

Email: vinay.mistry@teneo.com

www.ips-docs.com

Tel: 0121 619 0149

Purpose of administration	• The purpose of the administration is to achieve a better result for the Company's creditors as a whole than a liquidation.
Progress of administration	• We have now concluded matters in respect of the repayment of certain expenses due to the Company from Tonik Energy Limited – in Liquidation ("Tonik"), which the Company had previously settled on Tonik's behalf. The repayment of c.£84k was received in the report period. • The Company is now ready to exit administration into Creditors Voluntary Liquidation ("CVL") • Please see page 5 for further details.
Costs	• Our fee basis was fixed as a set amount of £250k plus VAT. Please see page 12 for further details. • Category 1 third party expenses relating to IT amounting to £4.4k plus VAT were incurred in the report period. No category 1 disbursements were incurred in the report period. Please refer to page 6 for further details. • No Category 2 expenses have been incurred in the report period. Please refer to page 13 for further details.
Outstanding matters	• Recovery of the dividend on the inter-company debt of £18.1m due from Tonik. • Recovery of the dividend on the inter-company debt of £7.2m due from Locus. • Adjudicate on and agree preferential creditors' claims and make a distribution. • Adjudicate on and agree unsecured creditors' claims and make a distribution. • Recovery of VAT totalling c.£69k • All outstanding matters detailed above will be concluded in the subsequent creditors' voluntary liquidation ("CVL"). • Statutory closing procedures.
Dividend Prospects	• Secured creditors – BP Gas Marketing Limited ("BP") will not receive any distributions under its fixed charge. There are no floating charge creditors. Please see page 9 for further details. • Preferential creditors – There will be sufficient realisations to enable payment in full of preferential claims. Please see page 9 for further details. • Secondary Preferential creditor – There is no Secondary Preferential Creditor due to the date of appointment. • Unsecured creditors – It is likely that there will be a distribution for unsecured creditors. Please see page 9 for further details.
Extension to administration period	• The period of the administration has been extended to 2 October 2022 however the Company is expected to exit administration into CVL at the start of May 2022. Please see page 10 for further details.

Progress of the administration

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Progress of the administration

Summary

Background

The Company is the holding company of Tonik and Locus. As previously reported we sold the Company's shares in another subsidiary company, The Phoenix Works Ltd, for £1 and received £499,999 in settlement of intercompany debts due to the Company from The Phoenix Works Ltd.

Work done during the report period

Inter company balances - Tonik and Locus

The Company's statement of affairs includes an intercompany balance owed by Tonik of c.£18.1m.

As previously reported, we have submitted a claim in the Tonik liquidation for this amount. The position remains that the realisable value of this balance is not yet clear, as is the timescale whereby we expect to receive a dividend payment, as it is dependent upon the final amounts realised for Tonik's assets and the final amount of Tonik's agreed unsecured creditors' claims.

An unsecured claim for c.£7.2m has also been submitted by the Company in the liquidation of Locus. The value of this claim is also uncertain, as is the timescale whereby we expect to receive a dividend payment, as it is dependent upon the amount Locus receives under its own unsecured claim for c.£10m in the administration of Tonik.

We will continue to monitor progress in respect of these claims and it is anticipated that any available dividends will be received in the subsequent CVL.

Unsecured Creditors & Decision procedures

In the period we have continued to correspond with the largest unsecured creditor in respect of the progress of the administration.

We held a second creditor decision procedure during the period to fix the Joint Administrators' fee basis, seek the approval and basis of category 2 expenses and to consider whether a creditors committee should be established.

The following decisions were approved by the unsecured creditors on 16 November 2021:

That the basis of the Joint Administrators' remuneration be fixed as a set fee of £250,000 plus VAT thereon.

Unsecured Creditors & Decision procedures (continued)

That the Joint Administrators' category 2 disbursements as detailed below be approved and the Joint Administrators be authorised to draw category 2 expenses, (plus VAT where applicable) from the administration estate:

That the Joint Administrators be approved to pay Deloitte LLP as a category 2 disbursement for the costs properly incurred by Deloitte LLP DIJV, Forensics, CFA, Tax and VAT in attending to the relevant matters arising in the administration, calculated at the prevailing charge out rates as detailed in the Joint Administrators' Progress Report dated 29 October 2021.

IT Costs Reimbursement

During the period the Company was reimbursed c.£84k by Tonik for IT services invoiced to the Company but provided for the benefit of Tonik.

All funds have now been reimbursed, as shown in the receipts and payments account on page 7, therefore all work in respect of this matter is now complete.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions, including updating the creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of progress reports;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs ("HMRC") in respect of VAT and Corporation Tax matters. Post appointment VAT returns have been submitted to HMRC in the period and we expect a repayment of c.£69k to be received into the administration estate.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Progress of the administration

Summary

Third party costs incurred during the report period

Category 1 expenses are payments to persons providing the service to which the expense relates and which are neither payment to us, the officeholders, or to an associate of ours. These expenses can be paid out of the estate by us without creditor approval.

The following third party expenses have been incurred during the report period:

IT Costs:

- IT costs totalling £1.6k plus VAT were billed and paid in the report period, these were invoiced to and paid by the Company to Microsoft Operations Ireland Limited ("Microsoft") relating to services provided to Tonik. Microsoft were engaged to provide a platform to enable efficient processing of customer billing queries. They were engaged to provide these services as they had been providing services to the Company prior to our appointment and were familiar with the business.
- Datasite UK Ltd, who have relevant expertise in this area of work, were engaged to store the Company's electronic data. In respect of this work they have billed and been paid £2.8k plus VAT in the period.

All costs have been paid, as shown in the receipts and payments account on page 7. All professional costs are reviewed and analysed in detail before payment is approved.

Joint Administrators' – Category 1 Expenses

These costs and expenses not yet been paid and will be settled in the subsequent CVL.

Disbursements – Category 1

Category 1 disbursements are payments to third parties which are initially met by us and then reimbursed to us out of the estate when funds become available, and for which no approval is required. These are summarised in the table below:

Category 1 expenses

£ (net)	Estimated per Proposals	Incurred in report period	Incurred during appointment	Paid	Unpaid
Postage/Couriers	250	-	106	-	106
Specific Penalty Bond	230	-	230	-	230
Total expenses	480	-	336	-	336

Category 2 Expenses

These are payments out of the estate either:

- to us (as officeholder), for example reimbursement to staff engaged on the case for their mileage costs) or in respect of shared or allocated costs; or
- to our associates, e.g. to Deloitte LLP where their costs are being charged to the estate following the sale of the Deloitte UK Restructuring team to Teneo Financial Advisory Limited ("Teneo" and "the Transaction") on 29 May 2021.

These expenses require creditor approval in the same manner as our remuneration and as discussed in further detail on page 13.

Progress of the administration

Receipts and payments

Retig Ltd
Joint Administrators' receipts and payments account
02 October 2021 to 01 April 2022

£	SoA values	Notes	Period	To date
Fixed Charge Assets				
Shares in Tonik Energy Limited	-		-	-
Shares in Locus Energy Ltd	-		-	-
Total receipts	-		-	-
Payments				
			-	-
Total payments			-	-
Fixed Charge Asset Balance				-
Uncharged Assets				
Receipts				
Intercompany debtor due from Phoenix Renewables Ltd	-	A	-	499,999
Shares in Phoenix Renewables Ltd	-	A	-	1
Contribution to Costs	-	B	84,213	93,966
Contribution to Payroll	-		-	6,720
Rates Refund	-		-	3,590
Bank Interest Gross	-	C	8	38
IT costs	-		-	-
HMRC VAT Refund	7,705		-	7,705
Intercompany debtor due from Tonik Energy Limited	177,000		-	-
Intercompany debtor due from Locus Energy Limited	-		-	-
Fixtures and Fittings	-		-	-
Landlord Lease Deposits	-		-	-
Prepayments	-		-	-
Total receipts	184,705		84,220	612,019
Payments				
Wages and Salaries			(78)	16,644
Tonik's Share of Proceeds from The Phoenix Works Sale			-	23,000
Consultancy Fees			-	71,250
Contribution to IT Costs			1,607	93,966
Datasite Costs			2,812	2,812
Joint Administator's Fees			200,000	200,000
Legal Fees - Post Appointment			-	48,048
Legal fees - Pre Appointment			-	3,162
Legal Fee Disbursements			-	50
Statutory Advertising			-	95
Other Property Expenses			-	711
Bank Charges		C	13	32
Total payments			204,354	459,769
Uncharged Asset Balance				152,250
Balance				152,250
Made up of:				
Interest Bearing Bank Account		C		74,979
VAT Control Account		D		77,271
Balance in hand				152,250

A receipts and payments account is provided, detailing the transactions during the report period and also cumulatively for the entire period of our appointment on 2 October 2020 to 1 April 2022.

Notes to receipts and payments account

A – Sale of Subsidiary

Funds received from the sale of shares and settlement of intercompany debtor in respect of the Company's subsidiary The Phoenix Works.

B – Contribution to Costs

Funds received from Tonik to pay third party costs. These sums relate to IT services invoiced to the Company but provided for the benefit of Tonik. Tonik has reimbursed the Company for these services.

C - Bank interest

All funds are held in an interest bearing account. The associated corporation tax on interest received has been/will be accounted for to HMRC.

D - VAT

All sums shown opposite are shown net of VAT, which is recoverable and will be accounted for to HMRC in due course in the subsequent CVL.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

Information for creditors

Outcome 9

Information for creditors

Outcome

Outcome for creditors

Secured creditors

As detailed in our Proposals there will be no distribution made to BP under its fixed charge as the shares over which the charge is held have not been realised.

The Company has not granted any floating charges.

Preferential creditors

Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions.

In our Proposals we estimated that preferential claims would total approximately £20k. We now expect final preferential claims for employees to total £11.3k.

Preferential creditors will be paid in full.

Secondary Preferential Debts due to HM Revenue and **Customs ("HMRC")**

Secondary preferential debts are debts due to HMRC in respect of deducted taxes (including VAT, PAYE, student loan repayments, employee NICs and CIS deductions) on insolvency appointments falling on or after 1 December 2020.

As this appointment pre dates 1 December 2020, the Secondary Preferential Debt provisions do not apply.

Unsecured creditors

Prescribed Part

As detailed in our Proposals, there are no floating charge assets and thus the Prescribed Part provisions will not apply.

Unsecured creditors

We have received 13 claims to date which total £20.7m and are broadly in line with the statement of affairs total of £21.2m.

On present information we anticipate that there will be sufficient funds to enable a distribution to be made to unsecured creditors. We cannot estimate the rate of this dividend yet as the realisation of the Company's assets, and the adjudication and agreement of unsecured claims, is not complete. We anticipate agreeing unsecured creditors' claims in the subsequent CVL within the next 3 months.

Information for creditors

Outcome

Claims process

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed, according to the statement of affairs, is £1,000 or less. Instead, we will notify you if funds become available for dividend purposes and provide you with details of the amount at which your claim has been admitted. If you disagree with that amount, you will be provided with an opportunity to notify us of the correct amount.

Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of debt to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us either directly via the case website at www.ips-docs.com or by downloading and completing a proof of debt form from the case website and which should be sent to the address on the cover page. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

Extensions to the administration

The administration was extended by the creditors on 21 September 2021 and will now end on or before 2 October 2022. We do not anticipate that it will be necessary to further extend the period of the administration and we intend to move the Company from administration to CVL within the next two weeks.

Exit

As detailed in our Proposals, we consider that a move to CVL to enable the dividend to be paid be the most appropriate exit route from administration, because the Company should have sufficient available funds to distribute to unsecured creditors.

Remuneration and expenses

Joint Administrators' remuneration 12

Remuneration and expenses

Joint Administrators' remuneration

Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.ips-docs.com.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed on 16 November 2021 by the creditors as a set amount of £250k, plus VAT thereon.

Please also note that our approved fee basis was inclusive of the costs in respect of work delivered by Deloitte LLP and as detailed further on page 13.

Fees drawn to date

We have drawn fees of £200k as shown in the receipts and payments account on page 7. The balance of our approved fee will be drawn in the subsequent CVL.

Remuneration and expenses

Detailed information

Category 2 Expenses

Category 2 Expenses - are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

Joint Administrators' Category 2 Expenses (including disbursements)

As described on page 6, these are payments to us (as officeholder) or to our associates or payments which have an element of shared costs.

Mileage is calculated at the prevailing standard mileage rate of up to 45p at the time when the mileage is incurred. Specific approval is required before these costs and expenses can be drawn from the administration estate.

As discussed on page 6, prior to the Transaction, the work delivered by other Deloitte service lines was charged to the estate to be recovered as part of the Joint Administrators' remuneration (from which an internal recharge would have then been made).

We have thus included the anticipated costs for the services being delivered by Deloitte LLP in the amount of the set fee of £250k as approved by creditors. Following the Transaction, whilst all such costs will continue to be paid out of our approved remuneration (i.e. will not be an additional cost to the estate) we will provide you with a narrative summary of the work being delivered. We will also provide a summary rates table of the applicable charge out rates in force at the time of the report.

Further details regarding the ongoing Deloitte LLP services and summary charge out rate table are provided below and opposite.

Deloitte LLP – Services being provided

We have detailed below the services which have been or continue to be provided by Deloitte LLP, the costs of which are included in our work estimate and will thus be paid out of our approved remuneration:

- Deloitte Global Financial Advisory India **("DIJV")** – are engaged to assist with general case management and administration. Their work, which is no longer ongoing, was charged on a time costs basis in line with the charge out rates provided opposite.
- Deloitte Tax/VAT – were engaged to assist with work in connection with undertaking work in connection with a review of the Company's corporation tax position and assisting with the completion of VAT returns.Their work, which is no longer ongoing, was charged on a time costs basis. Their work, which is no longer ongoing, was charged on a time costs basis in line with the charge out rates provided opposite.
- Deloitte Forensics - We engaged the services of Deloitte Forensics, then an internal team, to assist with undertaking work in connection with imaging the IT systems and securing the Company's records. Their work, which is no longer ongoing, was charged on a time costs basis in line with the charge out rates provided below.
- Deloitte Corporate Finance Advisory **("CFA")** - We engaged the services of Deloitte CFA, then an internal team, to assist with undertaking work in connection with the sale of the shares in The Phoenix Works Limited. Their work, which is no longer ongoing, was charged on a time costs basis in line with the charge out rates provided below.

Deloitte LLP Charge out Rate Bands (£/hour)

Grade	Rate (£/hour)
Partners	1430 - 1475
Directors	1205 -1240
Associate Directors	1095 - 1130
Managers/Assistant Managers	94 - 400
Consultants	565 - 845
Associates	135 - 340
Administrators/Analysts	90 - 370
Agent	34

Remuneration and expenses

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

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