

AM03

Notice of administrator's proposals



Companies House

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

1 Company details

Company number 1 0 6 2 0 5 0 5

Company name in full Access Commercial Investors 4 PLC

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Benjamin

Surname Dymant

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 ①

Full forename(s) David Philip

Surname Soden

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 156 Great Charles Street

Street Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

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Statement of proposals

☒ I attach a copy of the statement of proposals**7**

Qualifying report and administrator's statement ^①

☐ I attach a copy of the qualifying report☐ I attach a statement of disposal

^① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8

Sign and date

Administrator's
Signature

Signature

X

X

Signature date

^d 2 ^d 3 ^m 0 ^m 9 ^y 2 ^y 0 ^y 2 ^y 2

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	Aaron Banks				
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 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 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



The Global CEO Advisory Firm

Court Case No. 2393 of 2022
The High Court of Justice, Business and Property Courts
Insolvency and Companies List
Company Number: 10620505

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

Access Commercial Investors 4 Plc - in administration (“the Company”)

JOINT ADMINISTRATORS’ STATEMENT OF PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (AS AMENDED)

Benjamin Dymant and David Philip Soden (“the Joint Administrators”) were appointed as Joint Administrators of Access Commercial Investors 4 Plc on 1 August 2022 by Albecq Trustees Limited, of Suite 6 Provident House, Havilland St, Guernsey GY1 2QE (“the Secured Creditor”). 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 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).

23 September 2022



The Global CEO Advisory Firm

Teneo Financial Advisory Limited
156 Great Charles Street
Queensway
Birmingham
B3 3HN
Tel: +44 121 619 0198
www.teneo.com/service/restructuring

This Statement of Joint Administrators' Proposals (the "Proposals" or "our Proposals") has been prepared pursuant to paragraph 49 of Schedule B1 of the Act ("the Act"), which requires that we, as the Joint Administrators, provide creditors with details of our Proposals to achieve the purpose of the administration.

We do not think that the Company has sufficient property to enable a distribution to be made to unsecured creditors, other than under the prescribed part provisions pursuant to section 176A of the Act, ("the Prescribed Part"). As such we are not required to ask creditors to approve our Proposals unless requested to do so by creditors whose total debts amount to at least 10% of the total debts of the Company. If you would like to ask us to hold a decision procedure to consider our Proposals please complete the Form for Requisitioned Decisions which is available for download from the website set up for the administration at www.ips-docs.com and return it to us by post or email no later than 5 October 2022. Please note that a deposit of £1,000 would be required towards the costs of initiating the decision procedure; such deposit may be refunded as an expense of these proceedings under Rule 15.19(4) Insolvency (England & Wales) Rules 2016 ("the Rules"), if so decided by creditors. In the event that a request for a decision procedure is not received by us by the above stated deadline, our Proposals will be deemed approved on 5 October 2022 and a notice to that effect will be filed at Companies House.

Please refer to the Frequently Asked Questions section on the case website for more information about decision procedures in insolvency proceedings.

Please also note that hard copies of any of these documents will be provided free of charge on request.








We have also included the following information in our Proposals:

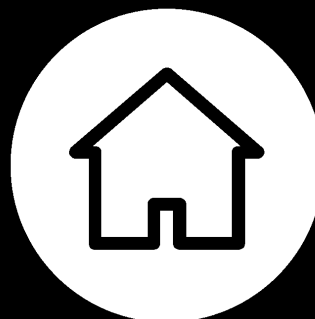
- background of the Company;
- the circumstances giving rise to the appointment of the Joint Administrators;
- the progress of the administration to date; and,
- the Joint Administrators' Proposals for achieving the objective of the administration (Appendix E).

Yours faithfully

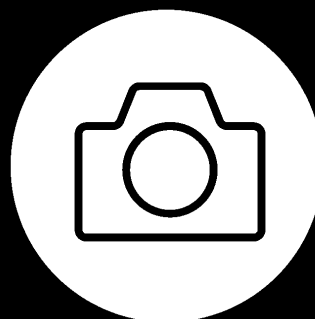
For and on behalf of the Company

Joint Administrators

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Key messages



Key messages

Joint Administrators of the Company

Benjamin Dymant

David Philip Soden

Teneo Financial Advisory Limited

156 Great Charles Street

Queensway

Birmingham

B3 3HN

Contact details

Email: Aaron.Banks@teneo.com

www.ips-docs.com

Tel: 0121 619 0198

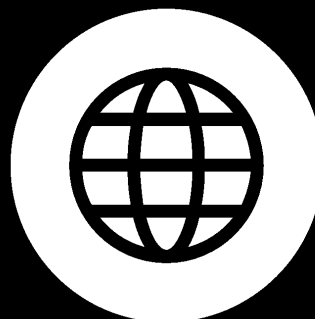
Date Proposals delivered to creditors: 23 September 2022

	Commentary
Purpose of the administration	<ul style="list-style-type: none">The purpose of the administration is to realise property in order to make a distribution to the secured and preferential creditors.
Joint Administrators' strategy	<ul style="list-style-type: none">The Joint Administrators are carrying out investigations to identify what assets may be available for the benefit of creditors. Specific details of our investigations cannot be disclosed at this time so as to not prejudice any future action which may be taken to recover assets. The Company's known assets are detailed on page 11.
Approval of the Proposals	<ul style="list-style-type: none">As there is no prospect of any funds being returned to unsecured creditors (other than by way of the Prescribed Part), our Proposals will be deemed approved by creditors unless a decision procedure is requested under Rule 15.18. Please refer to page 12 for further details.
Estimated Timescale	<ul style="list-style-type: none">The Joint Administrators will either seek an extension of the administration prior to the automatic end after 12 months, or alternatively the Joint Administrators will seek to convert to a liquidation in order to pursue potential claims. Further details are provided on page 14.
Estimated Costs and Estimate of work required to be done	<ul style="list-style-type: none">We propose to seek approval to charge our fees on the following bases:<ul style="list-style-type: none">A fixed fee of £350k plus VAT in fulfilling statutory compliance and reporting activities; and,A percentage of the value of assets recovered plus VAT.We have provided an outline of the work we propose to undertake and our anticipated costs for so doing at pages 16 and Appendix D1.We anticipate that our expenses, including disbursements, will be c.£10k over the duration of the appointment as detailed at page 17.We anticipate that third party expenses in relation to legal fees will be in the region of £300k plus VAT over the duration of the appointment as detailed on page 18.
Estimated Outcomes	<ul style="list-style-type: none">On current information, we anticipate the following outcome for each category of creditor:<ul style="list-style-type: none">Secured Creditor – It is not anticipated that the Secured Creditor will be repaid in full.Preferential creditors – We do not anticipate there will be any preferential creditors.Secondary Preferential creditor – It is unlikely that there will be sufficient asset realisations to enable payment in full of HMRC's secondary preferential claim.Unsecured creditors – It is unlikely that there will be a distribution for unsecured creditors, other than potentially via the Prescribed Part.
Shareholders	<ul style="list-style-type: none">There is no prospect of a return to the shareholder of the Company.Additional information for shareholders can be found on page 20.
Proposals	<ul style="list-style-type: none">Our Proposals for managing the business and affairs of the Company can be found on page 12.



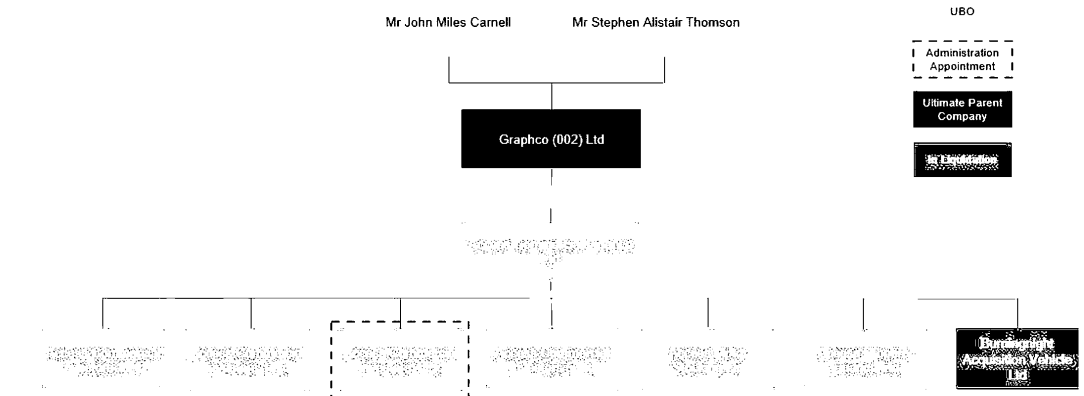
Background

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Background

The Company/Group



Background

The Company was incorporated on 15 February 2017 as a private limited company and converted to a public limited company on 16 June 2018, following the decision to raise bonds that would be listed on the Cyprus Stock Exchange.

The Company is a wholly owned subsidiary of Access Commercial Finance Limited ("the Shareholder", and together with its subsidiaries, "the Group").

The Company was set up as a special purpose vehicle to issue debt, via Group entities, to various small and medium-sized enterprise ("SME") businesses. In marketing materials reviewed by the Joint Administrators, the Group described itself as an "alternative balance sheet lender" with a particular focus on property bridging loans and motor stock finance.

In order to raise funding, the Company authorised the issue of secured bonds to a maximum quantum of £7m, pursuant to a trust deed dated 12 December 2018 ("Trust Deed"). The redemption date of the bonds was 31 December 2022.

Albecq Trustees Limited ("the Secured Creditor") was appointed as the security bond trustee, to act on behalf of the bondholders.

In March 2019, the Company issued marketing materials to offer retail investors an opportunity to purchase minibonds that guaranteed a fixed rate return of 8.1% per annum.

Following several breaches of the terms of the Trust Deed and a lack of substantive responses from the Company, the Secured Creditor enforced their security to appoint Joint Administrators in order to protect the position of the bondholders. Please see page 8 for further details.

Further details on our appointment is provided on page 9.

Summarised Group Structure Chart

The above summarised group structure chart (as of 2020) is the most up to date version according to records available. Please note that it does not reflect the full group structure.

The Company does not have any subsidiaries.

Graphco (002) Ltd is the ultimate parent company and was incorporated on 10 March 2018. Its key assets are investments in subsidiary undertakings.

The Shareholder was incorporated on 15 September 2014 and was authorised by the Financial Conduct Authority for consumer creditor activity until 29 March 2021. The headquarters were 4 Brewery Place, Leeds, LS10 1NE.

Aif 1 Limited and Huddle Capital Limited are entities which were removed from the Group on 1 June 2020.

Directors and employees

As at the date of the administration appointment, the directors of the Company were Mr John Miles Carnell and Mr Alexander Redden. John Carnell is also the Company Secretary.

The Joint Administrators are not aware of any employees.

The ultimate beneficial owners of the Group are Mr Carnell and Mr Stephen Alistair Thomson, and formerly Mr Nicholas King who resigned as a director of the Company in January 2021.



Background

Summary financials

Access Commercial Investors 4 Plc Summary profit and loss account

	Unaudited management accounts for 6 months to 31.8.2020 (£)	Statutory Accounts for 12 months to 29.2.2020 (£)
Turnover	127,983	8,994
Cost of Sales	(42,848)	(26,569)
Gross Profit	85,135	(17,575)
Gross Margin %	1	(2)
Other Expenses	(168,969)	(250,253)
LBIT	(83,834)	(267,828)

Access Commercial Investors 4 Plc Summary balance sheet

	Unaudited management accounts for 6 months to 31.8.2020 (£)	Statutory Accounts for 12 months to 29.2.2020 (£)
Tangible assets	-	-
Intangible assets	527,221	37,500
Fixed assets	527,221	37,500
Stock	-	-
Debtors	2,682,581	1,051,865
Cash and cash equivalents	450	312
Current Assets	2,683,031	1,052,177
Trade creditors	(3,593,773)	(1,389,364)
Other	-	-
Bank	-	-
Total Liabilities	(3,593,773)	(1,389,364)
Net Assets	(383,521)	(299,687)

Overview of financial information

Extracts from the Company's statutory audited accounts for the 12 months to 29 February 2020 and the unaudited management accounts for the 6 months to 31 August 2020 are shown opposite.

The August 2020 figures have not been audited and have been included for reference only.

Please note that this information has not been verified by the Joint Administrators or by Teneo.

Profit and loss commentary

Losses before interest and taxes ("LBIT") for the period to August 2020 reduced by £183k, however the Company was still loss making. The Company has not recorded a profit since incorporation in 2017.

The Company's turnover, which increased by £119k in the period to August 2020, relates to loan interest due on loans made by the Company. The reduction in other expenses relates to administrative expenses, in particular marketing and consultancy fees, which decreased by 73%.

Balance sheet commentary

Intangible assets comprise of goodwill and unpaid share capital.

The Company did not recognise any tangible assets in its accounts.

Debtors significantly increased from £1.1m in February 2020 to £2.7m in August 2020 with the increase relating to amounts owed by Group undertakings.

Trade liabilities increased by £2.2m which relates to bonds issued on the Cyprus Stock Exchange.

The overall reduction in net assets is largely a result of an increase in intercompany loans, which reflects an increase of 199% as well as an increase in bonds raised by 171%.



Background

Joint Administrators' appointment

Circumstances giving rise to the appointment of the Joint Administrators

Reasons for failure & financial distress

Due to a lack of Company information received and records available, the comments noted below and opposite are based on the Joint Administrators' understanding of the Company's reasons for failure and financial distress, since their appointment to date.

As referenced in the previous section, the Company authorised the issuance of minibonds in March 2019 up to a maximum quantum of £7m, pursuant to the terms of the Trust Deed.

The funds raised by way of the bondholders' investments were to be securely lent by the Company, via Group entities, to various SME businesses.

During 2019 and 2020, it appears that the Company arranged for some interest payments to be paid to bondholders, however the full details and quantum of such payments have not yet been established by the Joint Administrators.

On 27 November 2020, the Secured Creditor wrote to the Company highlighting the breaches of the following clauses of the Trust Deed, which constituted major defaults:

- 1) Failing to deliver financial statements to the Secured Creditor within 180 days of the year end; and
- 2) Failing to retain cash reserves of 1% of total bonds in issue.

The Secured Creditor provided a limited dispensation on the basis that the Company would rectify the breaches within a month of the defaults occurring.

The Secured Creditor also stated they would not demand immediate repayment of the bonds in issue for at least 12 months, subject to all other conditions of the Trust Deed being complied with.

In early 2022, the Secured Creditor was advised by bondholders that the Company had failed to meet its obligations under the terms of the bonds that had been issued. In particular, the Company failed to pay the fixed interest payments on 31 December 2021.

The Company did not rectify its breaches and, despite numerous requests, the Company did not provide any substantive information or meaningful explanation. As a result, the Secured Creditor took the appropriate steps to enforce its security and appoint Joint Administrators.

Steps taken to remedy/turnaround

To date, the Joint Administrators have not received any information which explains the steps taken by the Company and/or the directors to rectify the breaches of the Trust Deed and improve the performance of the Company.

When decision to appoint Joint Administrators was made

In July 2022, a demand letter was sent to the Company highlighting the various breaches of the terms of the Trust Deed.

As the Company failed to provide any assurances to the Secured Creditor or meaningful explanation of the position, the Secured Creditor enforced its rights pursuant to its security and the Trust Deed and appointed Benjamin Dymant and David Soden as Joint Administrators.

Involvement of Teneo pre-appointment

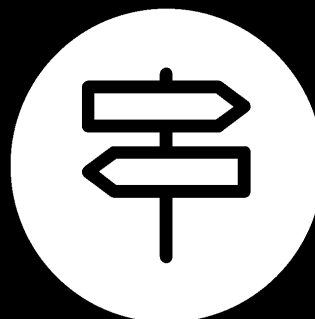
Teneo had no prior relationship with the Company or its directors, and the only work undertaken prior to their appointment was to prepare for the administration.





Post-appointment

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Post-appointment Purpose

Appointment of the Joint Administrators

Benjamin Dymant and David Soden were appointed Joint Administrators of the Company by Albecq Trustees Limited, of Suite 6 Provident House, Havilland St, Guernsey GY1 2QE on 1 August 2022.

Purpose of the administration

The Company had breached various covenants of the Trust Deed which constituted major defaults and no meaningful explanation or substantive information was provided to the Secured Creditor.

Given the Company was a financial services business, and the significant level of secured debt via investments from the bondholders, it would not be possible to secure investments or funding to rescue the business as a going concern.

Further, the administration is unlikely to achieve a better result for all creditors as a whole than would be obtained through an immediate liquidation of the Company as any assets realised would be for the benefits of the secured and preferential creditors. The unsecured creditors would only receive a return if the prescribed part is applicable. Accordingly, the purpose of the administration will be to make a distribution to the secured and preferential creditors.

The purpose of the administration will be achieved by making distributions to secured and preferential creditors.



Post-appointment Joint Administrators' strategy

How the affairs and business of the Company have been managed and financed since appointment, and the Joint Administrators' intended strategy if their Proposals are approved

Immediately following appointment, the Joint Administrators contacted over 50 stakeholders, including directors, connected companies and professional advisors, with several enquiries and requests for information relating to the Company's trading history.

The Joint Administrators are waiting for responses from certain stakeholders who are believed to hold information which is fundamental to our investigations and potential recovery of assets.

It is apparent from records available that the known assets (outlined below) do not reflect the value of bondholders' investments and to date the Joint Administrators have received no meaningful information to explain the discrepancy.

Receipts and Payment account

A receipts and payments account is provided on page 24, however there have been no transactions since our appointment.

Asset realisations

Debtors

As of 29 February 2020 (i.e. the date of the last unaudited management account), the Company had eight outstanding loans equating to a total receivable balance of c.£550k (shown as intangible assets within the accounts).

In addition to the eight loans, the Joint Administrators have identified that the Company has one registered charge that was granted in its favour against a freehold property. The charge was registered on 10 July 2020 (i.e., after the last audited accounts), which remains unsatisfied. We are seeking further information in relation to this charge.

Further analysis is being undertaken to identify any additional loans issued by the Company.

The Joint Administrators are considering the appropriate course of action to recover all outstanding loans.

Intercompany balances

The Company's audited accounts state the Company is owed c.£239k and c.£10k from the Shareholder and Access Motor Stocking Limited, respectively.

These loans are repayable on demand and the Joint Administrators will be pursuing the balances in full.

Cash at bank

We understand that the Company operated from bank accounts in the name of connected entities. The Joint Administrators are liaising with the relevant banks for confirmation of balances and copies of bank statements.

Potential claims

The Joint Administrators are not able to disclose any detailed information regarding potential claims identified to date so as to not prejudice any future action which may be taken for the benefit of the creditors.

Our investigations remain ongoing, further updates will be provided in future reports when considered appropriate.



Post-appointment Joint Administrators' Proposals

The Joint Administrators' Proposals

Our Proposals for the administration include:

- continuing to manage the affairs and any remaining assets of the Company and the settlement of all administration expenses; and
- assessing the affairs of the Company and reviewing and reporting on the conduct of its directors and, where required, providing assistance to any regulatory authorities with any investigation into the affairs of the Company or its management; and
- agreement of the claims of any secured, preferential and unsecured creditors against the Company unless we conclude, in our reasonable opinion, that the Company will have no assets available for distribution; and
- distributing funds to any secured and preferential creditors and, where applicable, to unsecured creditors under the Prescribed Part as and when their claims are agreed and funds permit, and to make distributions to unsecured creditors, other than out of the Prescribed Part if the court gives permission following an appropriate application; and
- that, following the realisation of assets and resolution of all matters in the administration, and as quickly and efficiently as is reasonably practicable, we will implement the most appropriate exit route to formally conclude the administration; and
- that, if the Company is to be placed into Creditors' Voluntary Liquidation ("CVL"), we (or any person appointed as a replacement office holder) propose to be appointed Joint Liquidators and for the purposes of section 231 of the Act the Joint Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

We will seek specific approval from the Secured Creditor to fix the basis of and the ability to draw our remuneration and expenses, including pre administration costs and expenses, and to agree the time of our discharge on conclusion of the administration.

Please refer to Appendix E for further details.



Post-appointment Outcome for creditors

Estimated outcome for creditors

Secured creditor

The Secured Creditor is regulated by the Guernsey Financial Services Commission and acted as the Company's security bond trustee on behalf of the Company's bondholders.

Pursuant to the Trust Deed, bonds were to be issued to a maximum value of £7m. The total quantum of investments is not yet known, however it is anticipated that the Company raised in excess of £7m.

A debenture was registered in favour of the Secured Creditor on 12 December 2018, thereby securing all bonds issued in connection with the Trust Deed. The debenture created first-ranking fixed and floating charges over the Company's assets.

The Secured Creditor holds security against substantially all of the Company's assets, however it will only receive a distribution for the benefit of the bondholders, if there are sufficient asset realisations.

Preferential creditors

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

The Joint Administrators are not aware of any employees therefore no preferential claims are anticipated.

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.

As we have not received a statement of affairs from the directors, we are unable to estimate HMRC's secondary preferential claim at this time.

Nevertheless, given the quantum owed to the Secured Creditor, we do not anticipate that sufficient funds will become available to enable any such claim to be paid in full.

Unsecured creditors

The directors have not submitted a statement of affairs or provided details of any unsecured creditors.

Consequently, we have not been able to identify or contact any unsecured creditors however due to the nature of the business and records available to date, it is not anticipated that there will be any material unsecured claims received in the administration.

In any event, given the quantum owed to the Secured Creditor and the lack of certainty over the quantum of the Company's assets, it is unlikely that sufficient funds would be realised to enable a distribution to the unsecured creditors (save for any distribution that may be available under the Prescribed Part).

Prescribed Part

The Prescribed Part is an amount set aside for unsecured creditors from asset realisations that would otherwise be paid to secured creditors under their floating charge, (referred to as the net property), as set out under section 176A of the Act. It applies only where the charge was created on or after 15 September 2003.

The Prescribed Part is calculated as a % of the net property and is subject to a statutory maximum of £600,000.

Where the value of the Prescribed Part is so small as to make the costs of distributing it disproportionate, the court may, on our application, disapply it.

The Prescribed Part would apply if there are sufficient floating charge asset realisations and unsecured claims are received.

Claims process

As there is likely to be no prospect of a distribution for unsecured creditors, we do not intend to undertake any work to agree any creditor claims, if received, as this work will be performed only if and when there is more certainty over dividend prospects.



Post-appointment Extensions & exit routes

Exit routes

In accordance with the provisions of the Act, all administrations automatically come to an end after one year, unless an extension is granted by the court or with consent of the creditors.

There are several possible exit routes from administration. Based on current information, we consider the following exit routes may be appropriate:

- *Dissolution* – If there is no further property which might permit a distribution to the Company's creditors, we may file notice to that effect with the Registrar of Companies and the Company will be dissolved three months later.
- *Compulsory Liquidation ("WUC")* – where there is a possibility, but no certainty, of recoveries being made or matters such as property to disclaim or further enquiry, it may be appropriate to ask the court to end the administration and to make an order to wind up the Company.
- *Creditors' Voluntary Liquidation ("CVL")* - Where a distribution to unsecured creditors will be made, other than by virtue of the Prescribed Part, we may file a notice to that effect with the Registrar of Companies. The administration will cease on the date that notice is registered and the Company will be wound up.

Please note that if the Company is placed into CVL, the Joint Administrators (or any person appointed as a replacement office holder) propose to be appointed as Joint Liquidators. The creditors may nominate a different person to be liquidator(s) provided the nomination is made before the Proposals are deemed approved i.e. by 5 October 2022.

Any creditors' committee appointed in the administration will become a liquidation committee and the basis of the Joint Administrators' remuneration fixed during the administration will apply in the liquidation.

For the purposes of section 231 of the Act the liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

Discharge of Joint Administrators' liability

Pursuant to paragraph 98 of Schedule B1 of the Act, the Joint Administrators' discharge of liability in respect of their actions as administrators takes effect at the specific time appointed by either the court, the creditors (either via the creditors' committee or by decision of the creditors) or, in specific circumstances, by the secured (and preferential) creditors.

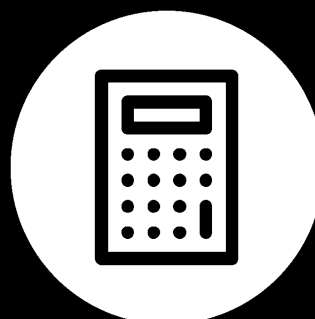
In this case, we will request approval from the Secured Creditor for us to be discharged from liability as at the date the Registrar of Companies registers the Joint Administrators' final progress report.





Remuneration and expenses

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Remuneration and expenses

Creditors' Guide to Administrators' Remuneration

A Creditors' Guide to Administrators' Remuneration" is appended to SIP 9 and is provided on the administration website and also available for download www.ips-docs.com

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on page 4 and this will be provided to you at no cost.

Basis of Administrators' remuneration

Pursuant to Rule 18.16 of the Insolvency Rules 2016 ("the Rules"), the basis of the Joint Administrators' remuneration may be fixed:

- as a percentage of the value of the property with which the Joint Administrators have to deal;
- by reference to time properly given by the insolvency practitioners and their staff in attending to matters arising in the administration;
- as a set amount;
- or, any combination of the above.

It is not anticipated that there will be any funds available to the unsecured creditors other than potentially under the Prescribed Part provisions. Therefore, in accordance with Rule 18.18(4) of the Rules and in the absence of a creditors' committee, we will seek to fix the basis of our fees as a fixed fee and as a percentage of the value of the Company's assets realised with the consent of the Secured Creditor and preferential creditors (if applicable).

Costs in relation to the Prescribed Part

Please note that in accordance with rule 3.50 of the Rules, the expenses associated with a Prescribed Part dividend must be paid out of the Prescribed Part fund. Accordingly, the cost of our work carried out to agree and pay creditor claims under the Prescribed Part will be deductible as an expense and not reflected in our fee or work estimates on the following pages.

Estimate of work required – Set Amount (Fixed Fee)

There are a number of tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature. These tasks are a necessary part of the engagement but do not generate any direct benefit for creditors. As such we consider it appropriate to limit our fee to a set or fixed amount in relation to performance of these tasks.

Based on previous appointments of this nature and having regard to the likely number and grades of staff required to fulfil these obligations, we intend to seek approval to draw a fee of £350k. This will only be paid if there are sufficient asset realisations.

Full details of the work anticipated to be performed are provided at Appendix D1.

Estimate of work required – Percentage of realisations

The Joint Administrators also intend to seek approval of their fees based on a percentage of the value of assets realised, as the work we carry out to realise assets will be done in the expectation of realising a benefit for creditors. We therefore consider it appropriate that our costs for performing such tasks should be recovered as a percentage of the assets we are dealing with.

This element of our fee basis would only come into effect subject to a minimum level of assets realisations. The specific details are to be agreed with the Secured Creditor and preferential creditors where applicable. Further details will be shared in future reports.

Investigations undertaken to date have not identified any assets that are immediately realisable and there are limited records available to assist in the recovery of assets at this time. Further, any recovery of assets would likely require enforcement action or litigation.

As such, the proposed fee basis is considered to be a fair and reasonable reflection on the level of work which would be required to be carried out.

Full details of the work we anticipate carrying out in this regard are provided at Appendix D1.



Remuneration and expenses

Creditors' Guide to Administrators' Remuneration

A Creditors' Guide to Administrators' Remuneration" is appended to SIP 9 and is provided on the administration website and also available for download www.ips-docs.com

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on page 4 and this will be provided to you at no cost.

Joint Administrators' – Expenses

Expenses are payments from the estate which are neither remuneration payable to us as officeholders nor a distribution to a creditor or a member. Expenses includes disbursements; disbursements are payments first made by us out of our own funds and later reimbursed to us (to the extent possible) out of estate funds.

Expenses are divided into those that do not need approval before they are charged to (and recovered from) the estate ("Category 1") and those that do ("Category 2") and as described below and across the page:

- Category 1 expenses - are payments to persons providing the service to which the expense relates and who are not an associate of the officeholder. These expenses can be paid out of the estate by us without creditor approval.
- Category 2 expenses - are payments to us (as officeholder) or our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

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.

A summary of our estimated disbursements and disbursements incurred to date are summarised in the table below:

Category 1 expenses

£ (net)	Estimated per Proposals	Incurred in report period	Paid	Unpaid
Statutory Advertising	99	99	-	99
Specific Penalty Bond	230	230	-	230
Legal Fees	9,000	9,000	-	9,000
Total disbursements	9,329	9,329	-	9,329

Category 1 Expenses - Other professional costs

Prior to instructing providers of specialist advice and or services, we have evaluated whether the work/advice is both warranted and also that the cost of same represents best value for the estate. We review all such arrangement periodically to ensure that best value continues to be obtained. Further details are provided below.

Lawyers/Legal Services

We have instructed Stephenson Harwood, a firm of lawyers with the appropriate expertise and experience in dealing with these types of administrations, to review the validity of our appointment. Their fee for so doing was £9,000 plus VAT;

We have also instructed DWF Law LLP ("DWF"), a firm of lawyers with the appropriate expertise and experience in dealing with these types of administrations.

DWF have prepared and reviewed correspondence to various stakeholders and assisted in a number of conversations with the directors and wider management team. They will continue to advise on ad hoc and legal matters throughout the administration.

DWF are acting on a contingent basis but have estimated that their fees will not exceed £300k (exclusive of VAT and disbursements). DWF have not raised any invoices to date.

Whilst we are not required to seek creditor approval for any of the foregoing expenses, we confirm that all professional costs are reviewed by us and analysed in detail before payment is approved or made.

Category 2 Expenses

As indicated, these expenses require creditor approval in the same manner as our remuneration. Please refer to appendix D for further information.



Remuneration and expenses

Pre-administration costs

Statement of pre-administration costs

In the following paragraphs we have provided an explanation of the work carried out by us and DWF in the period prior to the administration and which was carried out with the intention of helping to achieve the objective of the administration, i.e., which was necessary to prepare for the appointment in an orderly manner and to comply with our statutory requirements.

- Considering the impact of an administration appointment, including potential funding requirements.
- Liaising with legal advisors in relation to preparation of appointment documents, including consents to act.
- Liaising with the Secured Creditor to discuss plans for the period immediately following the administration appointment.
- Identifying key stakeholders to contact following appointment, including connected parties and professional advisors.

Our fee in relation to the above is £22k plus VAT which remains outstanding.

During the planning for the administration, we were assisted by DWF on matters including:

- Assessing the regulations and legal implications of an administration appointment.
- Assessing the necessary timings of an administration appointment and filing of court documentation.
- Writing to the Company's directors regarding the proposed administration appointment.
- Drafting the administration documentation and carrying out the appointment process.

In respect of this work, DWF incurred costs of £23k plus VAT, which remains unpaid.

Approval of unpaid pre-administration costs

As set out above, we have unpaid pre-administration costs and expenses of £45k plus VAT. The payment of these unpaid costs as an expense of the administration is subject to approval under Rule 3.52. In this regard we will invite the Secured Creditor to decide whether and to what extent the unpaid pre-administration costs should be approved for payment.



Additional information

Investigations

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Additional information

Case specific matters and Investigations

The Insolvency (Amendment) (EU Exit) Regulations 2019 (the "Regulations")

As stated in the administration appointment documents, these are COMI proceedings (i.e. the centre of main interests is in the UK).

Third party assets

Should you believe that you own or have a claim regarding items that may have been present at the Company's premises at the date of our appointment please contact us as soon as possible.

Shareholders

We are not obliged to provide further information or reports to shareholders of the Company. However regular updates will be uploaded to the website set up for the administration at: www.ips-docs.com.

Due to the insolvency of the Company and anticipated level of asset realisations compared with the level of creditor liabilities owed by the Company, there is no prospect of a return being made to the shareholders.

Following our appointment, the Company is no longer able to process transfers of shares, nor re-issue any unclaimed dividend cheques.

In certain cases, HM Revenue & Customs may declare shares to be of nil value and capital losses may be claimed. Shareholders should contact their local tax office for further information.

Case specific

The Company advised bondholders that their investments would be listed on the Cyprus Stock Exchange to allow the bondholders to trade their securities, however it appears the Company failed to list all investments as only c.£2.4m worth of investment has been listed.

The Cyprus Stock Exchange has suspended all trading of the Company's securities and the appropriate next steps are being considered.

The Joint Administrators are not able to provide any advice to the bondholders regarding their investments.

Investigations

As part of our duties, we are obliged shortly after our appointment to review all of the information available to us and conduct an initial assessment of whether there are any matters that might lead to a recovery for the benefit of creditors. This initial assessment includes enquiries into any potential claims that may be brought against parties either connected to or who have had past dealings with the Company.

In addition, we are required to consider the conduct of the directors and any person we consider to have acted as a shadow or de facto director in relation to their management of the affairs of the Company and the causes of failure and we will submit a confidential report to the Insolvency Service, a division of the Department for Business, Energy and Industrial Strategy.

Creditors who wish to draw any matters to our attention should contact us using the contact details given on page 4 as soon as possible.





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Appendices
Appendix A

Statutory Information

Statutory Information	
Company number	10620505
Registered office	156 Great Charles Street, Queensway, Birmingham, B3 3HN
Previous registered office	4 Brewery Place, Leeds, England, LS10 1NE
Trading names	Access Commercial Investors 4 Plc
Court	High Court of Justice, the Business and Property Courts of England & Wales
Court reference	CR-002393-2022
Company directors	Mr John Miles Carnell & Mr Alexander Marcus Redden
Company Secretary	Mr John Miles Carnell

Website

In order to facilitate communication, all statutory reports, documents and notices will be posted on to a website which has been set up specifically for the Company. The web address is www.ips-docs.com

All documents will be retained on the website which will remain live until two months after the conclusion of the proceedings.

Please contact Aaron Banks using any of the contact details given below if you would like to be provided, free of charge, with a hard copy of documents posted, either now or in the future, to the website:

Phone: 0121 619 0198

Email: aaron.banks@teneo.com

Postal address: Teneo Financial Advisory Limited, 156 Great Charles Street, Birmingham, B3 3HN

Please note that, other than notice of intended dividend, no further notice will be given to you when documents are uploaded to the website. It is thus important that you review the website regularly to check for updates, such as notices of decision procedures or our six-monthly reports on progress.



Appendices

Appendix B

No statement of affairs
has been submitted

Statement of Affairs

The directors were notified on 8 August 2022 that they were required to make out and deliver a statement of the Company's affairs to us by 22 August 2022.

To date, no statement of affairs has been provided.

Due to the lack of books and records available we are unable to provide an estimated statement of financial position as at the date of appointment.

Additionally, due to the lack of books and records available, as noted above, we are unable to provide a schedule of the Company's creditors.



Appendices
Appendix C

Joint Administrators' receipts and payments account
1 August 2022 to 21 September 2022

£	SoA values	Notes	Period	To date
Receipts	-		-	-
Total receipts	-		-	-
Payments			-	-
Total payments			-	-
Balance				-
Made up of:				-
Balance in hand				-

Notes to the receipts and payments account

A receipts and payments account is provided opposite. There have been no transactions since our appointment on 1 August 2022.

Notes to receipts and payments account

Statement of Affairs

No statement of affairs has been provided by the Company's directors and no assets have been realised to date, accordingly no estimated to realise values are provided opposite. Please see page 7 for the amounts stated in the Company's last audited accounts as of 29 February 2020.



Appendices

Appendix D1

Estimate of work to be undertaken

Joint Administrators' Estimate of Work to be undertaken – set fee basis

Details of work that we anticipate to be undertaken and for which a set fee of £350k plus VAT will be charged are provided below:

Statutory Tasks and Administration

- Formulating and implementing an appropriate administration strategy.
- Case set-up and on-going case management, including data capture and entry.
- Cashiering, including maintaining bank accounts and monthly bank reconciliations.
- Statutory reporting - preparation and filing of statutory documentation with the Court, Companies House and other stakeholders. Such documentation, includes the preparation of our Proposals and progress reports.
- Investigation into the Company's affairs and producing a report on the directors' conduct to the Insolvency Service.
- Compliance with ethical and anti-money laundering regulations.
- Considering VAT and other tax requirements and general matters, including ongoing returns to HM Revenue & Customs.

Creditors

- Liaising with the Company's Secured Creditor and also directly with bondholders.
- Distributions to the Secured Creditor and preferential creditors, if realisations permit.

Case specific matters

- Liaising with the Cyprus Stock Exchange and other associated parties regarding the listed securities.

Joint Administrators' Estimate of Work to be undertaken – percentage basis

Having regard to the nature of assets and the work required to recover such assets, we propose to seek further approval to fix our fees in connection with the realisation of assets on a percentage basis. This will only come into effect subject to a minimum level of assets being recovered.

The Joint Administrators currently have very limited information of the Company's assets and therefore are unable to provide estimated asset valuations.

As explained on page 16, as there is not anticipated to be any return to the unsecured creditors, the specific details is to be agreed with the Secured Creditor.

Further details will be shared in future reports.



Appendices

Appendix D2

Category 2 Expenses

Joint Administrators – Category 2 Expenses

As described on page 16, these are payments to us (as officeholder) or our associates or payments which have an element of shared costs.

Specific approval is required before these expenses can be drawn from the administration estate.

To date, no category 2 expenses have been incurred and we do not anticipate that we will incur any such expenses.

Mileage is calculated by reference to the mileage properly incurred by the Joint Administrators and their staff, at the prevailing standard mileage rate used at the time when the mileage is incurred (currently up to 45p per mile).



Appendices

Appendix E

Joint Administrators' Proposals

Our Proposals will be deemed approved on 5 October 2022 unless a creditors' decision procedure is requisitioned in accordance with Rules 15.18 and 15.19 of the Rules 2016.

We will still need to obtain specific approval for the resolutions given below from the Secured Creditor.

1. Approval that the basis of the Joint Administrators' remuneration shall be fixed as a percentage of the value of assets realised and as a set fee, plus VAT.
2. Approval that any category 2 expenses incurred by the Joint Administrators be approved and the Joint Administrators be authorised to draw both category 1 and category 2 expenses, (plus VAT, where applicable) from the administration estate.
3. Approval that the Joint Administrators' pre administration fees of £22k and legal fees of £23k, plus VAT respectively, as detailed on page 17 of the Joint Administrators' Proposals, be approved and that the Joint Administrators be authorised to draw their pre-administration fees and expenses (plus VAT) from the administration estate.
4. Approval that the Joint Administrators be discharged from liability per paragraph 98 of Schedule B1 of the Act immediately upon the registration of the Joint Administrators' final progress report by the Registrar of Companies.

A creditors' committee will not be formed unless we are requested to hold a decision procedure for purposes of forming a creditor's committee; please refer to page 1 of the Proposals for details of the procedure in this regard.

Please note that if you wish to form a creditors' committee, you will also be expected to confirm your willingness to serve or be represented on the creditors' committee, including dealing with any business placed before the creditors' committee throughout the period of the administration and in any follow on liquidation should a creditors' committee be formed.



Appendices

Important notice

Important Notice

This document has been prepared by the Joint Administrators solely to comply with their statutory duty under paragraph 49 of Schedule B1 of the Act to lay before creditors a statement of their Proposals for achieving the purpose of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This document has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this document are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this document for any purpose or in any context other than under paragraph 49 of Schedule B1 of the Act does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of these Proposals.

The Joint Administrators act as agents of the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Teneo Financial Advisory Limited does not assume any responsibility and will not accept any liability to any person in respect of this document or the conduct of the administration.

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