

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 1 0 8 7 1 6 5 7

Company name in full Neon Reef Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Robert Andrew

Surname Croxen

3 Liquidator's address

Building name/number Suite 3 Regency House

Street 91 Western Road

Post town Brighton

County/Region

Postcode B N 1 2 N W

Country

4 Liquidator's name ①

Full forename(s) Paul

Surname Berkovi

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Suite 3 Regency House

Street 91 Western Road

Post town Brighton

County/Region

Postcode B N 1 2 N W

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	d	0	d	7	m	1	m	1	y	2	y	0	y	2	y	2
To date	d	0	d	6	m	1	m	1	y	2	y	0	y	2	y	3
7	Progress report															
☒ The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature 															
Signature date	d	1	d	5	m	1	m	2	y	2	y	0	y	2	y	3

**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 **Ruth Turner**

Company name **Alvarez & Marsal Europe LLP**

Address **Suite 3 Regency House**

91 Western Road

Post town **Brighton**

County/Region

Postcode **B N 1 2 N W**

Country

DX

Telephone **+44 (0) 20 7715 5200**

**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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ❶
Attach this to the relevant form.
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☐ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☒ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Mark

Surname

Firmin

3 Insolvency practitioner's address

Building name/number

Suite 3 Regency House

Street

91 Western Road

Post town

Brighton

County/Region

Postcode

B N 1 2 N W

Country

NEON REEF LIMITED – IN LIQUIDATION

Joint Liquidators' first progress report

For the period from 7 November 2022 to 6 November 2023

15 December 2023

Contents

1	Executive summary	3
2	Strategy and outcome of the liquidation	4
2.1	Strategy and outcome	4
2.2	Asset realisations	5
2.3	Expenses	5
2.4	Schedule of expenses	6
3	Outcome for creditors	7
3.1	Secured creditors	7
3.2	Preferential creditors	7
3.3	Unsecured creditors	7
4	Joint Liquidators' remuneration	8
4.1	Joint Liquidators' remuneration	8
	Appendix 1 – Statutory information	10
	Appendix 2 – Receipts and payments account	11
	Appendix 3 – Schedule of expenses	13
	Appendix 4 – Charging policy	15
	Appendix 5 – Glossary	23
	Appendix 6 – Notice: About this progress report	24

1 Executive summary

- We Rob Croxen, Paul Berkovi and Mark Firmin of Alvarez & Marsal Europe LLP (“A&M”) were appointed Joint Liquidators (“we”/“us”/“our”) of Neon Reef Limited (the “Company”) on 7 November 2022 following a previous administration appointment.
- This progress report covers the periods from the date of our appointment as Joint Liquidators to 6 November 2023 (the “First Period”) and 7 November 2023 to the 8 December 2023 (“the Final Period”). We also include a note of the matters occurring after the date of the final administration report.
- The Company’s assets were realised during the prior administration. The liquidation strategy has been to transfer surplus administration funds to the liquidation account, await the outcome of the Court directions’ hearing and complete the process of distributing funds to the secondary preferential creditor and unsecured creditors (Section 2 – Strategy and outcome of the liquidation).
- We are not aware of any secured claims against the Company (Section 3 – Outcome for creditors).
- The secondary preferential creditor was paid in full during the First Period (Section 3 – Outcome for creditors).
- A first and final dividend to unsecured creditors was declared on 23 October 2023 (during the First Period). The total amount distributed to unsecured creditors during the liquidation was £875,392 equivalent to 8.16p in the £.
- If you wish to object to the release of the Joint Liquidators, you must give written notice to the Joint Liquidators (i) within eight weeks of delivery of this Report or (ii) where information is requested or an application made to Court in accordance with Appendix 3, within eight weeks of when that request or application is finally determined. The full text of the relevant rules can be provided on request by writing to Ruth Turner at INS-NEONRL@alvarezandmarsal.com.
- Providing there is no objection, the Joint Liquidators will vacate office on delivering to the Registrar of Companies the final account and notice stating that no creditor has objected to their release.
- Please note that you should read this report in conjunction with all previous correspondence sent to the Company’s creditors and which are available on the Portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Rob Croxen
Joint Liquidator

2 Strategy and outcome of the liquidation

This section provides a final update on the liquidation. It follows the information provided in our previous progress reports issued during the administration.

2.1 Strategy and outcome

We detailed our strategy in the Joint Administrators' final progress report and this has not changed. The Company moved to liquidation to continue with the Court directions application and facilitate a distribution to the unsecured creditors of the Company without the need to incur additional costs of seeking court orders to extend the administration and make the distribution.

2.1.1 Matters occurring after the date of the final administration report

Between the date of our final report on the administration (17 October 2022) to the end of the administration period (7 November 2022) we incurred an additional £40,690 (93 hours).

Total time costs incurred in the administration were £1,371,480 against which we have drawn total remuneration of £1,371,480 (within our fees estimate).

During this period we completed the statutory closure formalities of moving the Company from administration to liquidation including drafting and issuing the final report to the relevant parties, ongoing case management including dealing with enquiries from creditors/customers and ensuring records and systems were finalised.

2.1.2 Court directions hearing

As detailed in our previous progress reports, there were a number of potential creditor claims, or contingent creditor claims that could have been lodged in the insolvency estate.

Due to the potential quantum of these claims and, if admitted, impact on the return to unsecured creditors of the Company, we sought guidance on these claims by way of a Court directions application.

The directions application was heard during the First Period of the liquidation and provided clarity on the claims that could be submitted in the insolvency.

As part of the hearing, a costs order was made against the Company (and other applicants) for certain legal advisers' fees which are detailed at Section 2.3 Expenses.

Please refer to our previous progress reports in the administration for further information in relation to the directions application.

2.1.3 First Period

During the First Period of the liquidation we paid a dividend to the secondary preferential creditor and declared a first and final dividend to the unsecured creditors of the Company. More details on the dividends can be found in Section 3 of this report.

We finalised the Company's tax affairs, which included calculating the final tax liabilities and submitting the associated returns to HM Revenue & Customs ("HMRC"). We also prepared and submitted a claim to HMRC for the VAT refund due to the Company which spanned the administration and liquidation, and this refund was received into the liquidation estate.

We took steps to conclude the liquidation which included contacting legal advisers, other agents and contractors in order to agree and settle the final costs and expenses of the liquidation.

2.1.4 Final Period

Since 7 November 2023, we have issued cheques for the unsecured dividend and dealt with the queries received from unsecured creditors as a result of the dividend payment (including reissuing cheques where required). We have submitted a final VAT claim to HMRC and drafted the statutory documentation required to conclude the liquidation (including this report).

2.2 Asset realisations

Realisations during the First Period and Final Period of the liquidation are set out in the attached receipts and payments account at Appendix 2.

All of the Company's assets were realised during the administration, and therefore we have not made any significant realisations during the liquidation.

Balances transferred from the administration

Cash balances totalling £1,083,306 were held by the Joint Administrators at the conclusion of the administration. These amounts were transferred to the liquidation account, under our control.

In addition, an outstanding VAT receivable balance of £284,461 was transferred from the administration in relation to VAT due from HMRC. This amount was duly requested from HMRC and has been recovered in full during the liquidation.

2.2.2 Investigations

The online director conduct assessment was submitted to the Department for Business & Trade during the administration and no further submissions are required during the liquidation. The contents of the submission are confidential.

2.3 Expenses

2.3.1 Payments

Payments made during the First Period and Final Period of the liquidation are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during these periods are provided below.

Legal Fees and disbursements

During the First Period we have paid £34,578 in respect of legal fees and £9,441 of disbursements.

Of which, £34,175 was paid to Womble Bond Dickinson UK LLP ("WBD") for fees and disbursements in relation to the direction hearing costs, Counsel's fees and adhoc legal advice.

In respect of the Court direction hearing, the Company was also instructed to pay the following costs via a cost order:

▪ Ofgem	£3,814
▪ Freshfields Bruckhaus Deringer LLP	£6,030

Contractor costs

During the First Period we have paid £25,000 to PA Consulting Services Limited ("PA Consulting") in respect of the management and adjudication of the more complex unsecured creditor claims.

During the Final Period we have paid £675 to Evolve IS Limited ("Evolve") in respect of adjudication of the employee unsecured claims and statutory submissions to HMRC.

Joint Administrators' fees and disbursements

During the First Period, we have paid £70,947 in relation to fees and £74 of disbursements relating to the preceding administration, in accordance with the approvals obtained from creditors during the administration.

Joint Liquidators' fees and disbursements

During the First Period we have paid £206,252 in respect of liquidation fees and £105 of disbursements, in accordance with approvals obtained from creditors.

During the Final Period we settled the final liquidators' fees of £145,560 and disbursements of £251.

2.3.2 Professional advisers and sub-contractors

Contractors

PA Consulting was instructed to complete an independent assessment in relation to certain complex unsecured creditor claims. Some of the larger creditor claims were based on energy consumption and with access to industry data, PA Consulting were able to review due to their knowledge and expertise in this sector. PA Consulting were paid a fixed amount of £5,000 per claim adjudicated.

Evolve was engaged to adjudicate the employee claims on a fixed cost basis. Whilst the work carried out by this sub-contractor could have been carried out by us and our staff, we concluded that engaging Evolve would be more cost-efficient.

Evolve was chosen based on our view of their experience and ability to perform the type of work required within the available timeframe.

We regularly review costs incurred by our professional advisors and sub-contractors to ensure they are reasonable and in line with estimates.

2.4 Schedule of expenses

We have detailed the costs incurred during the First Period and Final Period in the schedule of expenses attached (Appendix 3).

3 Outcome for creditors

3.1 Secured creditors

We are not aware of any secured claims against the Company.

3.2 Preferential creditors

The ordinary preferential creditors were repaid in full during the administration.

A first and final dividend to secondary preferential creditors of 100p in the pound was declared on 17 July 2023 and paid during the First Period.

3.3 Unsecured creditors

The unsecured claims have been agreed at £10,728,374.

A first and final dividend to unsecured creditors of 8.16p in the £ was declared on 23 October 2023 during the First Period and paid during the Final Period.

The total amount distributed to unsecured creditors during the liquidation was £875,392 equivalent to 8.16p in the £.

4 Joint Liquidators' remuneration

4.1 Joint Liquidators' remuneration

The Company's creditors have provided approval that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate and charge-out rates provided to creditors

4.1.1 Time costs

During the First Period we have incurred time costs of £385,974. These represent 645 hours at an average rate of £598 per hour.

During the Final Period, we have incurred time costs of £31,207. These represent 84 hours at an average rate of £372 per hour.

From the date of our appointment to 8 December 2023 (the total period of the liquidation), we have incurred time costs of £417,181. These represent 729 hours at an average rate of £572 per hour.

4.1.2 Remuneration

We have drawn remuneration of £206,252 during the First Period and £145,560 in the Final Period.

During the liquidation we have drawn remuneration of £351,812 in relation to liquidation fees in addition to the outstanding administration remuneration of £70,947 (detailed at Section 2.1.1 and 2.3.1).

4.1.3 Additional information

Fees estimate

During the liquidation we have exceeded our fees estimate of £351,838 because we have spent more time on claims adjudication (inc creditor correspondence) and tax/VAT matters than originally anticipated.

We anticipate that further time will be spent bringing the liquidation to a close following the circulation of this report to the Company's creditors.

We are not seeking to draw remuneration in excess of the previously approved amount of £351,838.

Expenses estimate

The expenses incurred during the liquidation have exceeded our original expenses estimate of £21,400. This is due to:

- Legal fees and disbursements, including Counsel's fees, have been higher than we initially anticipated following the Court direction hearing (see Section 2.1.2 and 2.3.1 for further information on these costs;
- We had not previously included PA Consulting or Evolve's fees in relation to claims adjudication in the original expenses estimate.

Time spent and charging policy

We have attached at Appendix 4 an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Alvarez & Marsal Europe LLP for the following periods:

- 7 November 2022 to 6 November 2023
- 7 November 2023 to 8 December 2023
- A summary of the cumulative time costs to 8 December 2023

We have also attached our charging policy.

Appendix 1 – Statutory information

Company information	
Company name	Neon Reef Limited
Date of incorporation	18 July 2017
Company registration number	10871657
Present registered office	Suite 3, Regency House, 91 Western Road, Brighton, BN1 2NW
Previous registered office	5 Poole Road, Bournemouth, BH2 5QL
Trading address	5 Poole Road, Bournemouth, BH2 5QL
Nature of business	Trade of electricity

Liquidation information	
Appointment	Pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986
Date of appointment	7 November 2022
Joint Liquidators	Rob Croxen, Paul Berkovi and Mark Firmin
Joint Liquidators' contact details	Address: Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW Tel: 020 7715 5200 Email: INS-NEONRL@alvarezandmarsal.com
Functions	The functions of the Joint Liquidators are being exercised by them individually or together in accordance with Section 231(2) of the Insolvency Act 1986

Appendix 2 – Receipts and payments account

First Period

Neon Reef Limited (In Liquidation) Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 07/11/2022 To 06/11/2023 £	From 07/11/2022 To 06/11/2023 £
	ASSET REALISATIONS	
	Contribution to Costs	50.93
	Funds from Administration	
(1,083,306.06)	Funds Transferred from ADM	1,083,306.06
(284,460.74)	VAT Transferred from ADM	284,460.74
		<u>1,367,817.73</u>
	OTHER REALISATIONS	
	Bank Interest	5,422.27
	Sundry Refunds	172.00
		<u>5,594.27</u>
	COST OF REALISATIONS	
	Administrators' Fees/Disbursements	
	Administrators' Fees	70,946.50
	Administrators' Disbursements	73.66
	Liquidators' Fees	
	Post-appointment Liquidators' Fees	206,251.75
	Liquidators' Disbursements	
	Post-appointment Administrators' Disbursements	104.62
	Contractor Costs	
	Post-appointment Contractor Costs	25,000.00
	Legal Fees/Disbursements	
	Post-appointment Legal Fees	34,578.01
	Post-appointment Legal Disbursements	9,441.01
	Bank Charges	37.25
		<u>(346,432.80)</u>
	2nd PREFERENTIAL CREDITORS	
	HMRC PAYE	5,020.28
		<u>(5,020.28)</u>
		<u>1,021,958.92</u>
	REPRESENTED BY	
	Floating VAT Receivable	67,308.41
	Floating Charge Current NIB 22-09-23	146,490.47
	Dividend Account	875,468.45
	Floating VAT Control Account	(67,308.41)
		<u>1,021,958.92</u>

Final Period

**Neon Reef Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 07/11/2023 To 08/12/2023 £	From 07/11/2022 To 08/12/2023 £
	ASSET REALISATIONS	
	Contribution to Costs	NIL 50.93
	Funds from Administration	
(1,083,306.06)	Funds Transferred from ADM	NIL 1,083,306.06
(284,460.74)	VAT Transferred from ADM	NIL 284,460.74
		<u>NIL 1,367,817.73</u>
	OTHER REALISATIONS	
	Bank Interest	NIL 5,422.27
	Sundry Refunds	NIL 172.00
		<u>NIL 5,594.27</u>
	COST OF REALISATIONS	
	Repayment of Contribution to Costs	50.93 50.93
	Administrators' Fees/Disbursements	
	Administrators' Fees	NIL 70,946.50
	Administrators' Disbursements	NIL 73.66
	Liquidators' Fees	
	Post-appointment Liquidators' Fees	145,560.07 351,811.82
	Liquidators' Disbursements	
	Post-appointment Administrators' Disbursements	251.00 355.62
	Contractor Costs	
	Post-appointment Contractor Costs	675.00 25,675.00
	Legal Fees/Disbursements	
	Post-appointment Legal Fees	NIL 34,578.01
	Post-appointment Legal Disbursements	NIL 9,441.01
	Bank Charges	30.15 67.40
		<u>(146,567.15) (492,999.95)</u>
	2nd PREFERENTIAL CREDITORS	
	HMRC PAYE	NIL 5,020.28
		<u>NIL (5,020.28)</u>
	UNSECURED CREDITORS	
	Trade & Expense Creditors	863,303.04 863,303.04
	Employees	11,771.16 11,771.16
	Redundancy Payments Service	317.57 317.57
		<u>(875,391.77) (875,391.77)</u>
		<u>(1,021,958.92) (0.00)</u>
	REPRESENTED BY	
	Floating VAT Receivable	96,605.62
	Floating VAT Control Account	(96,605.62)
		<u>NIL</u>

Note:

Statement of Affairs ("SOA") figures have not been included above since the Company's assets were realised in the Company's preceding administration. Therefore, a meaningful comparison to the original SOA by category cannot be made. Please see the Joint Administrators' final progress report for the SOA figures if required.

Appendix 3 – Schedule of expenses

A3.1 Schedule of expenses

A summary of expenses incurred during the First Period is set out below:

Category	Incurred in the First Period (£)
Joint Liquidators' disbursements	286.25
Bank charges	37.25
Contractors' costs	25,675.00
Legal Fees – Costs Order – Freshfields	6,029.92
Legal Fees – Costs Order – Ofgem	3,814.32
Legal Fees - WBD	24,733.77
Legal disbursements - WBD	9,441.01
Total	70,017.52

A summary of expenses incurred during the Final Period is set out below:

Category	Incurred in the Final Period (£)
Joint Liquidators' disbursements	69.37
Bank charges	30.15
Total	99.52

A3.2 Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Ruth Turner at Alvarez & Marsal Europe LLP, Suite 3, Regency House, 91 Western Road, Brighton, BN1 2NW.

Appendix 4 – Charging policy

Joint *Liquidators*' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation. This includes work undertaken in respect of tax, VAT and investigations from A&M in-house specialists.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation, using a minimum time unit of six minutes.

All staff who have worked on the liquidation, including cashiers and secretarial staff, have charged time directly to the liquidation and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the liquidation but is reflected in the general level of charge-out rates.

Charge-out rates (£/hour) for: Restructuring

Grade	From 7 November 2022
Managing Director	1,150
Senior Director	1,030
Director	950
Associate Director	760
Senior Associate	655
Associate	495
Analyst	280
Support	210

A copy of "Liquidation: A Guide for Creditors on Insolvency Practitioner Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available via the Portal.

If you are unable to access this guide and would like a copy, please contact Ruth Turner on 020 7715 5200.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover disbursements falling into both category 1 and category 2 expenses from the estate. For the avoidance of doubt, such disbursements are defined within SIP 9 as payments which are first met by the office holder, and then reimbursed to the office holder from the estate. These are divided in SIP 9 as follows:

- Disbursements within category 1 expenses: These are payments which do not have any element of shared costs and are made to persons who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.
- Disbursements within category 2 expenses: These are payments to associates or which have an element of shared costs. These may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Disbursements within category 2 expenses charged by A&M include mileage at a rate of 45p per mile. When carrying an A&M passenger, no additional cost per passenger will be charged.

We have the authority to pay disbursements falling within category 1 expenses without the need for any prior approval from the creditors of the Company.

Disbursements falling within category 2 expenses have been approved in the same manner as our remuneration.

Disbursements falling within category 1 expenses:

Nature of disbursement	Amounts incurred in the First Period (£)	Amounts paid in the First Period (£)
Postage	73.45	1.02
Advertising costs	212.8	103.60
Total	286.25	104.62

Nature of disbursement	Amounts incurred in the Final Period (£)	Amounts paid in the Final Period (£)
Postage	69.37	141.80
Advertising costs	-	109.20
Total	69.37	251.00

Disbursements falling within category 2 expenses:

No disbursements falling within category 2 have been incurred or paid during the First or Final Periods of the liquidation.

Our time cost summary in accordance with SIP 9

Please refer to the tables below for a detailed breakdown and narrative of our time costs to 6 November 2023 (First Period) and 7 November 2023 to 8 December 2023 (Final Period) in accordance with SIP 9.

Time costs for the period 7 November 2022 to 6 November 2023

Classification of work function	Total hours	Total time cost (£)	Average hourly rate (£)
Engagement control	86.9	59,525	685
Appointment and risk	19.8	15,334	774
Reports, decision making and remuneration	18.9	12,338	653
Correspondence and statutory filing	107.2	46,262	432
Asset realisations	1.4	869	621
Costs of realisation	8.1	4,489	554
Tax	70.8	45,895	648
Cashiering	34.4	19,379	563
Employees and pensions	4.2	2,680	638
Claims and distributions	276.7	167,227	604
Exit routes and closure	17.1	11,976	700
Total	645.4	385,974	598

Time costs for the period 7 November 2023 to 8 December 2023

Classification of work function	Total hours	Total time cost (£)	Average hourly rate (£)
Engagement control	3.6	2,057	571
Reports, decision making and remuneration	4.1	6,212	1,515
Correspondence and statutory filing	5.4	2,957	548
Tax	3.0	2,473	824
Cashiering	8.5	4,983	586
Employees and pensions	3.1	379	122
Claims and distributions	10.1	7,424	735
Exit routes and closure	46.2	4,724	102
Total	84.0	31,207	372
Brought forward time (7 November 2022 to 6 November 2023)	645.4	385,974	598
Total liquidation costs	729.4	417,181	572

SIP 9 narrative for the First Period (7 November 2022 to 6 November 2023)

Type of work	Narrative description of work	Why was this work necessary?	What, if any, financial benefit will the work provide to creditors?
Engagement control	- Formulating, monitoring and reviewing the liquidation strategy - Briefing our staff on the liquidation strategy and matters in relation to various work-streams - Regular case management and reviewing of process, including regular team update meetings and calls - Reviewing and authorising junior staff correspondence and other work - Dealing with queries arising during the appointment - Reviewing matters affecting the outcome of the liquidation - Allocating and managing staff/case resourcing and budgeting exercises and reviews - Complying with Internal filing and information recording practices, including documenting strategy decisions	To ensure appropriate oversight, decision making and control of the administration. This will help to progress the case efficiently, maximising asset realisations and minimising costs.	Maximising asset realisations and minimising costs may increase the amount available for distribution to creditors.
Appointment & risk	- Liaising with our legal advisers and GDPR and data specialists to ensure an appropriate control environment is operated by the Company including the implementation of any improvements required - Responding in a timely manner to Data Subject Access Requests and other customer queries	To protect Company assets. To comply with our statutory duties.	Protecting Company assets may preserve their value and preserve the amount available for distribution to creditors.
Reports, decision making & remuneration	- Ensuring compliance with all statutory obligations within the relevant timescales - Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9 - Preparing the fees estimate - Preparing the expenses estimate - Preparing this progress report - Preparing for the creditors' decision relating to the liquidation fees estimate	To comply with statutory duties.	No direct financial benefit.
Correspondence & statutory filing	- Uploading information to the Portal - Providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders and advertising our appointment - Dealing with creditor queries - Liaising with regulatory bodies to provide regular updates on the progress of the liquidation	To comply with statutory duties. To keep creditors apprised of the strategy and progress of the liquidation.	No direct financial benefit.

SIP 9 narrative for the First Period (7 November 2022 to 6 November 2023)

Type of work	Narrative description of work	Why was this work necessary?	What, if any, financial benefit will the work provide to creditors?
Costs of realisation	- Dealing with customer queries ensuring they are directed to the correct third party - Dealing with other stakeholders' queries - Liaising with third parties regarding costs incurred - Reviewing costs incurred to ensure recorded accurately - Arranging payment of the costs in a timely manner as and when funds allow	To settle the costs of third parties who have facilitated the realisation of Company assets.	Maximising asset realisations and minimising costs may increase the amount available for distribution to creditors.
Tax	- Submitting relevant initial notifications to HM Revenue and Customs - Working initially on tax returns relating to the periods affected by the liquidation and prior administration - Analysing VAT related transactions and submitting relevant VAT forms to recover post appointment VAT - Reviewing the Company's position to ensure compliance with duty requirements - Dealing with post appointment tax compliance	To comply with statutory requirements. To mitigate the tax liabilities/expenses of the liquidation.	Minimising costs may increase the amount available for distribution to creditors.
Cashiering	- Setting up liquidation bank accounts - Preparing and processing vouchers for the payment of post-appointment invoices - Processing of receipts in the liquidation bank account and ensuring they are correctly allocated - Creating remittances and sending payments to settle invoices - Reconciling post-appointment bank accounts to internal systems - Ensuring compliance with appropriate risk management procedures in respect of receipts and payments	To comply with statutory requirements. To effectively manage funds. To receive asset realisations To discharge the costs of the liquidation.	The management of funds may increase the amount of bank interest available. Increased asset realisations may increase the amount available for distribution to creditors.
Claims & distributions	- Reviewing and updating the list of unsecured creditors - Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records - Responding to creditors regarding queries about the liquidation and their claims - Agreeing unsecured creditor claims - Reviewing the judgement in relation to the Court directions hearing in conjunction with our legal advisors and Counsel and implementing the outcome in the claim adjudication process - Arranging distributions to the unsecured creditors	To comply with statutory requirements. To minimise claims where appropriate. To ensure creditor claim for the correct amount due to them.	Ensuring creditor records are maintained, updated where necessary and claims are agreed at the correct value for voting purposes and, where appropriate, funds are accurately distributed to the relevant creditors.

SIP 9 narrative for the First Period (7 November 2022 to 6 November 2023)

Type of work	Narrative description of work	Why was this work necessary?	What, if any, financial benefit will the work provide to creditors?
Exit routes & closure	Dealing with closure related formalities	To comply with statutory requirements.	No direct financial benefit.

SIP 9 narrative for the Final Period (7 November 2023 to 8 December 2023)

Type of work	Narrative description of work	Why was this work necessary?	What, if any, financial benefit will the work provide to creditors?
Engagement control	- Reviewing matters affecting the outcome of the liquidation - Complying with Internal filing and information recording practices, including documenting strategy decisions	To ensure appropriate oversight, decision making and control of the administration. This will help to progress the case efficiently, maximising asset realisations and minimising costs. To comply with statutory duties.	Maximising asset realisations and minimising costs may increase the amount available for distribution to creditors.
Reports, decision making & remuneration	- Ensuring compliance with all statutory obligations within the relevant timescales - Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9 - Preparing the fee estimate - Preparing the expenses estimate - Preparing and publishing our liquidation progress reports - Preparing for the creditors decision relating to the liquidation fees estimate		No direct financial benefit.
Correspondence & statutory filing	- Uploading information to the Portal - Providing statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders and advertising our appointment - Dealing with creditor queries - Liaising with regulatory bodies to provide regular updates on the progress of the liquidation - Dealing with customer queries ensuring they are directed to the correct third party - Dealing with other stakeholders' queries - Drafting and submitting final VAT 426 and assignment documentation	To comply with statutory duties. To keep creditors apprised of the strategy and progress of the liquidation.	No direct financial benefit.
Tax		To comply with statutory requirements. To mitigate the tax liabilities/expenses of the liquidation.	Minimising costs may increase the amount available for distribution to creditors.
Cashiering	Preparing and processing vouchers for the payment of post-appointment invoices	To comply with statutory requirements.	The management of funds may increase the amount of bank interest available.

SIP 9 narrative for the Final Period (7 November 2023 to 8 December 2023)

Type of work	Narrative description of work	Why was this work necessary?	What, if any, financial benefit will the work provide to creditors?
Claims & distributions	Creating remittances and sending payments to settle invoices	To effectively manage funds.	Increased asset realisations may increase the amount available for distribution to creditors.
	Reconciling post-appointment bank accounts to internal systems	To discharge the costs of the liquidation.	
	Ensuring compliance with appropriate risk management procedures in respect of receipts and payments	To comply with statutory requirements.	Ensuring creditor records are maintained, updated where necessary and claims are agreed at the correct value for voting purposes and, where appropriate, funds are accurately distributed to the relevant creditors.
	- Responding to queries from creditors following receipt of dividend payments - Cancellation of a number of dividend cheques and issuing replacement electronic payments	To minimise claims where appropriate.	
Exit routes & closure	Dealing with remaining closure related formalities	To ensure creditor claim for the correct amount due to them. To comply with statutory requirements	No direct financial benefit.

Appendix 5 – Glossary

Any references in this progress report to sections and rules are to Sections and Rules in the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Defined Terms	Definition
A&M	Alvarez & Marsal Europe LLP
Company	Neon Reef Limited in liquidation
CVL	Creditors Voluntary Liquidation
Directors	Benjamin Bolt, Simon Yarwood and Sarah Hayes
Evolve	Evolve IS Limited
First Period	7 November 2022 to 6 November 2023
Final Period	7 November 2023 to 8 December 2023
Freshfields	Freshfields Bruckhaus Deringer LLP
HMRC	HM Revenue and Customs
Joint Liquidators/we/our/us	Rob Croxen, Paul Berkovi and Mark Firmin
Ofgem	the Office of Gas and Electricity Markets
PA Consulting	PA Consulting Services Limited
SIPs	Statements of insolvency practice
SIP 9	Payments to insolvency office holders and their associates from an estate
SOA	Statement of Affairs
VAT	Value Added Tax
WBD	Womble Bond Dickinson (UK) LLP

Appendix 6 – Notice: About this progress report

This progress report has been prepared by Rob Croxen, Paul Berkovi and Mark Firmin the Joint Liquidators of Neon Reef Limited ('the Company'), solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This progress report 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 progress report 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 progress report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Rob Croxen, Paul Berkovi and Mark Firmin, are authorised to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales.

We are bound by the Insolvency Code of Ethics.

The Joint Liquidators act as agent for the Company without personal liability. The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, Alvarez & Marsal Europe LLP does not assume any responsibility and will not accept any liability to any person in respect of this progress report or the conduct of the liquidation.