



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

1 Company details

Company number 1 1 9 5 4 2 2 5

Company name in full Accumulate Capital Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Kris Anthony

Surname Wigfield

3 Administrator's address

Building name/number 3rd Floor, Westfield House

Street 60 Charter Row

Post town Sheffield

County/Region

Postcode S 1 3 F Z

Country

4 Administrator's name ①

Full forename(s) Joanne Louise

Surname Hammond

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 3rd Floor, Westfield House

Street 60 Charter Row

Post town Sheffield

County/Region

Postcode S 1 3 F Z

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 8	^m 1	^m 1	^y 2	^y 0	^y 2	^y 2
To date	^d 1	^d 7	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3

7 Progress report

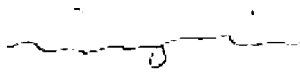
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

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

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

Contact name **Jack Dykes**

Company name **Begbies Traynor (SY) LLP**

Address **3rd Floor, Westfield House
60 Charter Row**

Post town **Sheffield**

County/Region

Postcode **S 1 3 F Z**

Country

DX

Telephone **0114 2755033**

**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

Accumulate Capital Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 18/11/2022 To 17/05/2023 £	From 18/11/2021 To 17/05/2023 £
	SECURED ASSETS		
Uncertain	Charge over Riverside development	914,352.99	914,424.99
		914,352.99	914,424.99
	SECURED CREDITORS		
(250,000.00)	Huddle SPV4 Ltd	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	611.60	611.84
5,467.99	Cash at Bank	NIL	6,032.30
	Contribution from ringfenced funds	NIL	493,786.98
Uncertain	Inter-Company Debtors (ANOL/ALSW/	NIL	NIL
		611.60	500,431.12
	COST OF REALISATIONS		
	Administrators' Expenses		
	Legal Disbursements	NIL	10,562.50
	Bond	NIL	1,500.00
	Postage	NIL	31.62
	Statutory Advertising	NIL	88.00
	Land Registry search fees	NIL	45.00
	Mileage	NIL	53.10
	Administrators' Fees	81,448.49	274,973.25
	Agents/Valuers Fees (1)	NIL	2,500.00
	Bank Charges	15.00	15.00
	Brokers Commission	1,173.00	1,173.00
	Committee Expenses	3,295.00	3,295.00
	Investigation expenses	NIL	2,000.00
	Irrecoverable VAT	29,633.67	104,255.24
	IT Consultancy	5,951.75	9,302.75
	Legal Fees (Freeths LLP, Counsel)		
	Unassigned	5,600.00	130,309.00
	Counsel's fees	16,535.50	16,535.50
	Freeths LLP	44,512.60	44,512.60
	Legal Fees (GC, WH, SPB)	250.00	36,322.50
	Option Agreement Settlement	NIL	45,000.00
	Statutory Advertising		
	Advertising	NIL	337.92
	Telephone, Fax and Emails	NIL	662.44
	Transfer to ALSW	233,067.60	233,067.60
		(421,482.61)	(916,542.02)
	UNSECURED CREDITORS		
(50,000.00)	Director	NIL	NIL
(107,711.00)	Inter-Company Creditors (AREL/ACOL	NIL	NIL
Uncertain	Investors (LSWL)	NIL	NIL
(50,000.00)	Starling Bank	NIL	NIL
(6,842.00)	Trade Creditors (Count=2)	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(300.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(459,385.01)		493,481.98	498,314.09
	REPRESENTED BY		

Accumulate Capital Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 18/11/2022 To 17/05/2023 £	From 18/11/2021 To 17/05/2023 £
REPRESENTED BY CONTINUED		
Barclays FL Current Account NIB		3,232.10
Ringfenced		495,081.99
		498,314.09

Note:

Kris Anthony Wigfield and Joanne Louise Hammond were appointed Additional Administrators on 4 January 2022 and 3 March 2022 respectively.

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

Accumulate Capital Limited (In Administration)

Progress report of the Additional Administrators

Period: 18 November 2022 to 17 May 2023

Important Notice

This progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

This report is being issued by the Additional Administrators and has been prepared without any input from the Former Administrator or O'Haras Limited. Where appropriate, we have included references to the relevant information provided by the Former Administrator within the Original Proposal and the Revised Proposals.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Accumulate Capital Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 18 November 2021
"the Former Administrator"	Jeremy Michael Bennett of O'Haras Limited, Moorend House, Snelsins Lane, Cleckheaton, BD19 3UE
"the Additional Administrators" "we" "our" and "us"	Kris Anthony Wigfield of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row , Sheffield , S1 3FZ and Joanne Louise Hammond of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (i) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986
"Original Proposal"	The statement of proposals produced and distributed by the Former Administrator on 9 December 2021 pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 3.35 of the Insolvency (England and Wales) Rules 2016
"Revised Proposals"	The statement of Revised Proposals produced and distributed by the Additional Administrators on 13 April 2022 under the provisions of Paragraph 54 of Schedule B1 to the Insolvency Act 1986 and Rule 3.42 of the Insolvency (England and Wales) Rules 2016

2. STATUTORY INFORMATION

Name of Company	Accumulate Capital Limited
Trading name(s):	Accumulate Capital Limited EQT Capital Limited (18 April 2019 – 28 October 2019)
Date of Incorporation:	18 April 2019
Company registered number:	11954225
Company registered office:	Begbies Traynor, 3rd Floor Westfield House, 60 Charter Row, Sheffield, S1 3FZ

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of appointment of Former Administrator (Mr Bennett):	18 November 2021
Date of replacement of Former Administrator:	3 March 2022
Court:	County Court at Leeds
Court Case Number:	CR2021LDS000587
Person(s) making appointment / application:	Mr Paul James Howells, in his capacity as the Company's director.
Acts of the administrators:	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
Type of Proceedings:	The proceedings will be proceedings to which the EU Regulation as it has effect in the law of the United Kingdom does not apply as defined by the Insolvency (England and Wales) Rules 2016 (as amended)

Date of appointment of Additional Administrator (Mr Wigfield):	4 January 2022
Date of resignation of Additional Administrator	N/A
Court:	High Court of Justice Business and Property courts in Leeds Insolvency and Companies List (ChD)
Court Case Number:	CR2021LDS000587
Person(s) making appointment / application:	Mr Paul James Howells, in his capacity as the Company's director.
Acts of the administrators:	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
Date of appointment of Additional Administrator (Ms Hammond):	3 March 2022
Date of resignation of Additional Administrator	N/A
Court:	High Court of Justice Business and Property courts in Leeds Insolvency and Companies List (ChD)
Court Case Number:	CR2022LDS000106
Person(s) making appointment / application:	Kris Anthony Wigfield, in his capacity as the Company's Administrator.
Acts of the administrators:	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
Extensions of the administration period	The administration period was extended with the consent of creditors for a period of 12 months.

Further details concerning the appointment of the Additional Administrators can be found in the Additional Administrators' Statement of Revised Proposals dated 13 April 2022.

4. PROGRESS DURING THE PERIOD

Receipts and Payments

As creditors will be aware, the Additional Administrators are operating a number of bank accounts to ensure certain funds are held to cover the Former Administrators' fees in both the Accumulate London SW Limited ("ALSW") estate and the Company's administration estate. The Former Administrators' fees total £427,470.00 inclusive of VAT (in the event they are approved to be paid in full). The remaining funds held in the ringfenced accounts are held pending a determination of the security position between ALSW and the Company. A summary of the funds held in the ALSW accounts and the Company's accounts is provided below.

Funds held in the Company's accounts

The Company's primary asset is understood to be a fixed charge over a property development at 11-13 Thames Street, Kingston Upon Thames, KT1 1PH (the "Riverside Development"). The Company and/or its subsidiary company, ALSW, advanced loans estimated to total £3,176,206.00 to London South West SW Limited (the "SPV"). The Company has the benefit of a legal charge over the Riverside Development which was granted as security for the debt. The Additional Administrators' investigations on the position in relation to the charge are ongoing and they will continue to seek legal advice on this point.

The Additional Administrators are aware of a number of concerns raised by the Company's creditors, and those of its associated entities, in relation to the security arrangements between the companies. The Additional Administrators have liaised extensively with Freeths LLP ("Freeths") and James Morgan KC ("Counsel") regarding this issue, the work in this respect is still ongoing.

In accordance with the fixed charge detailed above, the sum of £1,769,370.34 has been paid into a ringfenced account held within the Company's estate since the Additional Administrators' appointment. These funds have been partially used to defray the fees and expenses incurred in relation to the administration of ALSW and the Company in accordance with the resolutions passed by the Creditors' Committees.

The sum of £495,081.99 is currently being held in the Company's ringfenced account pending a determination of the security position between the Company and Capital and a resolution pertaining to the Former Administrator's fees. During the period of this report, Freeths made payment of £415,782.00 to the ringfenced account in respect of the net proceeds from the sale of Flat 24.

The funds held by the Additional Administrators in the Company's ringfenced account have been received pursuant to the fixed charge held by Capital which has been explained above and as a result of the SPV's solicitors, WH Matthews & Co Solicitors ("WH Matthews"), undertaking to pay all sales proceeds from the Riverside Development to the Additional Administrators.

The sum of £3,232.10 is also held in a bank account which was received in respect of the cash at bank realised by the Additional Administrators.

Funds held in the ALSW's accounts

At the date of this report, the sum of £357,380.09 was held in ALSW's accounts. This balance comprises of £325,187.24 which was received from Gunner Cooke LLP ("Gunner Cooke") in respect of a cross guarantee arrangement between the SPV and Chelsea Riverside Residences Limited ("CRRL") and is currently ringfenced as detailed above. The remaining sums held represent contributions from the Company's ringfenced account to allow the Additional Administrators to defray the fees and expenses of the ALSW administration. The contributions from the Company's ringfenced account were used to pay invoices shortly after the date of this report leaving only the surplus from the guarantee in the ringfenced account.

At the date of this report, the Additional Administrators were holding the total sum of £855,694.18 between the ringfenced accounts. As detailed above, the funds held in the Company's ringfenced account have been partially used to defray the fees and expenses incurred in relation to the administration of ALSW and the

Company in accordance with the resolutions passed by the Creditors' Committees. Before any payments are made from the funds held by the Additional Administrators, reconciliations are carried out to ensure sufficient funds are held to discharge the fees of the Former Administrators and pending resolution of the security position between the Company and ALSW.

Attached at Appendix 1 is the Additional Administrators' abstract of receipts and payments for the period from 18 November 2022 to 17 May 2023.

Receipts

Receipts under the Company's interest in a fixed charge

During the period of this report, Freeths made payment of £415,782.00 to the Company's ringfenced account in respect of the net proceeds from the sale of Flat 24, which was sold during the period of the last report.

The Former Administrator also made payment to the Company's ringfenced account in the sum of £9,911.00 in respect of the surplus from the sale of one of the units at the Riverside Development after payment was made to Huddle SPV 4 Limited ("Huddle") under their fixed charge which is explained in further detail below. This was allocated to receipts under the fixed charge as it came from the sale of a unit at the Riverside Development.

Interest

The sum of £611.60 has been paid into the estate by Barclays Bank Plc in respect of interest that has accrued on the funds held by the Additional Administrators.

Payments

Administrators' fees

The Additional Administrators have drawn the total sum of £81,448.49 plus VAT on account of their remuneration during the period of this report.

Legal fees and disbursements

The Additional Administrators have made payments to Freeths in respect of their fees and disbursements in the sum of £44,762.60 plus VAT during the period of this report.

Counsel's fees

The Additional Administrators have made payments in the sum of £22,135.50 plus VAT to Freeths in respect of disbursement only invoices raised in relation to the fees of James Morgan KC to review the validity and effect of the security arrangements relating to the Company, Christopher Buckley as instructed counsel for the SPV administration application and, Zachary Kell who provided advice to the Additional Administrators relating to certain issues regarding remuneration.

Rapu Ltd

Payments in the sum of £5,951.75 have been made to Rapu Ltd in respect of assistance they have provided to the Additional Administrators in providing a platform which allows the Additional Administrators to review a large volume of information and documentation which has been provided to them.

Barclays Bank Plc

The sum of £15.00 has been paid to Barclays Bank Plc in respect of charges associated with the estate bank account.

Committee expenses

The sum of £3,295.00 was paid to a member of the Creditors' Committee in respect of expenses incurred by the Creditors' Committee and its members in the course of carrying out their duties.

Transfer to ALSW

Payments in the sum of £233,067.60 have been made to ALSW from the ringfenced account in accordance with the resolutions passed by the Creditors' Committees to pay costs incurred during the period of this report and previous reporting periods.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on the Additional Administrators' firm's website - <http://www.begbies-traynorgroup.com/work-details>. Under the following headings they have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but they have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of the Additional Administrators' appointment.

The details below relate to the work undertaken in the period of the report only. The Additional Administrators' previous reports contain details of the work undertaken since their appointment.

General case administration and planning

The Additional Administrators have undertaken periodic bond reviews to ensure the case is sufficiently bonded as is required by the Act and the Rules. The Additional Administrators have continued to review checklists and diary lines to ensure all necessary documentation has been completed.

Time has also been incurred in ensuring the Additional Administrators' internal systems are up to date which allows the Additional Administrators to progress the administration efficiently.

The Additional Administrators have continued to maintain an electronic diary which is specific to the case type, this has been utilised to ensure that all statutory matters have been completed as required and that statutory due dates have been adhered to. This has enabled the Additional Administrators to add additional entries to ensure that matters have been progressed throughout the administration process. It has also ensured that the Additional Administrators have completed statutory documentation in a timely manner, prior to any statutory due dates falling due.

A strategy note was completed at the beginning of the administration and has been regularly updated throughout the period of this report as and when the need has arisen.

Periodic case reviews have been completed to ensure that the case has progressed as originally anticipated and to ensure that the case is passed for closure as soon as possible.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progression of the administration, which ensures that the Additional Administrators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. The Additional Administrators have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. The Additional Administrators are also required to notify various bodies of their appointment, including creditors, Companies House, and advertise their appointment in the London Gazette.

The Additional Administrators are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of banks and other parties who would have an interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

During the reporting period, in line with the requirements of the Insolvency Act 1986 and recognised best practice, the Additional Administrators have:

- 1) Prepared and submitted various pieces of statutory documentation to Companies House relating to the extension of the administration;
- 2) Prepared the previous progress report for circulation to creditors, together documentation for submission to Companies House regarding the same;
- 3) Dealt with other sundry regulatory compliance matters;
- 4) Continued to monitor the level of statutory bond to cover the proposed realisations into the case for the benefit of the creditors;
- 5) Carried out bond reviews in order to ensure that the Additional Administrators are bonded correctly upon emergence of additional information in relation to the value of assets that could be realised;
- 6) Undertaken periodic reviews of the case at 6 monthly intervals in order to ensure all necessary items of work have been completed;
- 7) In addition, the Additional Administrators have monitored incoming and outgoing transactions in the ringfenced account and the case bank account in order to ensure that the case bank account can be reconciled effectively; and
- 8) Dealt with numerous requests from the Former Administrator regarding approval of their fees and liaised with the Creditors' Committee in relation to the same.

Whilst these items of work do not have a direct financial benefit to creditors, they are either a statutory or regulatory requirement that they must adhere to and it is of benefit to creditors as it ensures that they are advised of matters arising and progress within the administration.

Investigations

As previously outlined, the Additional Administrators have a statutory duty to investigate the Company's affairs prior to their appointment and report their findings to the Insolvency Service, following this report the Additional Administrators have continued to liaise with the Insolvency Service in order to provide further information regarding the Company as required.

Further to the statutory duty outlined above, the Additional Administrators also have a duty to investigate the Company's affairs prior to their appointment in order to identify and realise any potential claims for the benefit of the Company's creditors.

The Additional Administrators have continued to request a number of parties who they believe to have been involved in the day to day running of the Company and other connected companies attend an interview to discuss their day-to-day responsibilities and the affairs of the Company prior to the administration. To date, only one of these parties has attended an interview with the Additional Administrators and their legal advisors, Freeths. As outlined in the previous report, other parties who were requested to attend an interview with the

Additional Administrators have responded to their request in writing and the Additional Administrators remain in correspondence with these parties through their legal representation. This correspondence has included a number of questions which the Additional Administrators are hopeful will provide further information on the day to day operation of the Company and those involved in it.

The Additional Administrators have continued to analyse the Company's books and records together with analysis of the Company's bank statements and SAGE records to identify any unusual payments or transactions that may have occurred during the period prior to the Additional Administrators' appointment.

Alongside this work the Additional Administrators have incurred time obtaining and reviewing extensive documentation they have requested from a number of entities who provided services to the Company. This information includes financial documentation, legal advice and detailed correspondence relating to the Company.

The Additional Administrators are continuing to pursue additional documentation with a view to strengthening their understanding of the Company's affairs and obtaining further background information relating to the same. The Additional Administrators believe that this work will allow them to identify further avenues of investigation.

In the period since the previous progress report was issued, the SPV has entered administration following an application made by the Additional Administrators. The application was made after the Additional Administrators learned that a creditor of the SPV had presented a winding up petition against the SPV on 25 November 2022. The application was made on the basis that the SPV had outstanding sums due to the Company as a result of the lending arrangements detailed earlier in this report. The SPV had defaulted under the relevant agreements and the Additional Administrators believed that administration would provide a better result for the Company than if the SPV was placed into compulsory liquidation by achieving a better sale price for the remaining flat. The Additional Administrators incurred significant time providing extensive input into the administration application prepared by Freeths together with instructed counsel.

An initial hearing to hear the application was listed on 15 December 2022. Whilst it was not previously anticipated that the SPV would oppose the application, evidence was filed at Court by the SPV's director on the morning of the hearing. The Court gave directions to the parties and a further hearing was listed on 13 January 2023 with the petitioning creditors' winding up petition hearing being adjourned. The Additional Administrators filed further evidence and the SPV elected not to. The director of the SPV later confirmed that he did not intend to oppose the making of the administration order.

The application was successful and the SPV is now in administration with Jake Beake of Begbies Traynor (London) LLP and Paul Allen of FRP Advisory Trading Limited (together the "Kingston Administrators") appointed as joint administrators.

The Additional Administrators continue to receive correspondence from creditors expressing concerns regarding the Company's affairs prior to their appointment. Further creditors who believe they may have information pertinent to the Additional Administrators' investigations are encouraged to provide this to them.

As previously reported creditors elected to constitute a Creditors' Committee. Information concerning the investigations has been shared with the committee on a regular basis, however the committee's members are subject to non-disclosure agreements to ensure that any sensitive information disclosed to them concerning the investigations remains confidential so as not to prejudice future investigations, potential legal proceedings and, ultimately, any recoveries that may be made for the benefit of creditors.

The Additional Administrators have continued to liaise with certain third parties in relation to the progress and scope of their investigation. This has required the Additional Administrators to provide information relating to the same where required. A significant amount of time has been incurred in this regard.

The Additional Administrators have produced a report summarising the initial findings of their investigator work. This report has been made available to creditors, and other relevant parties, on a confidential basis. Any creditor

who has not received a copy, and would like to obtain one, can contact the Additional Administrators by email using Sheffield.North@btguk.com.

The lines of inquiry and work undertaken detailed above is not an exhaustive account of the work undertaken in this regard and is simply an overview of the Additional Administrators' investigations to date. The Additional Administrators will provide a more detailed explanation of the work being undertaken in this regard in due time. As the investigations are ongoing, it would be prejudicial to the investigations for the Additional Administrators to comment in any further detail at this stage. If any creditor wishes to discuss the investigations carried out by the Additional Administrators to date, they are invited to contact the Additional Administrators office and provide their contact details using the following email address Sheffield.north@btguk.com, following which a member of the case team will call the creditor to discuss.

Any financial benefit to creditors in carrying out the above work is unclear at present, however, creditors will receive updates on these matters in the Additional Administrators' subsequent progress reports. Some elements of this work will not provide a financial benefit to the Company's creditors, however, these elements were required so that the Additional Administrators could comply with certain regulatory and ethical obligations.

Realisation of assets

All work carried out in respect of asset realisation is for the purpose of realising property and assets of the Company for the benefit of the Company's creditors generally.

As detailed in the Previous Report, the Company's primary asset is understood to be a legal mortgage over a the Riverside Development. The Additional Administrators have been working alongside the SPV and Freeths in order to receive the best return possible pursuant to the mortgage over the Riverside Development in accordance with their duties to the Company's creditors.

Freeths and the Additional Administrators continued to liaise with the SPV's solicitors, WH Matthews, and, subsequently, the Kingston Administrators in relation to the sale of the remaining flat at the Riverside Development. Prior to the administration of the SPV the only remaining flat to be sold was Flat 2. A cash offer was received and accepted by the SPV. However, as detailed above a winding up petition was presented by QOB Installations Ltd. Had the SPV gone into liquidation it was anticipated that the offer for Flat 2 would be diminished. Therefore, in order to preserve the value of Flat 2, the Additional Administrators sought to place the SPV into administration as detailed above.

Following the SPV's entrance into administration, the Additional Administrators have incurred time liaising with the Kingston Administrators in relation to the matters pertaining to Accumulate, the administration of the SPV and the sale of the remaining flat at the Kingston development.

At the date of this report, one unit remains to be sold. The Additional Administrators have incurred time liaising with the Kingston Administrators in an effort to make further realisations for the benefit of the Company's creditors, including exploring all options open to the Kingston Administrators to effect the sale of Flat 2.

Dealing with all creditors' claims (including employees), correspondence and distributions

The Additional Administrators have incurred time corresponding with the Company's Creditors and inputting creditor claims onto their internal systems. The Additional Administrators have continued to deal with a voluminous number of general creditor queries in respect of investigations, claim confirmations and dividend prospects.

In addition to this work, the Additional Administrators have attended a number of meetings with the Creditors' Committee and incurred substantial time preparing documentation and presentations in respect of the same. In addition to the documentation prepared for the meetings with the Creditors' Committee, the Additional Administrators have produced updates and reports for the wider body of creditors and distributed these.

This work has not resulted in a financial benefit to the estate, however, this work is required to ensure that creditors' claims are dealt with effectively and in a timely manner. This work has also ensured that the creditors' committee and the wider body of creditors have remained up to date with key matters as the administration has progressed.

Other matters which includes seeking decisions of creditors via deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

As detailed in the Previous Report, the Additional Administrators are required to seek decisions from creditors and the creditors' committee on various matters including the basis of remuneration and the extension of the administration period.

The Additional Administrators have spent time ensuring that the Company complies with its tax obligations.

The Additional Administrators and Freeths have held regular meetings in the period of this report with the Creditors' Committee regarding the basis of their remuneration.

The Additional Administrators have also utilised the meetings with the Creditors' Committee to discuss the progress of their investigations and the administration more generally, due to the nature of these discussions the Additional Administrators believe it would be prejudicial to disclose details of these within this progress report. These meetings have resulted in the Additional Administrators incurring significant time preparing for these meetings and delivering presentations within the same. This work has been beneficial to the administrations as it has allowed the Creditors' Committee to provide information to the Additional Administrators which has strengthened the Additional Administrators' understanding of the affairs of the Company.

There may not be any obvious financial benefit to creditors, but all work carried out in this area is necessary for the administration and progression of the case. Creditors will be notified of all of the Additional Administrators actions in the progress and/or final reports issued.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the Additional Administrators' Statement of Revised Proposals and are as follows:

Secured creditor

Huddle hold a fixed charge and floating charge debenture created on 26 October 2021 and delivered to Companies House on 28 October 2021. The charge was obtained pursuant to a cross guarantee arrangement, against all of the Company's subsidiary entities.

As at the date of the Former Administrators' appointment, Huddle were owed the sum of £250,000. The Additional Administrators have been informed by the Former Administrator that payment in the sum of £340,000 was made to Huddle from the Company's administration account in satisfaction of their charges. As yet the Additional Administrators have not had the opportunity to verify that the Huddle charges have been satisfied and, at present, the charges remain unsatisfied at Companies House and the Additional Administrators are making enquiries in this regard.

Preferential creditors

The Former Administrator has advised that the Company had no employees and consequently no preferential claims are expected.

Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs ("HMRC") are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

The Original Proposal indicated that there was no apparent secondary preferential claim. At the date of this report this position has not yet been confirmed, however, the Additional Administrators are aware that the Company did not have any employees and the Company did not operate in the construction industry. Accordingly, it is not expected that a secondary preferential claim will be received. The Additional Administrators are making enquiries with HM Revenue & Customs to verify that there is no secondary preferential claim.

Unsecured creditors

Claims of unsecured creditors were estimated at £229,554.07 and claims received to date total £155,636.42.

Outcome for creditors

On the basis of realisations to date and estimated future realisations the Additional Administrators' estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

As detailed above, the Additional Administrators have been informed by the Former Administrator that Huddle have been repaid in full, however, they have not had chance to confirm this at present and the charges remain unsatisfied at Companies House.

The Additional Administrators are currently seeking legal advice regarding the validity of the Huddle security and the repayment of the same by the Former Administrator.

Preferential creditors

As detailed above, it is not anticipated that any preferential claims will be received.

Secondary preferential creditors

Should it transpire that HMRC have a secondary preferential claim, a distribution to them will be dependent upon the level of realisations achieved.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The floating charge holder may not participate in the distribution of the prescribed part of the Company's net property. The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of *net property*;
- ☐ 20% of *net property* thereafter;
- ☐ Up to a maximum amount to be made available of £800,000

An administrator will not be required to set aside the *prescribed part of net property* if:

- the net property is less than £10,000 and the administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- the administrator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

On the basis that Huddle have been repaid by the Former Administrator, to the best of the Additional Administrators' knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, Section 176A will not apply and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

Based upon realisations to date and estimated future realisations, the Additional Administrators are hopeful that a dividend to unsecured creditors will be available, however, this will be dependent upon the level of realisations and the determination of the Company's security as detailed above.

The Additional Administrators are aware of a number of concerns raised by the Company's creditors, and those of its associated entities, in relation to the security arrangements between the Companies.

Effect of administration on limitation periods under the Limitation Act 1980

As we have previously confirmed, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

6. PRE-ADMINISTRATION COSTS

The Former Administrator was asked to provide a summary of the work undertaken prior to his appointment. The summary of the work undertaken by the Former Administrator is provided at Appendix 3 together with a time costs analysis and details of the costs incurred pre appointment.

The Work was carried out pursuant to an agreement made between the Former Administrator and the director entered into on 25 October 2021 ("the Agreement"). The Agreement provides for the payment of the Former Administrator's fees and the discharge of expenses incurred by them (collectively referred to as "the pre-administration costs") in carrying out the Work.

The pre-administration costs that were unpaid at the date of the Additional Administrators' appointment were detailed in the Revised Proposal. The following steps have been taken during the period of this report to seek approval of these costs:

- The Additional Administrators asked the Creditors' Committee whether they would like a meeting to allow resolutions relating to the Former Administrators' fees to be voted upon which the Creditors' Committee declined; and
- The Additional Administrators requested documentation from the Former Administrator which was provided to the Creditors' Committee to allow them to consider the pre-administration costs properly.

The Former Administrator has advised that, the Work was carried out before the Company entered administration to enable the Former Administrator to understand the group companies' relationships; the asset and security position within the SPVs and within the group; including their overall interrelationship. For these reasons the Former Administrator considers that the Work has furthered the achievement of the objective of

administration being pursued, namely achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).

The pre-administration costs are broken down as follows:

Description	Name of recipient	Net amount £	VAT £	Gross amount £
The Former Administrator's fees in relation to the Work	O'Haras Limited	17,015.00	3,403.00	20,418.00
Legal costs	Gunner Cooke	2,000.00	400.00	2,400.00
Legal Disbursement	Gunner Cooke	50.00	-	50.00
TOTAL PRE-ADMINISTRATION COSTS		19,065.00	3,803.00	22,868.00

The pre appointment legal costs and disbursements have been discharged from the funds held in the estate account.

The pre-administration fees of the Former Administrator are unpaid, and the Former Administrator is seeking that they be paid as an expense of the administration. Approval to discharge such costs ("the unpaid pre-administration costs") as an expense is required from the Creditors' Committee. The Creditors' Committee were asked whether they would welcome a meeting to consider resolutions in relation to the Former Administrator's pre appointment costs which they declined.

Information regarding the unpaid pre-administration costs including a document detailing the work carried out, the associated costs and the proposed remuneration is provided together with a pre-administration Time Costs Summary at Appendix 3. These show the number of hours spent by each grade of staff involved in the case and give the average hourly rate charged.

Gunnercooke LLP ("Gunnercooke")

The Former Administrator has advised that Gunnercooke were chosen to advise on the legal matters and advice relating to the appointment. Gunner Cooke were instructed due to their extensive experience in dealing with insolvency matters. They have incurred £2,000 plus VAT and disbursements.

A brief summary of the pre-appointment work undertaken by Gunnercooke is provided below:

- Reviewing Company information in relation to the proposed appointment;
- Liaising with the Former Administrator ahead of the appointment and discussing the appointment process and steps to be taken; and
- Drafting a notice of appointment of administrator ("NOA"), the draft resolutions and the necessary ancillary documents required to appoint the Former Administrator.

The legal fees and disbursements incurred by Gunnercooke have been approved by the Creditors' Committee and paid using the ringfenced funds held by Capital in accordance with resolutions obtained by the Creditors' Committee for the Company and ALSW.

7. REMUNERATION & EXPENSES

The Additional Administrators' remuneration and expenses

The Additional Administrators' remuneration has been fixed by reference to the time properly given by them and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (SY) LLP in attending to matters as set out in the fees estimate.

The Additional Administrators are also authorised to draw expenses for services provided by their firm and/or entities within the Begbies Traynor group, in accordance with their firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

The Additional Administrators' original fees estimate was increased by £157,823.00 on 23 March 2023 with the approval of the Creditors' Committee. This makes the total amount of the Additional Administrators' approved estimate £353,613.00.

The Additional Administrators' time costs for the period from 18 November 2022 to 17 May 2023 amount to £77,357.50 which represents 228.1 hours at an average rate of £339.14 per hour.

The following further information in relation to the Additional Administrators' time costs and expenses is set out at Appendix 2:

- Time Costs Analysis for the period 18 November 2022 to 17 May 2023
- Begbies Traynor (SY) LLP's charging policy

To 17 May 2023, the Additional Administrators have drawn the total sum of £274,973.25 on account of their remuneration, against total time costs of £286,420.40 incurred since the date of their appointment.

The Additional Administrators' approved fees in relation to the Company have been drawn from the sums held by the Additional Administrators in the Company's ringfenced account in accordance with the resolutions passed by the Creditors' Committee and as detailed above.

The Former Administrators remuneration and expenses

The Former Administrator has not at this time drawn any funds on account of their remuneration as approval has not previously been given. Best practice guidance provides that payments to an office holder should be fair and reasonable and reflect the work that has been, and will be, properly carried out.

The creditors' committee authorised the expenses incurred by the Former Administrator for the period of their appointment in accordance with their firms policy and details of which were provided in the statement of Revised Proposals and which are attached at Appendix 4 of this report alongside the expenses of the Additional Administrator.

Appendix 3 also sets out the Former Administrator's firm's hourly charge out rates, and the time that they and their staff have spent in attending to matters arising in the administration. The Former Administrator is seeking payment of the time they have incurred during the course of the administration in full.

The Former Administrators propose that the basis of their remuneration be fixed under Rule 18.16 of the Rules by reference to the time properly given by them and the various grades of their staff calculated at the prevailing hourly charge out rates of O'Haras Limited for attending to matters as per their time summary at Appendix 3.

It is for the creditors' committee to approve the basis of the Former Administrators' remuneration under Rule 18.18 of the Rules. The Additional Administrators have facilitated meetings between the creditors' committee and the Former Administrator but the basis of their remuneration has not yet been fixed.

For the avoidance of doubt the Additional Administrators continue to hold sufficient funds to cover the Former Administrators' pre and post appointment fees, should they be approved by creditors in due course.

Time Costs Analysis

The Time Costs Analysis of the Additional Administrators for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which

details the time costs for the entire period for which the Additional Administrators have administered the administration.

A further Time Costs Analysis is attached at Appendix 3 relating to the fees incurred by the Former Administrators during the period of their appointment.

Please note that each analysis provides details of the work undertaken by the Additional Administrators and their staff following their appointment only.

As can be seen from the information above, the increased level of the Additional Administrators' approved remuneration has been sufficient to cover the costs of the administration and they are pleased to report that they do not anticipate seeking any further increase or amendment to their approved remuneration basis if matters progress to conclusion as envisaged.

Category 1 Expenses

To 17 May 2023, the Additional Administrators have also drawn expenses in the sum of £222,870.33.

Why have subcontractors been used?

Freeths LLP

Freeths were chosen to advise and assist with the appointment of the Additional Administrators and advise on the legal matters and advice relating to the appointment of the Additional Administrators. Freeths were instructed due to their extensive experience in dealing with insolvency matters. The Additional Administrators have continued to instruct Freeths to provide advice on a number of matters during the period of this report. The fees incurred in relation to the Company for the period of this report are in the sum of £61,897.20 plus VAT and disbursements and Freeths' fees throughout the entire administration period are in the sum of £185,440.60 plus VAT and disbursements.

Below is a non-exhaustive summary of the work that Freeths have carried out in relation to the Company during the period of the report:

London South West/Store House

- Advising in relation to the position relating to the SPV;
- Liaising with the SPV's solicitors in relation to the sale of the remaining units at the Kingston Development;
- Liaising with the solicitors for the builder at the SPV in light of the threat of the builder issuing insolvency proceedings against the SPV; and
- Assisting with the administration application in respect of the SPV.

Security Review

- Reviewing the loan agreements and security documents relating to the Company's security over the Kingston Property;
- Preparing instructions to counsel in relation the effect and validity of the security; and
- Preparing a security review email on the validity of the security.

General Advice

- Reviewing and advising in relation to certain company documentation provided to the Additional Administrators;
- Preparing instructions to counsel in relation to certain matters in the administrations including the effect and validity of the security as detailed above;
- Emails and calls with the Additional Administrators and the creditors committee;

- Various meetings with the Additional Administrators in relation to certain complex issues;
- Calls and meetings with the Former Administrator and other parties' representatives;
- Advising in relation to sharing confidential information relating to the Companies including the preparation of a non-disclosure agreement; and
- Attending a number of calls and meetings with the Additional Administrators in relation to various matters in the administrations of the Companies.

Counsel's fees

As outlined in previous reports, the Additional Administrators have instructed members of Radcliffe Chambers to provide advice and services in respect of a number of matters relating to the Company. During the period of this report, the Additional Administrators have made payment of £22,135.50 plus VAT relating to the administration application and other advice relevant to the administration outlined above.

Pantera Property

Pantera Property, RICS Registered Agents, were instructed by the Former Administrators and have continued to be utilised by the Additional Administrators to provide comments regarding the valuation and disposal regarding the remaining Flats at Riverside. They were instructed based on their standard charge out rates and have incurred fees in the sum of £2,500 plus VAT to date. The Additional Administrators have agreed to continue Pantera's engagement.

Rapu Ltd

Rapu Ltd ("Rapu"), an IT consultancy firm, were instructed by the Additional Administrators to provide a platform which would allow the Additional Administrators to navigate and review a substantial amount of documentation they have received. The payments to Rapu comprise of fees for a consultant's time and payments for the data stored on the system.

Temperaire Advisory

Temperaire Advisory ("Temperaire") were instructed to assist with the Additional Administrators' investigations and provide information pertinent to the same. The payment made to Temperaire was in consideration for time incurred investigating and providing information to the Additional Administrators.

Category 2 Expenses

No category 2 expenses have been incurred or drawn within the period of this report.

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact the Additional Administrators' office and they will arrange to send you a copy.

8. ADMINISTRATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 4. A cumulative statement of expenses also appears at Appendix 4 which details the expenses incurred since the date of the Additional Administrators' appointment together with a table of future expenses to be incurred.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that the Additional Administrators estimated that the expenses of the administration would total £122,237.40. Unfortunately, the expenses that they have incurred so far have exceeded that estimate and

there will be further expenses to pay before the case concludes. The reasons why the estimate has been exceeded are as follows:

- ❑ A number of complex legal matters which could not have been foreseen at the date of the Additional Administrators' appointment;
- ❑ A number of documents which were presented to the Additional Administrators upon their appointment have required protracted negotiations with the Additional Administrators being required to provide instructions to Freeths and instruct Counsel;
- ❑ The Additional Administrators, alongside their legal advisors Freeths, prepared and made an application for the SPV to be placed into administration;
- ❑ The Additional Administrators' investigations have highlighted a number of further lines of inquiry which were not apparent at the date their fees estimate was produced. This has required additional investigation work and correspondence with their legal advisors; and
- ❑ Additional expenditure that was not anticipated has been incurred in relation to IT consultants to enable the Additional Administrators to navigate and review a substantial amount of documentation they have received.

9. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

As detailed in the Additional Administrators' statement of affairs, the assets of the Company consisted of a debt due from the SPV. There are also certain inter-company debts due to the Company from a number of the Company's subsidiary entities and a small amount of cash at bank. At this stage in the administration, the Additional Administrators have the following assets left to realise:

- ❑ The debt due to the Company from the SPV secured by way of fixed charge over the Riverside Development;
- ❑ Inter-company loans due from a number of the Company's subsidiaries; and
- ❑ As detailed above, the Additional Administrators are conducting extensive investigations which may result in further realisations.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

The Additional Administrators will continue to ensure that their files are maintained and will carry out regular compliance reviews of the case in order to ensure that matters are being progressed in an efficient and timely manner. As mentioned above, whilst the above work is not of a direct financial benefit to creditors, they are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

The Additional Administrators will continue to complete works required to maintain the administration including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the administration and, in readiness for closure as and when applicable.

In addition, all statutory documentation which is required to be issued to the relevant parties during the course of the administration will be compiled and issued on the statutory due dates. Also, time will be spent updating the electronic diary facility.

Periodic case reviews will be carried at six monthly intervals to ensure that all statutory documentation has been completed and issued in the relevant timescales and that any outstanding matters within the administration have been concluded as necessary.

As detailed above, this work does not benefit creditors financially, however, it is necessary to ensure the efficient and compliant progression of the administration and that the Additional Administrators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

The Additional Administrators will be required to produce further progress reports within one month of the 2 year anniversary of the administration, should the administration be extended further pursuant to the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016. This forms part of the Additional Administrators' statutory duty as administrators of the Company to correspond with creditors of the Company. As and when they are in a position to close the administration, the Additional Administrators will incur time preparing and circulating the final report.

In addition, banking duties will be carried out by way of the posting of income and expenditure, and reconciling the bank account together with the processing of bank statements etc.

The Additional Administrators will continue to liaise with the Creditors' Committee and hold regular meetings to update the committee regarding pertinent development in relation to the investigation and realisation of assets.

Also, periodic bond reviews will be carried out to ensure that the case remains adequately bonded and remains bonded throughout the administration process.

Once the Additional Administrators are satisfied that all outstanding matters have been dealt with in the administration, they will issue their final report to creditors on the progress of the administration prior to moving the Company into creditors voluntary liquidation.

This work does not provide a financial benefit for the Company's creditors, however, it is necessary to ensure the Additional Administrators comply with their duties under the Insolvency Act and Rules and best practice in the insolvency profession.

Investigations

As detailed above, a number of creditors have approached the Additional Administrators to outline their concerns, the Additional Administrators are investigating these concerns amongst others that analysis of the Company's books and records have highlighted. The Additional Administrators intend to pursue any potential claims to provide an avenue for recovery of funds for the Company's creditors.

At this time, the Additional Administrators are continuing to investigate a number of avenues of enquiry. The Additional Administrators are continuing to work alongside Freeths to identify potential actions which may result in realisations for the benefit of the Company's creditors and plan to present these in further detail to the Creditors' Committee in the near future.

As part of the investigation the Additional Administrators will continue investigate the circumstances upon which the Company obtained further funding from Huddle.

Investigations will also continue in relation to the funding and security arrangements that occurred across the Group, the priority over earlier charge holders given in respect of funding obtained at a later date and deeds of priority.

In order that the above work can be carried out, the Additional Administrators will continue to analyse the Company's books and records together with analysis of the Company's bank statements and SAGE records to identify any unusual payments or transactions that may have occurred during the period prior to the Additional Administrators' appointment. In addition, the Additional Administrators will continue review any concerns

received from creditors with regard to the directors' conduct and will continue to liaise with the creditors committee regarding the areas of concern identified to date.

As detailed earlier in the report information concerning the investigations has been shared with the Creditors' Committee on a regular basis. Information regarding the investigations will continue to be shared with the Committee going forwards, however, the Committee members are subject to non-disclosure agreements to ensure that any sensitive information disclosed to them concerning the investigations remains confidential so as not to prejudice future investigations and potential legal proceedings and ultimately any recoveries that may be made for the benefit of creditors.

The work detailed above is not an exhaustive list of the items of work the Additional Administrators expect to undertake in this area as the Additional Administrators believe commenting further on any investigations may be prejudicial due to their ongoing nature. An update will be provided when the Additional Administrators feel this risk has subsided. As detailed above if any creditor wishes to discuss the investigations carried out by the Additional Administrators to date, they are invited to contact the Additional Administrators office and provide their contact details using the following email address Sheffield.north@btguk.com, following which a member of the case team will call the creditor to discuss.

To date, this area of work has not provided a financial benefit to the Company's creditors, however, the Additional Administrators that realisations will be achievable from this area of work in due course.

Realisation of assets

As detailed above the Company's primary asset is a fixed charge over the Kingston Development. The Additional Administrators are continuing to work alongside the Kingston Administrators and solicitors to maximise the return under this charge and are taking steps to recover sums due to the Company and/or ALSW from Store House.

The Additional Administrators, in conjunction with Freeths, have continued to receive regular updates regarding offers and the progress of sales from the Kingston Administrators and their solicitors. The Additional Administrators will continue to liaise with the Kingston Administrators and their solicitors with a view to selling the final unit at the Kingston Development.

A return to the Company under the inter-company loan accounts detailed in the statement of affairs will be dependent upon realisations in the relevant administrations and liquidations.

The Additional Administrators foresee this providing a financial benefit to the Company's creditors by maximising the funds available to flow into the administration estate under the fixed charge.

Dealing with all creditors' claims (including employees), correspondence and distributions

The Additional Administrators will continue to deal with creditors' claims as and when the need arises. This work also ensures compliance with the Insolvency Rules as creditors' claims must be adjudicated before a distribution can be made. If a distribution is to be made to creditors this is work that will be undertaken as and when it becomes necessary.

Correspondence with the creditors will take place through the Administrators' Progress Reports these reports form part of the Additional Administrators statutory duty to correspond with the Company's creditors. Alongside this the Additional Administrators will continue to work closely with the Creditors Committee to provide updates on the progress of the administration and action concerns they raise throughout the process.

This work does not provide a financial benefit for creditors, however, as stated above, it forms part of the Additional Administrators statutory duties under the Insolvency Act and Rules.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

The Additional Administrators are continuing to make enquiries of HMRC in order to ascertain whether there are any crown liabilities. The Additional Administrators will continue to spend time ensuring that the Company complies with its tax obligations.

The incurrance of time seeking decisions from the creditors committee is also unavoidable, this is required of the Additional Administrators and ensure that they are acting in the creditors' best interests.

Whilst this work provides no obvious financial benefit to the creditors, all work to be carried out in this area is necessary for the progression of the case and to ensure that creditors are well informed about the administration to allow them to make the requisite decisions. This work may provide some financial benefit to the creditors if there are monies due to be reclaimed from HMRC, however, this is not something the Additional Administrators have confirmed at the date of this report.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been completed. As you know, this work is necessary in order that the Additional Administrators may complete the administration as envisaged. The cost of completing this work is not expected to exceed any amounts approved by creditors previously.

Expenses

Details of the expenses that the Additional Administrators expect to incur in connection with the work that remains to be done referred to above are as set out in the revised estimate of anticipated expenses attached at Appendix 4.

What is the anticipated payment for administering the case in full?

The Additional Administrators estimated that the cost of administering the case would be in the region of £353,613.00, and subsequently the Creditors' Committee have provided approval for them to draw their remuneration up to that level. However, as you are aware, the remuneration that the Additional Administrators can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the administration, the Additional Administrators can estimate that total remuneration drawn will be in the region of £353,613.00. Costs incurred over and above the approved estimates will be written off.

10. OTHER RELEVANT INFORMATION

Extension of administration

The administration was extended for a period of 12 months from 18 November 2022 to 17 November 2023 with the consent of creditors.

On present information the Additional Administrators consider that it is not yet possible to determine whether or not the Company will have sufficient property to enable a distribution to be made to unsecured creditors. Any dividend will be dependent upon the determination of the validity and effect of the security arrangements relating to the Company.

Should it transpire that the Company has sufficient property to enable a distribution to be made to unsecured creditors, the Additional Administrators propose to deliver a notice of moving from administration to creditors' voluntary liquidation to the Registrar of Companies. Upon the registration of such notice the Additional Administrators' appointment as administrators shall cease to have effect and the Company will automatically be placed into liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrators.

The Additional Administrators confirm that as part of their proposals, they propose that they, or in the event of there being a subsequent change of persons appointed as administrator, the individuals in office as such immediately prior to the Company being placed into liquidation, do act as joint liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the Proposals and before the Proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification of the Additional Administrators' Proposals.

It is proposed that for the purpose of the winding up, any act required or authorised under any enactment to be done by the joint liquidators is to be done by all or any one or more of the persons for the time being holding office.

However, the Additional Administrators' reserve the right to make the necessary application to Court for consent to distribute to the Company's unsecured creditors from administration, rather than placing the Company into liquidation, if they deem this more appropriate. Should this be the case, as soon as the Additional Administrators are satisfied that they have fully discharged their duties as administrators and that the purpose of the administration has been fully achieved, the Additional Administrators propose to deliver a notice of moving from administration to dissolution to the Registrar of Companies. Upon the registration of such notice the Additional Administrators' appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

In the event that there are insufficient realisations available to enable a distribution to unsecured creditors, as soon as they are satisfied that they have fully discharged their duties as administrators and that the purpose of the administration has been fully achieved, the Additional Administrators propose to deliver a notice of moving from administration to dissolution to the Registrar of Companies. Upon the registration of such notice their appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, they must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

Use of personal information

Please note that in the course of discharging our statutory duties as Joint Administrators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

11. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission

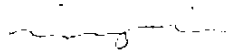
of the court) may request in writing that we provide further information about our remuneration or expenses (other than pre-administration costs) which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

12. CONCLUSION

The Additional Administrators will report again in approximately six months time or at the conclusion of the administration, whichever is the sooner.



Kris Anthony Wigfield
Joint Administrator

Dated: 16 June 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 18 November 2022 to 17 May 2023

Accumulate Capital Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 18/11/2022 To 17/05/2023 £	From 18/11/2021 To 17/05/2023 £
	SECURED ASSETS		
Uncertain	Charge over Riverside development	914,352.99	1,769,370.34
		914,352.99	1,769,370.34
	SECURED CREDITORS		
(250,000.00)	Huddle SPV4 Ltd	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	611.60	611.84
5,467.99	Cash at Bank	NIL	6,032.30
Uncertain	Inter-Company Debtors (ANOL/ALSW/	NIL	NIL
		611.60	6,644.14
	COST OF REALISATIONS		
	Administrators' Expenses		
	Legal Disbursements	NIL	10,562.50
	Bond	NIL	1,500.00
	Postage	NIL	31.62
	Statutory Advertising	NIL	88.00
	Land Registry search fees	NIL	45.00
	Mileage	NIL	53.10
	Administrators' Fees	81,448.49	274,973.25
	Agents/Valuers Fees (1)	NIL	2,500.00
	Bank Charges	15.00	15.00
	Committee Expenses	3,295.00	3,295.00
	Investigation expenses	NIL	2,000.00
	Irrecoverable VAT	30,806.67	120,624.14
	IT Consultancy	5,951.75	9,302.75
	Legal Fees (Freeths LLP, Counsel)		
	Counsel's fees	22,135.50	22,985.50
	Freeths LLP	44,762.60	168,308.00
	Freeths LLP (disbursements)	NIL	313.60
	Legal Fees (GC, WH, SPB)		
	Gunner Cooke	NIL	30,845.50
	Ward Hadaway LLP	NIL	5,167.00
	Squire Patton Boggs (UK) LLP	NIL	76,039.50
	Option Agreement Settlement	NIL	45,000.00
	Statutory Advertising		
	Advertising	NIL	337.92
	Telephone, Fax and Emails	NIL	662.44
	Transfer to ALSW	233,067.60	503,050.57
		(421,482.61)	(1,277,700.39)
	UNSECURED CREDITORS		
(50,000.00)	Director	NIL	NIL
(107,711.00)	Inter-Company Creditors (AREL/ACOL	NIL	NIL
Uncertain	Investors (LSWL)	NIL	NIL
(50,000.00)	Starling Bank	NIL	NIL
(6,842.00)	Trade Creditors (Count=2)	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(300.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(459,385.01)		493,481.98	498,314.09
	REPRESENTED BY		

Accumulate Capital Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 18/11/2022 To 17/05/2023 £	From 18/11/2021 To 17/05/2023 £
REPRESENTED BY CONTINUED		
Barclays FL Current Account NIB		3,232.10
Ringfenced		495,081.99
		498,314.09

COSTS AND EXPENSES

- a. Begbies Traynor (SY) LLP's charging policy;
- b. Time Costs Analysis for the period from 18 November 2022 to 17 May 2023; and
- c. Cumulative Time Costs Analysis for the period from 4 January 2022 to 17 May 2023.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ☐ *Category 1 expenses (approval not required)* - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ☐ *Category 2 expenses (approval required)* - Items of expenditure that are directly related to the case and either:
 - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 per meeting;
- ☐ Car mileage which is charged at the rate of 45 pence per mile

Payments anticipated to be made to associates (pursuant to (ii) above)

Services provided by other entities within the Begbies Traynor group

It may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

General Office Overheads.

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the Sheffield office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 1 January 2022 until further notice
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

Prior to 31 December 2021, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	495
Director	445

Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Cashier	140
Secretarial	140

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

Time Costs Analysis for the period from 18 November 2022 to 17 May 2023

SIP9 Accumulate Capital Limited - Administration - 91AC251.ADM : Time Costs Analysis From 18/11/2022 To: 17/05/2023

[illegible]

Cumulative Time Costs Analysis for the period from 4 January 2022 to 17 May 2023

SIP9 Accumulate Capital Limited - Administration - 91AC251.ADM - Time Costs Analysis From 04/01/2022 To 17/05/2023

[illegible]

COSTS AND EXPENSES

Former Administrators

- a. O'Haras Limited charging policy;
- b. Pre-appointment time costs summary and analysis
- c. Time costs summary and analysis for the period 4 November 2021 to 3 March 2022

O'HARAS LIMITED

- ❑ O'Haras Limited's charging policy
- ❑ O'Haras Limited's Pre-administration work, costs and proposed remuneration with Pre-Administration Time Costs Analysis is attached.
- ❑ O'Haras Limited's summary of work undertaken since the Original Proposals.
- ❑ Table of time spent and charge-out value
- ❑ Details of the expenses incurred by O'Haras Limited.

Begbies Traynor (SY) LLP have had no involvement in the preparation of this information (except for providing template documentation) and therefore cannot comment on its content or accuracy.

Creditors' Guide to Fees

Practice Fees and Disbursements Recovery Policy

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointment. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee, if one is appointed by the creditors, failing which the creditors in general or by the court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.r3.org.uk/what-we-do/publications/professional/fees>. Alternatively, a hard copy may be requested from O'Haras Limited of Moorend House, Snelsins Lane, Cleckheaton, West Yorkshire, BD19 3UE.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time cost basis, i.e., by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can see further information and challenge the basis on which the fees are calculated, and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time Cost basis

When charging fees on a time cost basis we use charge out rates appropriate for the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6-minute units with supporting narrative to explain the work undertaken.

Charge out Rates

Grade of Staff	Current Charge out Rate (Effective from 6 April 2021) £ per hour
Partner	500 - 650
Manager	350-400
Other Senior Professionals	250
Assistants & Support Staff	200
Time costs are calculated using 6-minute units.	

These charge out rates are reviewed on 1 January each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and planning
- Investigations
- Realisations of Assets
- Creditors
- Trading
- Case Specific Matters

When we seek time costs approval, we have to set out a fee estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fees reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015 most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 however we do not look to seek our remuneration on a percentage basis.

However, where we do look to recover our fees on a percentage basis a report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisation and the work covered by that remuneration, as well as the expenses that will be or are likely to be incurred. Expenses can be incurred without approval but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised and where approval is obtained on a mixture of bases. Any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fees reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis, then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of percentage applied. If there has not been a material and substantial change in the circumstances, then an increase can only be approved by the court.

Fixed Fee Basis

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks, in cases where we were appointed prior to 1 October 2015 most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge, and the work covered by that remuneration as well as the expenses that will be or are likely to be incurred. Expenses can be incurred without approval but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fees reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis, then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the court.

Members' Voluntary Liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to member's voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVL's, the Company's members set the fee basis, often as a fixed fee. In CVA's & IVA's, the fee basis is set out in the proposals and creditors approve the fees when they approve the arrangement.

All Bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangement, which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

These are charged at cost, based upon the charge made by the Agent instructed. The term Agent includes:

- Statutory Advertising
- Solicitors/Legal Advisors
- Auctioneers/Valuer's
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015 the office holder will provide details of expenses to be incurred or likely to be incurred when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP 9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or O'Haras Limited; in the case of the latter, the invoices make a reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval

of creditors, either by a direct payment from the estate or where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of Category 1 disbursements are statutory advertising, external meeting room hire, external storage and archiving costs, specific bond insurance, Company search fees, postage, travel expenses and photocopying (where a third party is used).

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third-party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the bases of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying (internal), internal room hire, internal storage and mileage.

The following Category 2 disbursements are to be recovered as follows:

Postage:	
1 st Class	£1.10
2 nd Class	£1.00
Airmail	£2.00
Other	According to weight and size
Photocopying	Up to 20p per sheet
Mileage	70p per mile
Internal Room Hire	£25 - £100 per meeting

DETAILS OF THE WORK CARRIED OUT PRE ADMINISTRATION BY THE FORMER OFFICE HOLDER, THE ASSOCIATED COSTS AND THE PROPOSED REMUNERATION FOR THE WORK

CASE NAME: Accumulate Capital Limited

CASE TYPE: ADMINISTRATION

FORMER OFFICE HOLDER: Jeremy Bennett

DATE OF APPOINTMENT: 18 November 2021

DATE OF RESIGNATION: 3 March 2022

1 CASE OVERVIEW

1.1 This overview is intended to provide sufficient information to enable the body responsible for the approval of pre-administration costs to consider the level of those costs in the context of the case.

1.2 Time costs information

Details of the time spent by each grade of staff prior to the appointment of the administrators and the overall average hourly charge out rate for the pre-administration work are set out in the attached table

Full details of the work undertaken by the administrators and their staff prior to appointment are set out below and in the Administrators' Statement of Proposals.

1.3 Overview of work undertaken prior to appointment

We were introduced to the Company's director in September 2021 by a third party.

A review of the business was carried out primarily with regards to how the Company operated in conjunction with SPV's whom the various companies within the Accumulate Group had invested monies into following the receipt of monies by the companies from individual investors.

It became apparent that the Company did not trade as such, and so there was no prospect of a pre appointment SiP16 sale of the business.

1.4 Complexity of work undertaken prior to appointment

a very complex assignment which included taking steps to understand the group companies' relationships; the asset and security position within the SPVs and within the group; including their overall interrelationship.

1.5 Exceptional responsibilities

As 1.4

1.6 The proposed Administrators' effectiveness

very effective, the Appointments were made promptly and efficiently having engaged with various stakeholders

1.7 The views of the creditors

The views of Huddle SPV4 Ltd, the secured creditor were sought with regards as to whether they would consent to the appointment of an Administrator.

1.8 Approval of fees, and expenses incurred in the period prior to appointment

The Administrators are seeking a resolution in relation to their pre-administration costs as follows: that the unpaid pre-administration costs detailed in the joint administrators' Statement of Proposals for achieving the purpose of administration, be approved for payment.

1.9 Other professionals employed & their costs

Gunner Cooke LLP solicitors were instructed to draft the relevant documentation such as the notice of intention to appoint an Administrator and the notice of appointment.

2 EXPLANATION OF OFFICE HOLDERS' CHARGING POLICY

2.1 O'Haras policy for charging fees and expenses incurred by office holders is attached at Appendix [insert number].

2.2 *Where time costs only:* The rates charged by the various grades of staff who may work on a case are attached at Appendix [insert number].]

Time Entry - Detailed SIP9 Time & Cost Summary

A793 - Accumulate Capital Limited
To: 01/04/2022
All Pre Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : 100 - Administration & Planning	17.10	1.00	0.00	0.00	18.10	11,015.00	608.56
Administration & Planning	17.10	1.00	0.00	0.00	18.10	11,015.00	608.56
300 : 300 - Realisation of assets	12.00	0.00	0.00	0.00	12.00	6,000.00	500.00
Realisation of Assets	12.00	0.00	0.00	0.00	12.00	6,000.00	500.00
Total Hours	29.10	1.00	0.00	0.00	30.10	17,015.00	565.28
Total Fees Claimed						0.00	

Accumulate Capital Limited

SUMMARY OF WORK TO UNDERTAKEN BY THE FORMER ADMINISTRATOR, PAYMENTS AND EXPENSES

O'HARAS LIMITED

This summary, which should be read in conjunction with the Time Costs Analysis attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees and the payment of certain expenses to make an informed judgement about the reasonableness of our request for approval of the same.

What work has been done since we were appointed, why was that work necessary and what has been the financial benefit (if any) to creditors?

To assist creditors we have used the headings from our Fees Estimate and Time Costs Analysis attached, to categorise the work that has been and will be undertaken in the administration.

Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached.

General case administration and planning

Insolvency Practitioners are required to maintain records to demonstrate how the case is administered, and to document any decisions that materially affect the case.

At the onset of the case we will form a strategy for how the case will be managed. This will take into consideration the level of assets to be realised, how those assets will be realised, and whether there will be sufficient realisations to make a distribution to the Company's creditors.

The case will be subject to regular reviews to ensure case progression and the files will be kept up to date.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the administration, which ensures that the joint administrators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. We have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. We are also required to notify various bodies of our appointment, including creditors, Companies House, and advertise our appointment in the London Gazette.

We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

Investigations

All investigatory work has been undertaken by Jeremy Bennett and his staff at O'Haras Limited.

This type of work includes:

SIP 2 Review:

- Correspondence to request information on the company's dealings, making further enquiries of third parties.
- Reviewing questionnaires submitted by creditors.
- Reconstruction of financial affairs of the company.
- Reviewing company's books and records.
- Preparation of deficiency statement.
- Review of specific transactions and liaising with directors regarding certain transactions.
- Liaising with the committee/creditors or major creditors about further action to be taken.

Reporting on conduct of director(s):

- Liaising with the Insolvency Service.
- Assisting the Insolvency Service with its investigations.

If Legal proceedings were required following our investigations, then the following work would be involved:

Litigation/Recoveries:

- Strategy meeting regarding litigation.
- Seeking funding from creditors.
- Reviewing terms of solicitors' conditional fee agreements.
- Preparing brief to solicitors/counsel.
- Liaising with solicitors regarding recovery actions.
- Dealing with ATE insurers.
- Attending to negotiations.
- Attending to settlement matters

Realisation of assets

Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors. In order to do this we may need to consider instructing professional agents to carry out negotiations, provide inventories and valuations. We may also need to instruct solicitors to complete sales. We may need assistance with debt collection exercises.

All work carried out in respect of the asset realisation is for the purpose of realising property and assets for the benefit of the creditors generally.

The Company is a 100% shareholder in five Funding SPVs into which syndicated investment monies arranged by the Company were paid by investors before then being advanced to a further 5 Developer SPVs.

Once appointed, the Administrator oversaw the completion of strategies agreed with the providers of senior debt / the first charge holders in relation to the realisation of the Developing SPV assets (and in turn concerning recoveries for the benefit of the Funding SPV creditors).

Trading

The Company operated as an investment manager and the focus was to protect the various investments the Company arranged. The Company had no material trading operations outside of this role and there was no therefore no financial incentive to considering an ongoing trading strategy.

Dealing with all creditors' claims (including employees), correspondence and distributions

If there is likely to be a distribution, creditors will be made aware of this at the earliest possibility, whether it be detailed in our initial correspondence, a progress report or by notice of intended dividend issued during the course of administering the case.

Creditors' claims will be dealt with in accordance with the order of priority, and therefore only if there is a prospect of a dividend in the insolvency proceedings, will those specific claims be adjudicated on.

The floating charge creditor, Huddle SPV4 Limited, was re-paid under the terms of their debenture.

There are 5 unsecured creditors in this matter.

Time will be spent dealing with all creditor queries as and when required.

Other matters which include, seeking decisions from creditors (via DCP and/or via Decision Procedures), tax, litigation, pensions and travel

During the course of administering the case, the Insolvency Practitioner will be required to seek decisions from creditors on various proposed resolutions, including the basis of our remuneration and whether a creditors committee is formed.

We are also required to submit VAT and Tax returns when appropriate in order to reclaim monies for the estate and pay over any taxes due to HMRC. As detailed above, we are also duty bound to provide notifications and further assistance to pensions departments where applicable.

We may be required to travel to the Company's premises, or to a meeting external to our office if it assists with our realisation of assets, investigations or another aspect of the case.

There may not be any obvious financial benefit to creditors, but all work carried out would likely be considered necessary for the administration and progression of the case. Creditors will be notified of all of our actions in the progress and/or final reports issued.

Time Costs Analysis

An analysis of time costs for the period 18 November 2021 to 3 March 2022, is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

Pre Administration costs

Details of the pre appointment work carried out by the former administrator, together with our costs and proposed remuneration are found within the Proposal document^[X] and are also detailed separately within this Appendix.

Expenses

Details of all of the expenses incurred since the date of our appointment^[X] are attached at appendix [X].

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

Commented [JH1]: Please add web link to O'Hara's equivalent

Accumulate Capital Limited

Case progression from JB's proposals to JB removal

- Ongoing work re sale of properties relating to Accumulate London SW Ltd, Accumulate Residencies Ltd and Accumulate Commercial Limited
- Liaison with agents and other parties in respect of the above
- Communication's with creditors and/or their solicitor and/or creditor committee member(s) including guidance for committee
- Discharging secured creditor
- Assistance with securing Begbies Traynor appointment and removal of JB
- General care and conduct.

Time Entry - Detailed SIP9 Time & Cost Summary

A793 - Accumulate Capital Limited
To: 03/03/2022
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : 100 - Administration & Planning	29.30	25.40	0.00	0.00	54.70	26,570.00	522.30
101 : 101 - Case planning	25.80	0.00	0.00	0.00	25.80	14,070.00	545.35
102 : 102 - Administrative set-up	0.00	0.00	27.00	0.00	27.00	8,400.00	200.00
103 : 103 - General Admin	0.00	0.00	16.00	0.00	16.00	3,800.00	200.00
105 : 105 - Statutory reporting	13.50	10.90	0.00	0.00	24.40	10,850.00	444.67
106 : 106 - Cashiering	0.00	1.00	0.00	0.50	1.50	325.00	216.67
107 : 107 - Reviews	0.00	3.60	0.00	0.00	3.60	1,370.00	360.53
Administration & Planning	68.60	41.10	43.00	0.50	153.20	64,185.00	413.59
500 : 500 - Creditors	0.00	3.40	0.00	0.00	3.40	1,285.00	377.94
501 : 501 - Communication	0.00	0.30	0.00	0.00	0.30	105.00	350.00
502 : 502 - Claims	0.00	0.40	0.00	0.00	0.40	140.00	350.00
504 : 504 - Secured Creditors	10.00	1.90	0.00	0.00	11.90	5,525.00	464.43
Creditors	10.00	5.60	0.00	0.00	15.60	7,055.00	452.24
200 : 200 - Investigations	0.00	0.70	0.00	0.00	0.70	245.00	350.00
204 : 204 - General Investigations	4.00	1.00	0.00	0.00	5.00	2,350.00	470.00
Investigations	4.00	1.70	0.00	0.00	5.70	2,595.00	452.28
300 : 300 - Realisation of assets	99.00	1.60	0.00	0.00	100.60	50,090.00	497.81
301 : 301 - Identify, securing, insuring	0.00	0.30	0.00	0.00	0.30	320.00	600.00
Realisation of Assets	99.00	2.40	0.00	0.00	101.40	50,410.00	497.14
Total Hours	181.60	50.80	43.00	0.50	277.90	124,245.00	447.99
Total Fees Claimed						9.90	

ACCUMULATE CAPITAL LIMITED

O'HARA'S LIMITED

DETAILS OF THE EXPENSES THAT THE ADMINISTRATORS CONSIDER WILL BE, OR ARE LIKELY TO BE INCURRED DURING THE COURSE OF THE ADMINISTRATION

No.	Type of expense	Description	Estimate £
1.	Advertisements	Of appointment	82.95 (net)
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds	774.00
3.	Insurance	An Insolvency Practitioner is required to ensure that there is sufficient insurance cover over the assets of the insolvent entity. Administration fees may also be charged on the policy	
4.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	
5.	Property agent's valuation fees Pantera Property	See attached	
6.	Property agent's sale fees [and disbursements]	[insert description [and their anticipated disbursements]]	
7.	[Legal fees and disbursements]	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements	Squire Paton Boggs £75,919.50 plus VAT Gunner Cooke £36,200 plus VAT Disbs £50

STATEMENT OF ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Bank Charges	Barclays Bank Plc	15.00	15.00	NIL
Committee Expenses	Committee member	3,295.00	3,295.00	NIL
IT Consultancy	Rapu Limited	5,951.75	5,951.75	NIL
Legal Fees	Freeths LLP	61,897.20	44,512.60	17,384.60
Legal Disbursements	Freeths LLP (Counsel's fees)	22,135.50	22,135.50	Nil
Expenses incurred with entities within the Begbies Traynor Group <i>(for further details see Begbies Traynor Charging Policy)</i>				
NIL	NIL	NIL	NIL	NIL

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Agents/Valuers Fees	Pantera Property	2,500.00
Bank Charges	Barclays Bank Plc	15.00
Bond	AON UK Limited	1,500.00
Committee Expenses	Committee member	3,295.00
Investigation Expenses	Temperaire Advisory	2,000.00
IT Consultancy	Rapu Limited	9,302.75
Land Registry Searches	HM Land Registry	45.00
Legal Disbursements	Freeths LLP, Including the fees of members of Radcliffe Chambers in the sum of £16,450.	22,583.10
Legal Disbursements	Gunner Cooke LLP	50.00
Legal Fees	Freeths LLP	185,440.60
Legal Fees	Gunner Cooke LLP	30,845.50
Legal Fees	Squire Patton Boggs (UK) LLP (Paid from funds retained pursuant to a solicitors lien)	91,200.00
Legal Fees	Ward Hadaway LLP	5,167.00
Mileage – travel to meeting with OH	BTG Staff	51.30
Postworks	Postworks	31.62
Statutory Advertising	EYE Reynell Advertising Ltd	425.92
Telephone, Fax and Emails	Ballyhoo Limited	662.44

ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

Expenses anticipated to be incurred prior to closure of the case	Name of party with whom expense anticipated to be incurred	Amount estimated to cost £
Agent's fees	Pantera Property	1,000.00 plus VAT
Legal fees and disbursements	Freeths LLP, Including a provision of £20,000 plus VAT for the fees of members of Radcliffe Chambers	50,000.00 plus VAT
Bank Charges	Barclays UK Plc	15.00 plus VAT
IT Consultancy	Rapu Limited	£4,000 plus VAT
Statutory advertising	EPE Reynell Advertising Limited	82.00 plus VAT
Postage	Postworks	700.00 plus VAT