

The Insolvency (Northern Ireland) Order 1989

Administrator's Progress Report

Name of Company Cool Data Centres (Lincoln) Ltd	Company Number NI 651391
In the High Court of Justice in Northern Ireland Chancery Division (Company Insolvency)	Court case number 2020/42987

*(a) Insert full name(s) and address(es) of administrator (s)

I/We (a)

Adrian David Allen &

Tyrone Shaun Courtman

RSM Restructuring Advisory LLP, Suite A, 7th Floor, East West Building, Tollhouse Hill, Nottingham, NG1 5FS

RSM Restructuring Advisory LLP, Rivermead House, 7 Lewis Court, Grove Park, Leicester, LE19 1SD

Administrators of the above-named company attach a progress report for the period

from

to

(b) Insert dates

(b) 3 August 2020

(b) 2 February 2021

Signed



Adrian Allen
Joint Administrator

Dated 26 February 2021

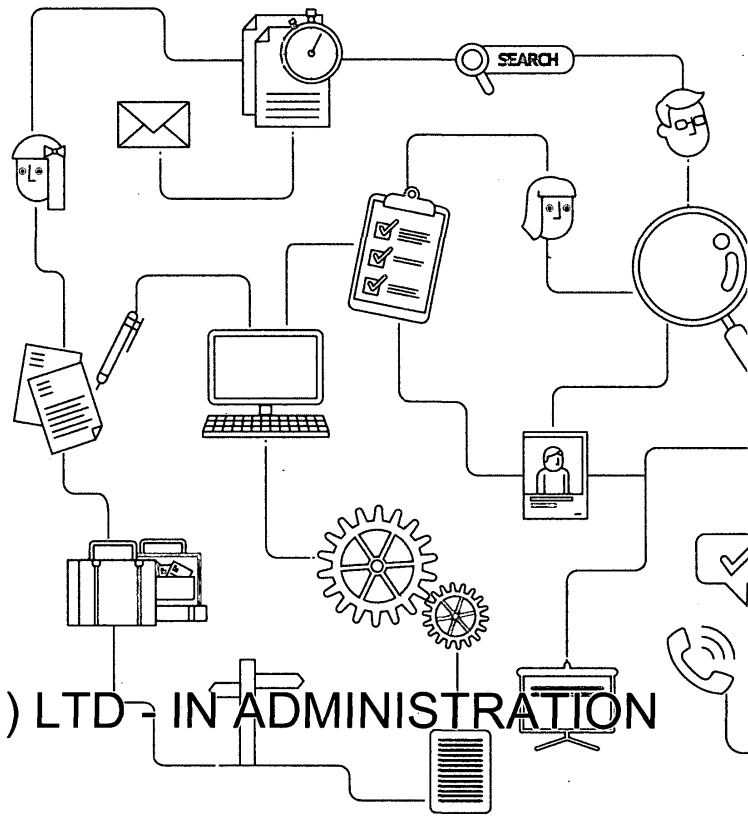
Contact Details

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

Samantha Hardingham	
RSM Restructuring Advisory LLP, Rivermead House, 7 Lewis Court, Grove Park, Leicester, LE19 1SD	
	Tel: 0116 282 0550

When you have completed and signed this form please send it to the Registrar of Companies at the Companies Registry for Northern Ireland





JOINT ADMINISTRATORS' PROGRESS REPORT FOR THE SIX-MONTH PERIOD TO 2 FEBRUARY 2021



INTRODUCTION

Contact details

The key contacts at RSM in connection with this report are:

Primary office holder	Case manager
Adrian Allen	Ross Taylor
RSM Restructuring Advisory LLP	RSM Restructuring Advisory LLP
Suite A, 7th Floor	Central Square
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Basis of preparation

This report has been prepared solely to comply with the statutory requirements of the relevant legislation to provide creditors with information relating to the progress of the Administration. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to revision and additional costs. They should not be used as the basis for any bad debt provision or any other purpose. Neither the Joint Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report. The Joint Administrators act as agents of the Company and without personal liability.

General guidance on the Administration process

You may also wish to note that the profession's trade body, R3, have also produced general guidance on the different insolvency processes, which can be located at their website www.R3.org.uk.

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CONDUCT OF THE ADMINISTRATION

Realisation of assets

Cash at bank

The Company held a bank account with Santander UK Plc, which had cash at bank of £40,089 at the date of appointment. These funds were subsequently transferred to the Administration shortly after our appointment and the account was closed.

No further monies are expected to be received in relation to this asset.

Sale of the business

The Joint Administrators attempted to maximise value for the Company's assets and minimise creditors' claims by seeking a sale of the Company's business and assets (principally consisting of a part completed data centre based in leasehold premises at Boole Technology Park, in Lincoln) within a shortened timeframe following their appointment on 3 August 2020. The sales process undertaken is set out below:

- Joint marketing campaign between the Joint Administrators and their agents Lambert Smith Hampton ('LSH'), agents and valuers;
- The Joint Administrators and their staff conducted two days of thorough research into potential purchasers, which resulted in just over 100 target parties being identified;
- The opportunity was issued to the target parties and to the interested party database of both RSM and LSH. This will have resulted in the opportunity being presented to c25,000 parties;
- The opportunity was advertised online via LSH's website;
- 22 parties were willing to sign a non-disclosure agreement; and
- As the sale process progressed it became evident how integral the Managing Director was to the knowledge of the site and how it has been built. From conversations the Joint Administrators were having with interested parties it was evident that some parties wished to retain his services. For these parties, it created a second round of negotiating direct with the Managing Director. A number of interested parties therefore dropped away as they were unable to agree employment or incentive terms accordingly.

The result of the above sales process resulted in 6 offers (after a stage of refining initial offers) being received for the business and assets. The highest offer was accepted and later withdrawn, following the issue of a sales contract, and the Joint Administrators therefore had to

revert back to the previous underbidders. After reverting back to the underbidders, a further preferred party also withdrew and a number of the others also reduced their initial offers or withdrew their interest in the opportunity. This resulted in a more prolonged sales process than was originally anticipated, which ultimately concluded on 28 October 2020.

The highest offer remaining of £75,000 plus VAT was accepted from a third party, Boole Data Centre Limited ('the purchaser') for the Company's assets. Sale consideration of £37,500 plus VAT was received on the date of completion (28 October 2020) and the remaining balance of £37,500 plus VAT is due to be received on or before 27 April 2021. The Administrators have taken a debenture over the purchaser's assets until the deferred sale consideration is paid in full.

The purchaser was granted a license to occupy the Company's leasehold premises for a period of three months and is currently in the process of agreeing an assignment of the Company's lease with the landlord.

Wedlake Bell provided legal advice during the sale process to include drafting the sale contracts and licence to occupy agreement.

Adverse costs recovery

During the period McGarrigle Legal, a firm of solicitors based in Northern Ireland, has assisted the Administrators with the recovery of an adverse costs order. This related to a legal process undertaken prior to our appointment, where the Court had made an order in the Company's favour for costs, and realisations of £41,151 have been made.

Rent Deposit

The Company occupied premises at Boole Technology Park in Lincoln whereby a rent deposit of £36,450 was held by the landlord. The purchaser remains in occupation of those premises, no dilapidation claims are therefore expected from the landlord. The Administrators are currently in discussions with the landlord regarding the recovery of the rent deposit, less the cost of the Administrators' period of occupation of £17,298. The Administrators are hopeful of recovering £19,152 of the rent deposit.

During the period rent of £4,956 has been received from the purchaser and paid to the landlord.

Bank interest

Bank interest of £17 has been received within the period.

The time costs incurred to date in respect of asset realisations are shown on the attached

analysis of time costs.

Investigations

In accordance with legislation the appropriate documentation in relation to the conduct of the Directors has been filed. The work done only leads to a financial return to creditors if any rights of action become visible during the course of the investigation, which lead to a recovery for the benefit of the estate.

In this instance, further investigations remain ongoing and the Joint Administrators will provide an update to creditors regarding this matter when it is appropriate to do so. McGarrigle Legal are assisting the Administrators with this aspect of the Administration, which remains confidential so as not to prejudice our work.

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Statutory and case management matters

The following work does not usually result in a financial return to creditors but is required by legislation, best practice and to ensure that the case is managed efficiently and effectively. Work done in the period included:

- filing of appointment documentation;
- initial notification to creditors;
- issuing statutory notices including the advertisement of the appointment and the notice of appointment to creditors;
- compliance with ethical and anti-money laundering regulations;
- arranging insurance of assets, including site visits;
- corresponding with our insurers and putting in place the appropriate insurance cover;
- discussions and correspondence with key creditors;
- correspondence with pre-appointment third party advisors;
- consideration of health & safety and environmental matters;
- preparation of an estimated financial position;
- collecting and scheduling of books and records;
- corresponding with the Company's landlords;
- liaising with creditors regarding potential Retention of Title claims;
- strategic discussions and ongoing case planning regarding the Administration;
- preparation of the Joint Administrators' Proposals;

- periodic case reviews;
- maintaining and updating computerised case management records;
- set up of the Administrators' bank account;
- maintenance of cashiering records and preparation of receipts and payments accounts;
- filing of statutory documentation at Companies House and Court, and with other relevant parties;
- general taxation matters;
- dealing with routine correspondence not attributable to other categories of work, including customer telephone calls and emails; and
- liaising with the PPF / Pensions Regulator / Trustees.

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Receipts and payments

A summary of receipts and payments is attached. Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.



OUTSTANDING MATTERS

Assets remaining to be realised

The following assets remain to be realised. Details of the work still required and the anticipated costs are set out in the 'Conduct of the Administration' section above, and below:

Nature of asset	Estimated to realise (£)	Estimated future costs (£)
Deferred sale consideration	37,500	2,500
Rent deposit	19,152	2,500

As referred to previously in this report, the deferred sale consideration of £37,500 plus VAT is due from the purchaser on or before 27 April 2021.

The landlord continues to hold a rent deposit of £36,000 less the costs of the Administrators' occupation period of £17,298, which leaves a balance due of £19,152. Given the purchaser is in occupation of the property, there should not be any claim for dilapidations from the landlord. The Administrators are in discussions with the landlord regarding repayment of this amount.

Other outstanding matters

The Joint Administrators are continuing their investigations into the conduct of the Directors and associated parties. Once these investigations are complete and the remaining assets realised then the Administration will be moved towards closure.

End of the Administration

It is currently anticipated that the Company will exit Administration by way of Creditors' Voluntary Liquidation or dissolution. The Joint Administrators or any successor(s), will be appointed Joint Liquidators of the Company.

Exit by dissolution

However, if at any point in the Administration should the Joint Administrators reach a conclusion that the property is insufficient to permit a distribution then they shall (unless the court orders otherwise) be required to file a notice pursuant to paragraph 85 of Schedule B1 to the Insolvency (Northern Ireland) Order 1989 for the Company be dissolved.

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects

	Owed (£'000)	Paid to date (£)	Estimated future prospects*
Preferential creditors	13	Nil	Uncertain
Unsecured creditors	3,196	Nil	Uncertain
Estimated Net Property	N/A	N/A	N/A
Estimated 'Prescribed Part' available for creditors	N/A	N/A	N/A

* Any estimated outcome for creditors is illustrative and may be subject to change

Prescribed Part

The 'Prescribed Part' is a statutory amount set aside for unsecured creditors from funds ('Net Property') available to a Qualifying Floating Charge Holder ('QFCH'). The amount of Net Property is calculated on a sliding scale up to maximum £600,000 depending on when the floating charge was created and whether or not it is a first ranking floating charge.

There are no QFCHs and so the Prescribed Part does not, therefore, apply.

Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being made to that particular class of creditor.

The anticipated dividends set out above are subject to future realisations and no work has therefore been done as yet to agree preferential claims, other than that necessary for the purposes of admitting claims for voting, where applicable. Details of the time spent in relation to this work as set out in the attached time analysis.

If you have not already submitted a Proof of Debt, a copy of the form can be obtained at <https://rsmuk.ips-docs.com> or by request to this office.

Dividend payments

The timing of any future dividend to preferential or unsecured creditors is dependent on future realisations, arising, following the Administrators' ongoing investigations leading to additional recoveries for creditors, after meeting the costs of realisation and the Administration process. Further information regarding any potential dividend payment will be made in due course.

Creditor communication

The following work was done in the period to comply with legislation, best practice and to ensure creditors were kept informed. It is also necessary to enable a dividend to be paid or is due to be paid in the subsequent liquidation.

- maintenance of schedules of preferential and unsecured creditors' claims;
- dealing with correspondence and telephone calls from creditors;
- discussions and correspondence with the former employees and assisting with their claims;
- agreeing employee claims, submitting documentation to, and liaising with, the Redundancy Payments' Service;
- liaising with the retained employee in respect of maintaining the facility and ensuring all matters are up to date; and
- review of unsecured creditors' claims and recording these claims on our case management software.

Creditors only derive an indirect financial return from this work on cases where a dividend has been, or will be, paid.

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.



JOINT ADMINISTRATORS' FEES, COSTS AND EXPENSES

Guide to Administrator's fees and expenses

A Guide to Administrator's Fees, which provides information for creditors in relation to the fees and expenses of an Administrator, can be found at Appendix D. All fees, costs and expenses are subject to VAT.

Relevant Approving Body

The unsecured creditors are the Relevant Approving Body responsible for approving the Joint Administrators' post appointment fee basis and, where applicable, 'category 2' expenses, and any outstanding pre-Administration costs. However, if a creditors' committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

Pre-administration costs

Details of the pre-Administration costs that have been approved since appointment are set out below. Amounts paid to date from the estate are shown in the attached receipts and payments account.

To whom due / paid	Date approved	Amount approved (£)
Joint Administrators' pre-Administration fees	9 October 2020	6,684
Total		6,684

No legal fees or category 1 or 2 expenses were incurred.

Post Appointment fees, costs and expenses

Basis for remuneration

Insolvency legislation allows an Administrator to charge fees on one of, or a combination of, the following bases:

- as a percentage of the value of the property the Administrator has to deal with (percentage basis);
- to the time spent by the Administrator or their staff on the administration of the case (time cost basis);

- as a set amount (fixed fee basis); or
- a combination of the above (mixed fee basis).

The unsecured creditors have approved the Joint Administrators' fees on a time cost basis.

Remuneration charged and paid

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done.

During the period, the remuneration charged by the Joint Administrators, totalled £103,881, calculated on the basis set out above. Amounts paid to date are shown in the attached receipts and payments account at Appendix B.

An analysis of time incurred in the period is attached at Appendix C.

Further fee approval

Please note that, should the Company exit Administration via a Creditors' Voluntary Liquidation and the Administrators are appointed Liquidators, a further fee resolution will be provided in relation to the fees in Liquidation, albeit the basis will remain the same as that approved in the Administration.

Expenses and professional costs

The total costs and expenses estimated to be incurred by the Joint Administrators are set out below together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account.

The quantum of costs and expenses is higher than the estimates previously provided to creditors because of the protracted sale period and the site running costs being higher than originally anticipated.

Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the Relevant Approving Body prior to being paid.

Type of expense	Total estimated (£)	Incurred in period (£)
Bank charges	50	12
Bond	85	85
Statutory advertising	690	565
Website fee	13	-
Books & records collection & storage	100	-
Postage	100	118
Stationery	-	68
Insurance – JLT Marsh	5,000	1,661
Site running costs	5,000	11,313
Rent - Sale of business occupation period	-	17,298
Rent – Purchaser liability	-	4,956*
Wages & employers NIC – retained staff	6,145	4,050
Total	17,183	40,126

* Rent of £4,956 has been received from the purchaser to cover this expense.

Category 2 expenses

These are costs which are not capable of precise identification or calculation, or that may include an element of shared or allocated costs. Payments to outside parties that the Joint Administrators', firm, or any associate has an interest, are also treated as 'category 2' expenses. These expenses require the specific approval of the unsecured creditors before being paid from the insolvency estate.

The unsecured creditors has approved the payment of the 'category 2' expenses, at the rates prevailing at the date they were incurred. Details of the current rates are set out below.

Type of expense	Total estimated (£)	Incurred in period (£)
Room hire (£25/80 per room)	0	0
Mileage (42.5p per mile)	250	298
Tracker reports (£10 per report)	0	10
Subsistence (£25 per night)	0	0
Total	250	308

Other professional costs

The Joint Administrators' retained the following advisers based on their experience and expertise. These costs are not subject to approval by the unsecured creditors. However, they are subject to review and approval by the Joint Administrators.

McGarrigle Legal, solicitors in Belfast, were instructed to assist the Joint Administrators due to the Company's Northern Ireland base and laws. It was decided that a firm of Northern Ireland based solicitors would be better placed to assist the Administrators with their investigations. Whilst this cost was not originally estimated for in the proposals, the estimated costs are still in line with our previous estimate.

As previously detailed in this report LSH, agents and valuers, were instructed to assist the Joint Administrators to attempt to realise the sale of the Company's business and assets. LSH also carried out a valuation of the Company's assets.



Party	Nature of advice	Total estimated (£)	Incurred in period (£)
Wedlake Bell LLP	Sales contract and negotiations	40,000	22,730
McGarrigle Legal	Legal advice	-	11,923
Lambert Smith Hampton	Asset valuation and disposal	5,000	2,500
Clumber Consultancy	Pensions advice	250	-
Total		45,250	37,153

Creditors' right to information and ability to challenge fees

Creditors have a right to request further information about fees or expenses (other than pre-Administration costs) and to challenge such fees or expenses as set out in Appendix D as attached.

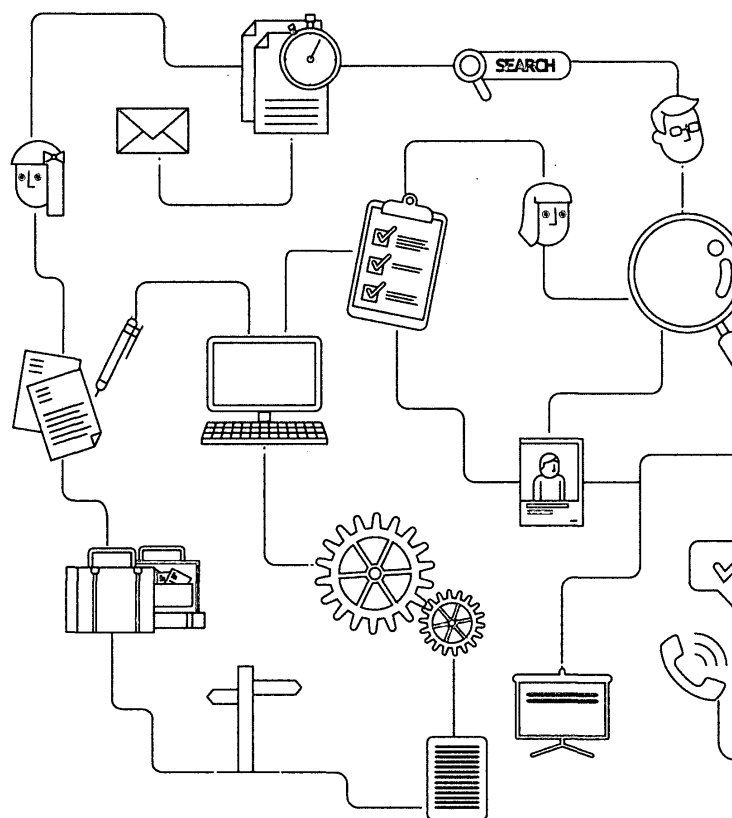
Should you have any further queries, please do not hesitate to contact me.

Adrian Allen
RSM Restructuring Advisory LLP
Joint Administrator

Adrian Allen and Tyrone Courtman are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

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





A. STATUTORY INFORMATION

Company information

Company name:	Cool Data Centres (Lincoln) Ltd
Company number:	NI651391
Date of incorporation:	2 March 2018
Trading name:	Cool Data Centres (Lincoln) Ltd
Trading address:	Boole Technology Centre, Lincoln Science & Innovation Park, Beevor Street, Lincoln, LN6 7DJ
Principal activity:	Computer facilities management activities
Registered office:	RSM Northern Ireland (UK) Limited, Number One, Lanyon Quay, Belfast, BT1 3LG
Previous registered office:	248 Upper Newtownards Road, Belfast, BT4 3EU
Directors:	Mr Tim Chambers Ms Angela Marie Meah Mr James Geoffrey Falconer
Secretary:	None

Administration information

Court reference:	In the High Court of Justice in Northern Ireland Chancery Division (Companies) No 042987 of 2020	
Joint Administrators:	Adrian Allen and Tyrone Courtman	
Appointor:	Court appointment	
Date of appointment:	3 August 2020	
Functions of Administrators:	The Joint Administrators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.	
Joint Administrators:	Primary office holder: Adrian Allen RSM Restructuring Advisory LLP Suite A, 7th Floor East West Building 2 Tollhouse Hill Nottingham NG1 5FS 0115 964 4450 IP Number: 8740	Joint office holder: Tyrone Courtman RSM Restructuring Advisory LLP Rivermead House 7 Lewis Court, Grove Park Enderby Leicestershire LE19 1SD 0116 282 0550 IP Number: 7237

B. RECEIPTS AND PAYMENTS SUMMARY

Cool Data Centres (Lincoln) Ltd – In Administration Joint Administrators' Receipts and Payments Account

Statement of Affairs	From 03/08/2020 To 02/02/2021
£	£
ASSET REALISATIONS	
Adverse costs recovery	41,151.00
Bank Interest Gross	17.39
Cash at Bank	40,088.64
Rent / Service Charge	4,956.48
Sale of Business	37,500.00
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	123,713.51
COST OF REALISATIONS	
Bank Charges	12.29
Bordereau Premium	85.00
Insurance - JLT Speciality Limited	1,661.20
Legal Fees	15,085.55
Legal Fees - McGarrigle	5,000.00
Mileage	298.35
Joint Administrators' Fees	25,000.00
Postage	118.26
Rents Payable	4,956.48
Stationery	68.26
Statutory Advertising	564.68
Site costs - Brook Green Supply	5,831.24
Site costs - Security Costs	870.00
Site costs - Next Connex Ltd	4,611.29
Site costs - Wages & Salaries	4,050.00
	<hr/>
	(68,212.60)
	<hr/>
	55,500.91
REPRESENTED BY	
Bank 1 Current	52,485.67
Vat Payable	(8,542.96)
Vat Receivable	11,558.20
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	55,500.91
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C. POST-APPOINTMENT TIME ANALYSIS

Joint Administrators' post appointment time cost analysis for the period 3 August 2020 to 2 February 2021

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Statutory Requirements									
Appointment & SoA									
Appointment documentation (statutory)	0.3	0.3	0.0	0.0	0.0	0.0	0.6	£ 249.00	415.00
Statutory filing/advertising	0.0	0.0	0.0	0.0	0.1	0.0	0.1	£ 15.00	150.00
Total	0.3	0.3	0.0	0.0	0.1	0.0	0.7	£ 264.00	377.14
Creditors/shareholders decisions, meetings & reports									
Preparing progress & final reports (inc. R&Ps)	3.5	5.9	4.7	0.2	19.4	0.0	33.7	£ 8,186.00	242.91
Qualifying decisions / meeting documentation / advert / agenda / minutes / report	2.6	1.3	0.0	0.0	8.2	0.0	12.1	£ 2,967.50	245.25
Total	6.1	7.2	4.7	0.2	27.6	0.0	45.8	£ 11,153.50	243.53
Pension Scheme									
General	0.5	0.0	0.0	0.0	0.5	0.0	1.0	£ 337.50	337.50
Meetings/corres/tel with PPF/Pensions Regulator/Trustees	0.0	0.0	0.0	0.0	1.2	0.0	1.2	£ 180.00	150.00
Total	0.5	0.0	0.0	0.0	1.7	0.0	2.2	£ 517.50	235.23
Taxation									
Post-appointment VAT	0.5	0.6	1.3	0.0	0.3	0.0	2.7	£ 964.00	357.04
Total	0.5	0.6	1.3	0.0	0.3	0.0	2.7	£ 964.00	357.04
Total	7.4	8.1	6.0	0.2	29.7	0.0	51.4	£ 12,899.00	250.95
Realisation of Assets									
Assets - general/other									
Goodwill/intellectual property	0.5	0.0	0.0	0.0	0.0	0.0	0.5	£ 262.50	525.00
Insurance - general	0.1	0.0	0.0	0.0	0.9	0.0	1.0	£ 187.50	187.50
Other (e.g. rates, insurance pre-payments etc)	1.2	0.0	0.0	0.0	1.1	0.0	2.3	£ 795.00	345.65
Legal / Risk Board clearance	0.5	0.3	0.0	0.0	0.0	0.0	0.8	£ 354.00	442.50
Total	2.3	0.3	0.0	0.0	2.0	0.0	4.6	£ 1,599.00	347.61
Chattels									
Agent liaison	0.2	1.2	0.0	0.0	0.0	0.0	1.4	£ 471.00	336.43
Insurance	0.0	0.6	0.0	0.0	0.0	0.0	0.6	£ 183.00	305.00
Meetings/corres/tel with purchaser	0.0	5.0	0.0	0.0	0.0	0.0	5.0	£ 1,525.00	305.00
Other major chattels issues	0.2	0.4	0.0	0.0	0.0	0.0	0.6	£ 227.00	378.33
Total	0.4	7.2	0.0	0.0	0.0	0.0	7.6	£ 2,406.00	316.58
Debtors & sales finance									
Debt collection	0.1	0.6	0.0	0.0	0.0	0.0	0.7	£ 235.50	336.43
Total	0.1	0.6	0.0	0.0	0.0	0.0	0.7	£ 235.50	336.43

Land and Property									
Insurance	0.0	0.0	0.0	0.0	0.4	0.0	0.4	£ 60.00	150.00
Meetings/corres/tel with directors/debtor	0.0	0.6	0.0	0.0	0.0	0.0	0.6	£ 183.00	305.00
Meetings/corres/tel with Landlord	0.5	3.0	0.0	0.0	0.2	0.0	3.7	£ 1,207.50	326.35
Meetings/corres/tel with purchaser	0.0	0.4	0.0	0.0	0.0	0.0	0.4	£ 122.00	305.00
Meetings/corres/tel with Utility suppliers	0.2	0.4	0.0	0.0	3.6	0.0	4.2	£ 767.00	182.62
Rent Collection	0.0	0.0	0.0	0.0	0.2	0.0	0.2	£ 30.00	150.00
Legal matters / Risk Board clearance	0.0	0.2	0.0	0.0	0.0	0.0	0.2	£ 61.00	305.00
Total	0.7	4.6	0.0	0.0	4.4	0.0	9.7	£ 2,430.50	250.57
Retention of title/third party assets									
Dealing with ROT creditor / agreeing claim	0.2	2.0	0.0	0.0	1.1	0.0	3.3	£ 880.00	266.67
Meetings/corres/tel with directors/debtor	0.3	0.0	0.0	0.0	0.2	0.0	0.5	£ 187.50	375.00
Total	0.5	2.0	0.0	0.0	1.3	0.0	3.8	£ 1,067.50	280.92
Sale of business									
Agent liaison	0.3	0.2	0.0	0.0	0.0	0.0	0.5	£ 218.50	437.00
Contract negotiations	0.8	0.0	0.0	0.0	0.0	0.0	0.8	£ 420.00	525.00
Meetings/corres/tel with interested parties	13.3	29.4	0.0	0.0	45.6	0.0	88.3	£ 23,929.50	271.00
Meetings/corres/tel with purchaser	1.9	9.8	0.0	0.0	0.5	0.0	12.2	£ 4,061.50	332.91
Other major sale of business issues	5.0	0.8	0.0	0.2	0.0	0.0	3.9	£ 2,963.00	477.05
Sales negotiations	0.5	0.3	0.0	0.0	0.0	0.0	0.8	£ 354.00	442.50
Sales pack	1.0	5.5	0.0	0.0	0.6	0.0	7.1	£ 2,292.50	322.89
Legal	1.4	4.5	0.0	0.0	0.0	0.0	5.9	£ 2,107.50	357.20
Total	24.2	50.5	0.0	0.2	46.7	0.0	121.6	£ 36,346.50	298.90
Total	28.2	65.2	0.0	0.2	54.4	0.0	148.0	£ 44,085.00	297.87
Investigations									
Investigations/CDDA									
Antecedent transactions - other	2.1	0.0	0.0	1.3	0.9	0.0	4.3	£ 1,505.50	350.12
CDDA report/return/checklist	0.8	7.8	0.0	0.0	5.8	0.0	14.4	£ 3,669.00	254.79
Misfeasance	0.5	0.0	0.0	1.3	0.0	0.0	1.8	£ 548.50	304.72
Other general matters	0.8	5.9	5.0	0.5	0.0	0.0	12.2	£ 4,924.50	403.65
Wrongful/fraudulent trading	0.0	2.5	0.0	0.0	0.0	0.0	2.5	£ 762.50	305.00
Collect / schedule / general review of books & records & other papers	0.2	16.8	0.0	2.2	1.5	0.0	20.7	£ 5,918.00	285.89
Total	4.4	33.0	5.0	5.3	8.2	0.0	55.9	£ 17,328.00	309.98
Total	4.4	33.0	5.0	5.3	8.2	0.0	55.9	£ 17,328.00	309.98
Case Specific Matters									
Director(s)/Debtor/Bankrupt									
Correspondence/tel	0.2	7.7	0.0	0.0	1.8	0.0	9.7	£ 2,723.50	280.77
Meetings	0.0	10.5	0.0	0.0	0.0	0.0	10.5	£ 3,202.50	305.00
Correspondence/tel/meeting - directors	0.0	0.2	0.0	0.0	0.0	0.0	0.2	£ 61.00	305.00
Total	0.2	18.4	0.0	0.0	1.8	0.0	20.4	£ 5,987.00	293.48



Legal Matters									
General advice (e.g. non litigation / asset realisation)	6.4	0.4	0.0	0.0	0.0	0.0	6.8	£ 3,482.00	512.06
Meetings/corres/tel	0.4	2.9	0.0	0.0	0.0	0.0	3.3	£ 1,094.50	331.67
Other major issues	0.1	0.0	0.0	0.0	0.0	0.0	0.1	£ 52.50	525.00
Other major issues (e.g. litigation to reduce claims etc)	0.3	0.3	0.0	0.0	0.0	0.0	0.6	£ 249.00	415.00
Total	7.2	3.6	0.0	0.0	0.0	0.0	10.8	£ 4,878.00	451.67
Shareholders / Members									
Correspondence/tel	0.3	0.0	0.0	0.0	0.7	0.0	1.0	£ 262.50	262.50
Total	0.3	0.0	0.0	0.0	0.7	0.0	1.0	£ 262.50	262.50
Total	7.7	22.0	0.0	0.0	2.5	0.0	32.2	£ 11,127.50	345.57
Creditors									
Employees									
Discussions / correspondence	0.1	0.6	1.2	0.0	0.0	0.0	1.9	£ 481.50	253.42
ERA (claim submission / HR1 / RP14 etc.,)	0.3	0.2	0.4	0.0	4.4	0.0	5.3	£ 960.50	181.23
Other major issues	0.6	2.0	0.3	0.0	0.1	0.0	3.0	£ 1,010.00	336.67
Total	1.0	2.8	1.9	0.0	4.5	0.0	10.2	£ 2,452.00	240.39
Unsecured Creditors									
Correspondence/tel	2.6	0.1	0.0	0.0	5.2	0.0	7.9	£ 2,175.50	275.38
Total	2.6	0.1	0.0	0.0	5.2	0.0	7.9	£ 2,175.50	275.38
Total	3.6	2.9	1.9	0.0	9.7	0.0	18.1	£ 4,627.50	255.66
Administration and Planning									
Appointment & SoA									
Case planning/strategy	5.1	0.0	1.2	0.0	1.9	0.0	8.2	£ 3,370.50	411.04
IPS / PASO case set up & data entry	0.0	0.0	0.0	0.0	0.1	0.0	0.1	£ 15.00	150.00
Total	5.1	0.0	1.2	0.0	2.0	0.0	8.3	£ 3,385.50	407.89
Case Management									
Billing	0.7	0.0	0.0	0.0	1.2	0.0	1.9	£ 547.50	288.16
Case review / KPI reports	1.7	1.8	0.0	0.0	2.6	0.0	6.1	£ 1,831.50	300.25
Communication with Joint office holder	0.5	0.0	0.0	0.0	1.2	0.0	1.7	£ 438.50	257.94
Filing	0.0	0.0	0.0	0.0	0.4	0.0	0.4	£ 47.00	117.50
Ongoing case planning/strategy	3.6	2.8	0.0	0.0	4.0	0.0	9.9	£ 3,424.00	319.34
Travel	0.0	2.0	0.0	0.0	0.0	0.0	2.0	£ 610.00	305.00
Diary updates / checklists	0.5	0.1	0.2	0.0	0.3	0.0	1.1	£ 361.00	328.18
Total	7.0	6.7	0.2	0.0	9.7	0.0	23.6	£ 7,259.50	307.61
Cashiering									
Bank Reconciliations	0.0	0.0	0.8	0.0	0.4	0.0	1.2	£ 182.00	151.67
Cashiering / TPS transaction posting	0.0	0.0	7.4	0.0	0.3	0.0	7.7	£ 1,354.00	175.84
Journals	0.0	0.0	0.2	0.0	0.0	0.0	0.2	£ 35.00	175.00
Receipts and Payments	0.0	2.0	0.0	0.0	5.0	0.0	7.0	£ 1,320.00	188.57
Total	0.0	2.0	8.4	0.0	5.7	0.0	16.1	£ 2,891.00	179.57

Pre-appointment & background									
Meetings/corres/tel - directors / company officers / debtors / bankrupts	0.5	0.0	0.0	0.0	0.1	0.0	0.6	£ 277.50	462.50
Total	0.5	0.0	0.0	0.0	0.1	0.0	0.6	£ 277.50	462.50
Total	12.6	8.7	9.8	0.0	17.5	0.0	48.6	£ 13,813.50	284.23
Total Hours	63.9	139.9	22.7	5.7	122.0	0.0	354.2	£ 103,880.50	293.28
Total Time Cost	£ 33,728.50	£ 42,669.50	£ 6,918.00	£ 1,251.00	£ 19,313.50	£ 0.00	£ 103,880.50		
Average Rates	527.83	305.00	304.76	219.47	158.31	0.00	293.28		

D. A GUIDE TO ADMINISTRATORS FEES

A GUIDE TO THE ADMINISTRATOR'S FEES

1. Introduction

- 1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors of a company who hope eventually to recover some of their debts out of the assets and income, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as Administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the Administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2. The nature of administration

- 2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:
- 2.1.1 rescuing the company as a going concern, or
 - 2.1.2 achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration, or,
 - 2.1.3 if the Administrator thinks neither of these objectives is reasonably practicable realising property in order to make a distribution to secured or preferential creditors.

3. The creditors' committee

- 3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the Administrator's remuneration. The committee is normally established at the meeting of creditors which the Administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The Administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the Administrator decides he needs to hold one. The committee has power to summon the Administrator to attend before it and provide information about the exercise of his functions.

4. Fixing the Administrator's fees

- 4.1 The basis for fixing the Administrator's remuneration is set out in Rule 2.107 of the Insolvency Rules (Northern Ireland) 1991, which states that it shall be fixed either:
- 4.1.1 as a percentage of the value of the property which the Administrator has to deal with, or
 - 4.1.2 by reference to the time properly given by the Administrator and his staff in attending to matters arising in the administration.
- 4.2 It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed and, if it is fixed as a percentage fix the percentage to be applied. Rule 2.107 says that in arriving at its decision the committee shall have regard to the following matters:
- 4.2.1 the complexity (or otherwise) of the case;
 - 4.2.2 any responsibility of an exceptional kind or degree which falls on the Administrator;
 - 4.2.3 the effectiveness with which the Administrator appears to be carrying out, or to have carried out, his duties;
 - 4.2.4 the value and nature of the property which the Administrator has to deal with.
- 4.3 If there is no creditors' committee, or the committee does not make the requisite determination, the Administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the Administrator.

4.4 There are special rules about creditors' resolutions in cases where the Administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets. In this case a resolution of the creditors shall be taken as passed if, and only if, passed with the approval of —

4.4.1 each secured creditor of the company; or

4.4.2 if the Administrator has made or intends to make a distribution to preferential creditors — each secured creditor of the company; and

4.4.3 preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval.

5. What information should be provided by the Administrator?

5.1 When seeking fee approval

5.1.1 When seeking agreement to his fees the Administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information, which should be provided, will depend on:

5.1.1.1 the nature of the approval being sought;

5.1.1.2 the stage during the administration of the case at which it is being sought; and

5.1.1.3 the size and complexity of the case

5.1.2 Where, at any creditors' or committee meeting, the Administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

5.1.3 Where the Administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the Administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the

Administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the Administrator must fulfill certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the Administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, and professional guidance has been provided setting out a minimum of 6 category headings under which the work done by the officeholder and his staff should be analysed.

5.2 After fee approval

5.2.1 Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the Administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the Administrator should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5.1.3. Where the fee is charged on a percentage basis the Administrator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out.

5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the Administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the Administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

6. What if a creditor is dissatisfied?

- 6.1 If a creditor believes that the Administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the Administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

7. What if the Administrator is dissatisfied?

- 7.1 If the Administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the Administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

8. Other matters relating to fees

- 8.1 Where there are joint Administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.
- 8.2 If the Administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

9. Provision of information — additional requirements

- 9.1 The Administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company. The information which must be provided is:
- 9.1.1 the total number of hours spent on the case by the Administrator or staff assigned to the case;
 - 9.1.2 for each grade of staff, the average hourly rate at which they are charged out;
 - 9.1.3 the number of hours spent by each grade of staff in the relevant period.
- 9.2 The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the Administrator's appointment, or where he has vacated office, the date that he vacated office. The information must be provided within 28 days of receipt of the request by the Administrator, and requests must be made within two years from vacation of office.

E. PROOF OF DEBT FORM

Proof of Debt - General Form

No. 20/042987

IN THE HIGH COURT OF JUSTICE IN NORTHERN IRELAND
CHANCERY DIVISION (COMPANIES)

IN THE MATTER OF **COOL DATA CENTRES (LINCOLN) LTD**
AND IN THE MATTER OF THE INSOLVENCY (NORTHERN IRELAND) ORDER 2005

Date of Administration – 3 August 2020		
1	Name of Creditor (If a company please also give company registration number).	
2	Address of creditor for correspondence.	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into Administration	£
4	Details of any document by reference to which the debt can be substantiated. [Note: There is no need to attach them now but the Administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting).	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
7	Particulars of any security held, the value of the security, and the date it was given.	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9.	Signature of creditors or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	
	Address of person signing (if different from 2 above)	