

AM10 (Scot)

Notice of administrator's progress report



Companies House

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

1 Company details

Company number S C 2 7 9 2 3 6

Company name in full Syntropharma Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s) Duncan

Surname Raggett

3 Administrator's address

Building name/number Kingshill View

Street Prime Four Business Park

Post town Kingswells

County/Region ABERDEEN

Postcode A B 1 5 8 P U

Country

4 Administrator's name ①

Full forename(s)

Surname

① Other administrator

Use this section to tell us about another administrator.

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other administrator

Use this section to tell us about another administrator.

AM10 (Scot)

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 0	^m 0	^m 7	^y 2	^y 0	^y 2	^y 2
To date	^d 0	^d 9	^m 0	^m 1	^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 2	^d 0	^m 0	^m 2	^y 2	^y 0	^y 2	^y 3
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AM10 (Scot)

Notice of administrator's progress report



Presenter information

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

Contact name **Duncan Raggett**

Company name **AAB**

Address **Kingshill View**

Prime Four Business Park

Post town **Kingswells**

County/Region **ABERDEEN**

Postcode

A	B	1	5	8	P	U
---	---	---	---	---	---	---

Country

DX

Telephone **01224 625111**



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,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.



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

Syntropharma Limited
(In Administration)
Administrator's Summary of Receipts & Payments

Statement of Affairs £	From 10/07/2022 To 09/01/2023 £	From 10/07/2020 To 09/01/2023 £
	ASSET REALISATIONS	
	Bank Interest Gross	0.84
6,306.00	Book Debts	NIL
18,783.00	Cash at Bank	NIL
300.00	Furniture & Equipment	NIL
10,000.00	Property Rights/Patents	NIL
9,531.00	Stock	NIL
	Sundry Refund	178.78
		179.62
		22,222.23
	COST OF REALISATIONS	
	Administrator's Fees	4,886.11
	Corporation Tax	200.00
	Inhibition fee	NIL
	Legal Disbursements	132.00
	Legal Fees (1)	1,372.50
	Pension agent's fees	NIL
	Pre-appointment legal fees	NIL
	Professional Fees	NIL
	Specific Bond	NIL
	Statutory Advertising	NIL
	Storage Costs & collection	28.50
		(6,619.11)
		(22,221.53)
	PREFERENTIAL CREDITORS	
(6,597.00)	Employee Arrears/Hol Pay	NIL
		NIL
	UNSECURED CREDITORS	
(40,070.00)	Employees	NIL
(11,981.00)	HM Revenue & Customs	NIL
(551,297.00)	Trade & Expense Creditors	NIL
		NIL
	DISTRIBUTIONS	
(6.20)	Ordinary Shareholders	NIL
		NIL
(565,031.20)	(6,439.49)	0.70
	REPRESENTED BY	
	Bank 2 Current	0.70
	Funds due to Administrator	(1,263.12)
	Vat Receivable	1,263.12
		0.70

SYNTROPHARMA LIMITED (IN ADMINISTRATION)

ADMINISTRATOR'S PROGRESS REPORT FOR 10 JULY 2022 TO 9 JANUARY 2023 ("THE PERIOD")

Private & Confidential

(This Report is for use by the Members and Creditors of the Company only and must not be published or provided to any other party without the written permission of Syntropharma Limited)

SYNTROPHARMA LIMITED (IN ADMINISTRATION)
ADMINISTRATOR'S PROGRESS REPORT

NOTICE TO CREDITORS

- This document has been prepared by Duncan Raggett, Administrator of Syntropharma Limited (In Administration).
- This document has been prepared solely to comply with the Administrator's statutory duty under Rule 3.93 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 to provide the creditors of the Company with a report on the progress of the Administration process.
- This document has not been prepared for any other purpose and as such, it is not suitable to be used for any other purpose.
- Any estimated outcomes for creditors included in this document are illustrative only and consequently cannot be relied upon to be guidance as to the actual outcomes that may result.
- Duncan Raggett is licensed to act in the United Kingdom as an insolvency practitioner by the Institute of Chartered Accountants of Scotland and is bound by the Insolvency Code of Ethics when carrying out all professional work in relation to this Administration.
- The affairs, business and property of the Company are being managed by the Administrator who acts as an agent of the Company, without personal liability.



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1 INTRODUCTION

1.1 APPOINTMENT

Duncan Raggett was appointed Administrator of the Company on 10 July 2020 by the Directors.

1.2 STATUTORY PURPOSE OF THE ADMINISTRATION

Paragraph 3 (1) of Schedule B1 of the Act, detailed below, outlines the three statutory purposes of an Administration:

3 (1) The administrator of a company must perform his functions with the objective of –

- a) rescuing the company as a going concern, or
- b) 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), or
- c) realising property in order to make a distribution to one or more secured or preferential creditors.

1.3 CURRENT OBJECTIVE OF THE ADMINISTRATION

Due to the level of liabilities, the rescue of the Company as a going concern is not possible in this case.

The Administrator initially pursued the second objective of the Administration process, 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), as the value in the agreements in place with MyTomorrows and Libero Pharma Limited could have been potentially lost had the Company gone straight into Liquidation.

Unfortunately, realisations have not been as high as initially expected and as such the Administrator has moved onto the third objective, realising property to make a distribution to the preferential creditors.

Per the Administrator's circular of 21 November 2022, realisations are now no longer going to be sufficient to allow for any distribution and as such the Administrator will be exiting the Administration via dissolution shortly.

1.4 PROPOSALS APPROVED

The Administrator's proposals below were approved via decision procedure by the creditors on 18 September 2020.

GENERAL

- To continue to manage the Company's business and realise assets in accordance with objective 2 of the statutory purposes of the Administration and move to objective 3, if this is no longer achievable;
- To investigate, and if appropriate, pursue any claims the Company may have;
- To do all such things that are reasonable and to use my powers appropriately in order to preserve the assets of the Company and maximise the realisations therefrom.
- To seek an extension to the Administration if considered necessary.



DISTRIBUTIONS TO CREDITORS

- To make distributions to any secured and preferential creditors as appropriate, and if applicable, distribute funds to ordinary, unsecured creditors under the prescribed part.

EXITING ADMINISTRATION

- If there are sufficient realisations to allow for a distribution to unsecured creditors, the Administrator may, at any time he feels appropriate, exit the Administration to a Creditors Voluntary Liquidation and that the Administrator, Duncan Raggett, will act as Liquidator.
- If there are insufficient realisations for a distribution to unsecured creditors, to exit the Administration via the dissolution of the Company, or, if appropriate, the Administrator may use any or, a combination, of the exit routes available in Schedule B1 of the Insolvency Act to exit the Administration.

2 PROGRESS OF ADMINISTRATION

2.1 ACTION TAKEN IN THE PERIOD

This report should be read in conjunction with previous reports. The following work has been undertaken in the period 10 July 2022 to 9 January 2023:

- Prepared and issued progress report
- Liaised with HM Revenue & Customs regarding Corporation Tax and VAT
- Correspondence with MyTomorrows regarding the remaining stock
- Correspondence with Amarin regarding potential outstanding balance
- Correspondence with Metis regarding the valuation of the royalty agreement
- Day to day cashing and monthly bank reconciliations
- Regular case reviews
- Ad hoc statutory and administrative tasks

INVESTIGATIONS

The books and records of the Company have been collected, reviewed and inventoried. To date my investigations have not revealed any matters that require reporting to creditors in terms of SIP2. Should any creditors have any information that may assist in my investigations then please do not hesitate to contact me.

I have completed and submitted my statutory return on the directors' conduct to the Insolvency Service, the content of which is confidential.

2.2 ASSET REALISATIONS

I have included a copy of my receipts and payments for the period at Appendix 2 for your information. The work was undertaken in respect of the realisation of the Company's assets in the period is as follows:

BOOK DEBTS

My previous progress report noted that there were book debts of £1,306 due to the Company at the date of appointment. It has been determined that these were paid into the company's bank account prior to Administration.

I also reported that the Directors had identified overpayment of royalty payments of c£20,000 to Amarin. As outlined in my circular of 21 November 2022, I queried the sum outstanding with Amarin who advised me that they do not believe they owe any funds to the Company.

The records we hold detailing the debt have not been accepted by Amarin and they have advised us that, in any event, there are difficulties in transferring funds from Argentina to the UK. As such, it is unfortunately no longer commercial to continue pursuing the debt as the costs incurred to date plus with the costs likely to be incurred should we continue to chase the debt are likely to outweigh any benefit to creditors. As such, this debt will now be written off as unrecoverable.



PROPERTY RIGHTS/PATENTS

Creditors will also recall that the Company assigned its interest in a patent it had been developing to an associated company Libero Pharma Limited in 2019. As part of this assignation, an agreement in respect of deferred consideration based on the success of any product developed using the patent was put in place. Prior to my appointment, an offer was received from the chair of Libero Pharma Limited for the assignation of the royalty agreement, but it was too low for the directors to justify accepting.

As the value of the royalties is dependent of the successful development of a product, it has not been possible to market the right to the royalties for sale. I have been advised that the likelihood of success of the development of this product is very low and therefore the royalties have little to no value. Libero Pharma Limited has also since advised that they are no longer interested in purchasing the rights to the royalties and there will therefore be no realisations in this regard.

REFUND

A small refund of £178.78 was received in respect of a pre-appointment overpayment for IP work carried out for the Company.

BANK INTEREST

Bank interest of £0.84 accrued during the period.

2.3 COSTS

The following costs have been paid during the period:

Cost	Amount	Further details
HMRC – CT	£200	Corporation Tax payment
Macroberts	£1,504.50	Legal fees (£1,372.50) and disbursements (£132) for processing the Administration extension application.
KRC International	£28.50	Storage costs for the Company's books and records.

2.4 OUTSTANDING REALISATIONS

There are no further realisations and once the final VAT repayment has been received, the Administrator will issue his final report and exit the Administration via dissolution of the Company.

3 ESTIMATED OUTCOME FOR CREDITORS

3.1 SECURED CREDITORS

The Company had no secured creditors.

3.2 PREFERENTIAL CREDITORS

The main debts which rank as preferential claims are amounts due to employees for unpaid wages/salary, which was due to be paid within the four months prior to the commencement of the Administration process (capped at £800), accrued but unpaid holiday pay (without limit), and certain pension contributions. There are other categories of preferential claims which apply in limited circumstances, which are not anticipated to apply in this Administration.

Based on the claims provided to date, it is estimated that the total preferential claims will be approximately £6,597. Unfortunately, due to the lack of realisations, there will no longer be any distribution to the preferential creditors.

3.3 SECONDARY PREFERENTIAL CREDITORS

Secondary preferential status, after employee claims, was restored for certain HM Revenue & Customs liabilities for all insolvencies commencing from 1st December 2020 onwards. The tax liabilities that attract secondary preferential status are VAT, PAYE, NIC, Student Loan repayments and CIS deductions.

As this Administration started before 1st December 2020, there are no secondary preferential creditors in this case.

3.4 FLOATING CHARGE CREDITORS

The Company has not granted any floating charge to any creditor.

3.5 PRESCRIBED PART

Under the provisions of Section 176A of the Act, the Administrator must state the amount available to the unsecured creditors in respect of the prescribed part.

As there is no floating charge creditor, the prescribed part will; therefore, not apply in this case.

3.6 ORDINARY, UNSECURED CREDITORS

All claims which are not secured or preferential (with the exception of claims from a creditor where the Administrator has had to take legal action to reclaim assets from that creditor for the benefit of all creditors) are classified as ordinary unsecured creditors.

I have received ordinary, unsecured claims of £455,169 to date. When including the unsecured element of the employee claims, it is anticipated that the total ordinary, unsecured claims will be in the region of £600,000.

There will not be a dividend to the unsecured creditors.

3.7 EXTENSION OF THE ADMINISTRATION

The Administration was extended for an additional 12 months to 9 July 2023 following an interlocutor from Edinburgh Sheriff Court dated 16 June 2022.

No further extension of the Administration is anticipated.

3.8 EXIT ROUTE FROM THE ADMINISTRATION

There are a variety of exit routes available for the Company from Administration. As there are no funds for a distribution to unsecured creditors, then the Administrator will exit the Administration via the dissolution of the Company.

I have; however, reserved the right to use any available exit route should circumstances change.

3.9 ADMINISTRATOR'S DISCHARGE

In line with the approved proposals, the Administrator will be discharged from liability in respect of any action undertaken by him when his appointment ceases to have effect, as defined by the Act.

This discharge does not prevent any misfeasance action against me as Administrator of the Company.

4 PRE-APPOINTMENT WORK/COSTS

4.1 PRE-APPOINTMENT WORK COMPLETED AND APPROVAL OF PRE-APPOINTMENT REMUNERATION

In the pre appointment period I incurred time costs of £1,070, which represented 3.75 hours at an average rate of £285.33, in the completion of the pre-appointment work detailed in previous reports; however, I am not seeking the approval of these costs as an expense of the Administration.

5 ADMINISTRATOR'S REMUNERATION & DISBURSEMENTS

5.1 APPROVAL OF THE BASIS OF REMUNERATION & DISBURSEMENTS

The Administrator is obliged to fix his remuneration in accordance with Rule 3.97 of the Rules. In this case, the Administrator will seek remuneration by reference to his time costs and this basis was approved by a decision procedure of the creditors on 18 September 2020.

5.2 FURTHER INFORMATION

The Administrator is regulated by the Institute of Chartered Accountants of Scotland, who have made available "Creditor Guides to Office Holder Remuneration", which includes a "Creditor's guide to an Administrator's Remuneration".

This guide can be obtained by visiting the following webpage:

<https://www.icas.com/professional-resources/insolvency/support-and-guidance/creditor-guides-to-office-holder-remuneration>

If creditors have any queries regarding the procedure for the determination of the Administrator's remuneration, please contact this office for further information.

Full details of the Administrator's policy on charging time and disbursements can be found at Appendix 4.

5.3 TIME COSTS INCURRED IN THE PERIOD

I attach at Appendix 3 an analysis of the time spent to date on this case split by work type and grade of staff involved.

During the period 10 July 2022 to 9 January 2023, time costs of £4,998.25 have been incurred. This represents 21.60 hours at an average rate of £231.40 per hour.

5.4 DISBURSEMENTS INCURRED

No disbursements were incurred during the period.

5.5 APPROVAL OF REMUNERATION TO DATE

Fees approved and drawn to date are as follows:

Period	Fees approved (£)	Fees Drawn (£)	Balance (£)
10 July 2020 to 9 January 2021	12,500.00	12,500.00	Nil
10 January 2021 – 9 July 2021	3,021.85	2,386.11	635.74
Total	15,521.85	14,886.11	635.74

5.6 APPROVAL OF REMUNERATION AND OUTLAYS

Including this period, the following time costs remain unapproved:

Period	Time costs to be approved (£)
10 July 2021 – 9 January 2022	4,278.50
10 January 2022- 9 July 2022	1,613.25
10 July 2022 – 9 January 2023	4,998.25
Total	10,890.00

As there are no further funds, the Administrator will be writing this time off and closing the case as soon as possible.

5.7 CREDITOR'S RIGHT OF APPEAL TO REMUNERATION

Any creditor, or creditors of the Company, representing in value at least 25% of the creditors have the right of appeal to the Court that the Administrator's remuneration or outlays are, in all the circumstances, excessive and should be reduced. Any such application to Court must be made no later than eight weeks after the end of an accounting period.

APPENDIX 1 – STATUTORY INFORMATION

COMPANY INFORMATION

Company and Trading Name	Syntropharma Limited
Date of Incorporation	1 February 2005
Company Registration Number	SC279236
Trading Address	Unit 3, Tweed Horizons Business Centre, Newtown St Boswells, TD6 0SG
Previous Registered Office	4th Floor Excel House, 30 Semple Street, Edinburgh, EH3 8BL
Present Registered Office	C/O Anderson Anderson & Brown LLP, Kingshill View, Prime Four Business Park, Kinswells, Aberdeen, AB15 8PU
Company Directors	Andrew Gardiner Iain John Gosman Scott Dr Stephane Mery (resigned 5 February 2020) Peter Kevin Moore (resigned 10 June 2020)
Company Secretary	Macroberts Corporate Services Limited
Shareholding	The Company has issued 62,002 shares of £0.0001 giving total share capital of £6.20.



APPENDIX 1 – STATUTORY INFORMATION (CONTINUED)

ADMINISTRATION INFORMATION

Court	Edinburgh Sheriff Court
Court reference	EDI-B625-20
Appointer	The Directors
Date of appointment	10 July 2020
Administrator	Duncan Raggett
Firm	Anderson Anderson & Brown LLP
Address for correspondence	Kingshill View, Prime Four Business Park, Kingswells, ABERDEEN, AB15 8PU
Email & Phone number	restructuring@aab.uk & 01224 625111
Alternative contact	Nicola Rollings – 01224 625111
Purpose of Administration	Realising property to make a distribution to the preferential creditors
Current Administration expiry date	9 July 2023
Prescribed Part	The prescribed part does not apply in this case.
Application of EC Regulations	EC Regulations apply and these proceedings will be the main proceedings as defined in Article 3 of the EC Regulations



Syntropharma Limited
(In Administration)
Administrator's Summary of Receipts & Payments

Statement of Affairs	From 10/07/2022 To 09/01/2023	From 10/07/2020 To 09/01/2023
£	£	£
ASSET REALISATIONS		
Bank Interest Gross	0.84	1.97
Book Debts	NIL	NIL
Cash at Bank	NIL	19,537.60
Furniture & Equipment	NIL	NIL
Property Rights/Patents	NIL	NIL
Stock	NIL	2,503.84
Sundry Refund	178.78	178.78
	179.62	22,222.23
COST OF REALISATIONS		
Administrator's Fees	4,886.11	14,886.11
Corporation Tax	200.00	200.00
Inhibition fee	NIL	15.00
Legal Disbursements	132.00	132.00
Legal Fees (1)	1,372.50	4,402.50
Pension agent's fees	NIL	199.00
Pre-appointment legal fees	NIL	1,389.99
Professional Fees	NIL	533.25
Specific Bond	NIL	160.00
Statutory Advertising	NIL	189.68
Storage Costs & collection	28.50	114.00
	(6,619.11)	(22,221.53)
PREFERENTIAL CREDITORS		
Employee Arrears/Hol Pay	NIL	NIL
	NIL	NIL
UNSECURED CREDITORS		
Employees	NIL	NIL
HM Revenue & Customs	NIL	NIL
Trade & Expense Creditors	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
Ordinary Shareholders	NIL	NIL
	NIL	NIL
(565,031.20)	(6,439.49)	0.70
REPRESENTED BY		
Bank 2 Current		0.70
Funds due to Administrator		(1,263.12)
Vat Receivable		1,263.12
		0.70

AAB

APPENDIX 3 – SIP 9 FEE BREAKDOWN ANALYSIS

SIP9 for the period 10 July 2022 to 9 January 2023

Classification of work function	Hours				Time Cost £	Average Hourly Rate £
	IP	Managers	Other Seniors / Professionals	Trainees / Assistants	Total Hours	
Administration and planning investigations						
Admin-General Admin	-	0.80	2.30	-	3.10	698.50
Admin-Appointment Work	-	0.70	-	-	0.70	259.00
Admin-Banking and accounts maintenance	-	0.70	0.90	2.95	4.55	598.50
Admin-Bonding	-	-	-	-	-	-
Admin-Strategy and planning	1.50	1.50	0.70	-	3.70	1,290.00
Admin-Case closure	0.50	-	-	-	0.50	217.50
Admin-Statutory meetings	-	-	-	-	-	-
Admin-Nominee work	-	-	-	-	-	-
Admin-Receipts and Payments and Statement of Affairs	-	-	-	-	-	-
Admin-Statutory reports	0.75	-	5.80	-	6.55	1,341.25
Admin-Travel	-	-	-	-	-	-
Admin-VAT and tax	0.35	-	1.00	-	1.35	327.25
Realisation of assets						
Realisation of Assets-Asset realisation	0.25	-	-	-	0.25	108.75
Realisation of Assets-Debt collection	-	-	-	-	-	-
Realisation of assets - fixed charge assets	-	-	-	-	-	-
Realisation of assets- trading/sale of business	-	-	-	-	-	-
Creditors						
Creditors-Shareholders/Distribution work	-	-	-	-	-	-
Creditors-Unsecured creditors	-	-	-	-	-	-
Creditors-Creditor committee work	-	-	-	-	-	-
Creditors-Employee matters	-	-	0.90	-	0.90	157.50
Creditors-Pensions	-	-	-	-	-	-
Creditors-ROT claims	-	-	-	-	-	-
Creditors-Secured creditors	-	-	-	-	-	-
Creditors-Third party assets	-	-	-	-	-	-
Creditors - Pref. creditors/claims/distributions	-	-	-	-	-	-
Investigations						
Investigate-Director conduct review	-	-	-	-	-	-
Investigate-Pre-insolvency review	-	-	-	-	-	-
Investigate-Litigation	-	-	-	-	-	-
Total hours	3.35	3.70	11.60	2.95	21.60	
Total time costs (£)						4,998.25
Total disbursements (£)						-
Total costs (£)						4,998.25
Total Average Hourly rate						231.40

APPENDIX 3 – SIP 9 FEE BREAKDOWN ANALYSIS (CONT)

Sip9 for the period 10/01/2022 to 09/07/2022

Syntropharma Limited
Period from 10/01/2022 to 09/07/2022

Classification of work function	Hours				Time Cost £	Average Hourly Rate £
	IP	Managers	Other Senior Professionals	Trainees/ Assistants		
Administration and planning investigations						
Admin General Admin			0.30		42.50	276.75
Admin appointments work		0.10			42.50	425.00
Admin Banking and accounts maintenance		1.00	0.20	2.50	743.50	144.05
Admin Bonding						
Admin Strategy and planning		0.30	0.20		140	233.30
Admin Gate notice						
Admin Statutory meetings						
Admin Expenses work						
Admin Payments and Payments and Statement of Affairs						
Admin Statutory reports						
Admin Travel						
Admin Post and fax			0.20		85.00	158.52
Realisation of assets						
Realisation of assets/asset realisation		0.20	1.20		195.00	232.55
Realisation of assets/Debt collection			0.50		93.50	155.00
Realisation of assets/ Fixed charge assets						
Creditors						
Creditors/Shareholders/ Distribution work	0.20		0.20		140.75	232.75
Creditors/Unsecured creditors						
Creditors/Creditors committee work						
Creditors/Employee matters						
Creditors/Expenses						
Creditors/PST claims						
Creditors/Secured creditors						
Creditors/Third party claims						
Creditors/Trade creditors claims/distributions						
Investigation						
Investigate Director conduct/notice						
Investigate Shareholders/ notice						
Investigate litigation						
Total hours	0.20	1.40	4.00	2.50	3.65	
Total time costs (£)					1,661.25	
Total disbursements (£)					8.25	
Total costs (£)					1,669.50	
Total average hourly rate						126.50

APPENDIX 3 – SIP 9 FEE BREAKDOWN ANALYSIS (CONT)

Sip9 for the period 10/10/2021 to 09/01/2022

Syntropharma Limited
Period from 10/10/2021 to 09/01/2022

Classification of work function	IP	Managers	Hours: Other Services Professionals	Trainees/ Assistants	Total hours	Time Cost £	Average Hourly Rate £
Administration and planning investigations							
Admin: General admin			0.80		0.80	122.00	152.50
Admin: Appointment work							
Admin: Banking and accounts maintenance		0.80	0.00	0.00	0.80	122.00	152.50
Admin: Bonding							
Admin: Strategy and planning	0.27	1.70	0.50		2.47	676.20	273.73
Admin: Case closure							
Admin: Statutory meetings							
Admin: Non case work							
Admin: Receipts and Payments and Statement of Affairs							
Admin: Statutory reports							
Admin: Tax							
Admin: VAT and tax	0.45		2.50		2.95	722.50	245.10
Realisation of assets							
Realisation of Assets: Asset realisation			1.80		1.80	279.00	155.00
Realisation of Assets: Debt collection							
Realisation of Assets: Fixed charge assets							
Creditors							
Creditors: Shareholders' Distribution work							
Creditors: Unsecured creditors							
Creditors: Creditor committee work							
Creditors: Employee matters							
Creditors: Persons							
Creditors: POF claims							
Creditors: Secured creditors							
Creditors: Third party assets							
Creditors: Proof creditors claims distribution							
Investigations							
Investigate Director conduct: evidence							
Investigate Director conduct: evidence							
Investigate Director conduct: evidence							
Total hours	0.72	2.50	5.40	0.00	8.62		
Total time costs (£)						1,671.00	
Total disbursements (£)						2.14	
Total costs (£)						1,673.14	
Total Average Hourly rate							193.06

APPENDIX 3 – SIP 9 FEE BREAKDOWN ANALYSIS (CONT)

Sip9 for the period 10/07/2020 to 09/10/2021

10 July 2020 to 10 October 2021

Classification of work function	#	Managers	Hour Other Senior Professionals	Trainees & Assistants	Total Hours	Time Cost £	Average Hourly Rate £
Administration and planning investigations							
General administration	-	0.25	1.10	11.90	14.25	1,211.25	90.33
Appointment work	4.50	1.50	-	4.50	10.50	2,606.00	248.85
Banking and accounts maintenance	0.55	1.50	0.90	20.30	23.35	1,925.50	82.46
Bonding	0.20	0.10	-	-	0.30	105.50	351.67
Strategy and planning	0.35	-	1.00	0.15	1.50	231.50	189.00
Case measure	-	-	-	-	-	-	-
Statutory meetings	-	-	-	-	-	-	-
Nominee work	-	-	-	-	-	-	-
Receipts and Payments and Statement of Affairs	2.40	-	-	-	2.40	864.00	360.00
Statutory reports	16.15	2.50	6.10	6.75	30.50	7,644.00	250.62
Transfer	-	-	-	-	-	-	-
VAT and tax	1.75	-	0.40	-	2.15	613.75	285.45
Realisation of assets							
Asset realisation	6.45	-	1.40	-	7.85	2,490.00	317.20
Debt collection	-	-	0.20	-	0.20	50.00	150.00
Creditors							
Shareholders Distribution work	-	-	-	-	-	-	-
Unsecured creditors	2.30	0.50	-	0.50	3.30	1,030.50	312.27
Creditor committee work	-	-	-	-	-	-	-
Employee matters	1.40	1.50	-	-	2.90	1,040.00	358.62
Pensions	0.75	0.30	2.20	-	3.25	700.50	215.84
RPT claims	-	-	-	-	-	-	-
Secured creditors	-	-	-	-	-	-	-
Third party assets	-	-	-	-	-	-	-
Investigations							
Director conduct review	1.25	-	-	-	1.25	450.00	360.00
Pre-insolvency review	3.60	-	-	-	3.60	1,296.00	360.00
Litigation	0.25	-	-	-	0.25	90.00	360.00
Total hours	41.90	6.45	14.30	43.10	106.75		
Total time costs (£)						22,874.50	
Total disbursements (£)						590.24	
Total costs (£)						23,464.74	
Total average hourly rate							210.78

APPENDIX 4 - ADMINISTRATOR'S POLICY ON CHARGING TIME AND DISBURSEMENTS

INTRODUCTION

This section sets out my firm's policy on remuneration and disbursements where our licensed insolvency practitioner is acting as Administrator.

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

Best practice guidance as set out in Statement of Insolvency Practice 9 (Scotland), "Payments to insolvency office holders and their associates" ('SIP9'), requires that such information should be disclosed to those who are responsible for approving the basis of remuneration & disbursements, the amount of remuneration & disbursements payable and when creditors are advised of their rights of appeal against any determination of remuneration and disbursements.

ADMINISTRATOR'S REMUNERATION

The Administrator has overall responsibility for the Administration process. He will delegate tasks to members of the firm's staff. Such delegation assists the office holder as it allows him to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level, thus achieving a cost-effective progression of the Administration. There are various grades of staff that are employed by the firm and these, together with their average hourly charge out rates, are as follows:

	From 1 November 2022 £
Insolvency Practitioner	435
Senior Managers/Managers	300 - 370
Other Seniors/Professionals	125 - 175
Trainees/Assistants	60 - 125

APPENDIX 4 – ADMINISTRATOR'S POLICY ON CHARGING TIME AND DISBURSEMENTS (CONTINUED)

My firm operates a time recording system which allows staff working on the case along with the Administrator to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed above, and is recorded in units of 0.1 of an hour (i.e. a minimum of 6 minutes). Support staff (secretarial support, cashiering, etc.) do not charge time to specific cases, with their costs recovered in the general charge out rates of chargeable staff.

EXPENSES INCURRED BY AN ADMINISTRATOR

Best practice guidance classifies expenses into two broad categories:

- Category 1 disbursements (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 disbursements (approval required) – items of expenditure that are directly related to the case which 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.

(a) The following items of expenditure are charged to the case (subject to approval):

- Car mileage is charged at the rate of 45 pence per mile.

(b) 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 disbursement:

- Telephone and facsimile
- Printing and photocopying
- Stationery

APPENDIX 5 – GLOSSARY OF TERMS USED IN THIS REPORT

The Company	Syntropharma Limited
Administrator and I, me or my	Duncan Raggett
My Firm	Anderson Anderson & Brown LLP
Court	Edinburgh Sheriff Court
The Act	Insolvency Act 1986
The Rules	Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018
RPS	Redundancy Payments Service





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