

# AM23 (Scot)

## Notice of move from administration to dissolution



Companies House

For further information, please refer to our guidance at [www.gov.uk/companieshouse](http://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 Court details

Court name Edinburgh Sheriff Court

Court number E D I - B 6 2 5 - 2 0

### 3 Administrator's name

Full forename(s) Duncan

Surname Raggett

### 4 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

# AM23 (Scot)

## Notice of move from administration to dissolution

<b>5</b>	<b>Administrator's name ①</b>		
Full forename(s)			<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname			
<b>6</b>	<b>Administrator's address ②</b>		
Building name/number			<b>② Other administrator</b> Use this section to tell us about another administrator.
Street			
Post town			
County/Region			
Postcode	□ □ □ □ □ □ □ □		
Country			
<b>7</b>	<b>Final progress report</b>		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report.		
<b>8</b>	<b>Sign and date</b>		
Administrator's signature	Signature X  X		
Signature date	d 2 2 m 0 6 y 2 0 y 2 3		

# AM23 (Scot)

## Notice of move from administration to dissolution



### 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 **Nicola Rollings**

Company name **AAB**

Address **Kingshill View**

**Prime Four Business Park**

Post town **Kingswells**

County/Region **ABERDEEN**

Postcode 

A	B	1	5		8	P	U
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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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

# **SYNTROPHARMA LIMITED (IN ADMINISTRATION)**

## **ADMINISTRATOR'S FINAL REPORT**

**10 JANUARY 2023 - 22 JUNE 2023**

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 FINAL 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 final 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.

Realisations were lower than initially expected meaning the Administrator moved onto the third objective, realising property to make a distribution to the preferential creditors.

Per the Administrator's previous progress report, unfortunately realisations proved insufficient to allow to any distribution and as such the Administrator is now exiting the Administration via dissolution.

## **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 January 2023 to date:

- Prepared and issued progress report
- Liaised with HM Revenue & Customs regarding Corporation Tax and VAT
- 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 were collected, reviewed and inventoried. 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 final receipts and payments at Appendix 2 for your information. The work was undertaken in respect of the realisation of the Company's assets as follows:

#### **STOCK**

MyTomorrows acted as the Company's compassionate use agent for the sale and distribution of the anti-depressant patch, paying a set sum upon delivery and a further commission when stock was sold. At the date of appointment, MyTomorrows held c. 260 boxes of stock which is worth c. £9,000 of commission to the Company once sold.

MyTomorrows confirmed the stock held but it emerged that the stock had an expiry date of November 2020 and an extension was required for the stock to be sold. I agreed that the cost of getting the extension should be deducted from the potential commission due as otherwise there would have been no realisations at all.

An extension to the certification of the stock was secured and a revised expiration date of 30 November 2021 was formalised. MyTomorrows marketed the stock but sales were not as high as expected and the final commission received was £2,503.84.

#### **BOOK DEBTS**

The Company records indicated that there were book debts of £1,306 due to the Company at the date of appointment. Upon review, it emerged that these were paid into the Company's bank account prior to Administration.



## **OVERPAYMENT**

The Directors had identified overpayment of royalty payments of c£20,000 to Amarin. The Administrator liaised with Amarin in respect of recovering the overpayment made; however, Amarin disputed the amount due.

The records we hold detailing the overpayment were not accepted by Amarin and they advised us that, in any event, there are difficulties in transferring funds from Argentina to the UK. It became clear that it was not commercial to pursue the sum due as the costs of taking further action were likely to outweigh any benefit to the creditors. No recoveries were made.

## **CASH AT BANK**

We ingathered the balance of the cash at bank of £19,537.64 from the Company's bank account with Bank of Scotland.

## **PROPERTY RIGHTS/PATENTS**

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 assignment, 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 assignment of the royalty agreement, but it was too low for the directors to justify accepting.

I had the agreement reviewed by an intellectual property sales and valuation agent who confirmed that the value of the royalties was dependent of the successful development of a product and as a result marketing of the Company's interest was not really possible.

I was advised that the likelihood of success of the development of this product was very low and therefore the royalties have little to no value. I attempted to broker a deal with Libero Pharma Limited but after a couple of minimal offers that would not have covered the legal costs involved, they advised they were no longer interested. No realisations were made.

## **PROPERTY, PLANT AND MACHINERY AND EQUIPMENT**

I engaged Sweeney Kincaid to undertake an inventory and valuation of the furniture and equipment owned by the Company. Sweeney Kincaid reviewed the asset register and photographs provided by the directors and took the view that due to costs involved in uplifting the furniture and to wipe the IT equipment ahead of any sale, it was not cost effective to do so.

## **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 £2.78 accrued during the Administration.

## 2.3 COSTS

The following costs have been paid:

<b>Cost</b>	<b>Amount</b>	<b>Further details</b>
HMRC	£200	Tax paid to HMRC
Inhibition Fee	£15.00	Statutory cost paid to the Register of Inhibitions
Legal disbursements	£132	Court fees incurred by MacRoberts in respect of the appointment and extension applications.
Legal fees	£4,402.50	MacRoberts' legal fees for the appointment application, validity check, general legal advice and the extension application. Fees were billed on a time and line basis.
Pension Agent fees	£199.00	SP Insolvency Fees for pension review and report.
Pre-appointment legal fees	£1,389.99	MacRoberts' pre-appointment legal fees. See section 4 for more information.
Professional fees	£533.25	KRC - £483.25 paid for the clearance, inventory and collection of the Company's records. Suzanne Ferguson Business Services - £50 for production of the P45s.
Specific Bond	£160.00	Insolvency bond
Statutory Advertising	£189.68	Courts Advertising for the statutory advertising required.
Storage Costs	£114.00	KRC for storage of Company records.

## 2.4 OUTSTANDING REALISATIONS

There are no further realisable assets and the Administrator is exiting the Administration via the dissolution of the Company.



## **3 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 were insufficient funds to allow for a distribution to 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 1<sup>st</sup> 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 did 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.

Including the unsecured element of the employee claims, I received ordinary, unsecured claims of £492,495. There were insufficient realisations to allow for a distribution to 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; having previously been extended by 12 months via creditor consent.

### **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 available for a distribution to creditors, I will exit the Administration via the dissolution of the Company.

### **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.

I did not seek approval of these costs as an expense of the Administration and this time has been written off.

The Company incurred £1,364.99 worth of legal fees with MacRoberts LLP in respect of a sub-licence agreement drawn up and completed prior to the Administration. Based on the advice received by the directors, this was unlikely to have been something that could have been completed during an Administration process and needed to be finalised prior to any appointment. It was in the benefit of the creditors as it resulted in an additional £5,000 being in the Company's bank account at the date of appointment, that otherwise would not have been available.

The MacRoberts LLP's pre-appointment fee was approved by a creditors' decision procedure on 18 September 2020.

## 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 sought his 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

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 January 2023 to 22 June 2023, time costs of £1,826 have been incurred. This represents 6 hours at an average rate of £304.33 per hour.

### 5.4 DISBURSEMENTS INCURRED

I have incurred the following disbursements

<b>Disbursement</b>	<b>Category 1</b>	<b>Category 2</b>	<b>Paid</b>	<b>Balance</b>
Statutory Advertising	£189.68		£189.68	Nil
Bond	£160.00		£160.00	Nil
Postage	£286.20		NIL	£286.20
	<b>£635.88</b>		<b>£349.68</b>	<b>£286.20</b>

Category 1 disbursements do not require specific approval I have drawn these where possible. The balance of £286.20 will be written off.

## 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	2,387.62	634.23
<b>Total</b>	<b>15,521.85</b>	<b>14,887.62</b>	<b>634.23</b>

## 5.6 APPROVAL OF BALANCE 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
10 January 2023 to close	1,826.00
<b>Total</b>	<b>12,710.00</b>

As there are no further funds, the Administrator will be writing this time off along with all outstanding outlays.

## 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, Kingswells, 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	<a href="mailto:restructuring@aab.uk">restructuring@aab.uk</a> & 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



## APPENDIX 2 – ADMINISTRATOR'S RECEIPTS & PAYMENTS ACCOUNT

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

Statement of Affairs £	From 10/01/2023 To 22/06/2023 £	From 10/07/2020 To 22/06/2023 £
	<b>ASSET REALISATIONS</b>	
	Bank Interest Gross	0.81
6.306.00	Book Debts	NIL
18.783.00	Cash at Bank	19,537.64
300.00	Furniture & Equipment	NIL
10.000.00	Property Rights/Patents	NIL
9.531.00	Stock	2,503.84
	Sundry Refund	178.78
		<u>0.81</u>
		22,223.04
	<b>COST OF REALISATIONS</b>	
	Administrator's Fees	1.51
	Corporation Tax	NIL
	Inhibition fee	15.00
	Legal Disbursements	132.00
	Legal Fees (1)	4,402.50
	Pension agent's fees	199.00
	Pre-appointment legal fees	1,389.99
	Professional Fees	533.25
	Specific Bond	160.00
	Statutory Advertising	189.68
	Storage Costs & collection	114.00
		<u>(1.51)</u>
		(22,223.04)
	<b>PREFERENTIAL CREDITORS</b>	
(6,597.00)	Employee Arrears/Hol Pay	NIL
		<u>NIL</u>
		NIL
	<b>UNSECURED CREDITORS</b>	
(40,070.00)	Employees	NIL
(11,981.00)	HM Revenue & Customs	NIL
(542,316.00)	Trade & Expense Creditors	NIL
		<u>NIL</u>
		NIL
	<b>DISTRIBUTIONS</b>	
(6.20)	Ordinary Shareholders	NIL
		<u>NIL</u>
		NIL
(556,050.20)		<u>(0.70)</u>
	<b>REPRESENTED BY</b>	
		<u>NIL</u>

## APPENDIX 3 – SIP 9 FEE BREAKDOWN ANALYSIS

10 January 2023 – 22 June 2023

Classification of work function	Hours				Time Cost £	Average Hourly Rate £
	IP	Managers	Other Seniors / Professionals	Trainees / Assistants		
Administration and planning investigations						
Admin-General Admin	-	-	-	-	-	-
Admin-Appointment Work	-	1.20	-	-	444.00	370.00
Admin-Banking and accounts maintenance	-	0.40	-	1.20	218.00	136.25
Admin-Bonding	-	-	-	-	-	-
Admin-Strategy and planning	-	-	-	-	-	-
Admin-Case closure	-	-	-	-	-	-
Admin-Statutory meetings	-	-	-	-	-	-
Admin-Nominee work	-	-	-	-	-	-
Admin-Receipts and Payments and Statement of Affairs	-	-	-	-	-	-
Admin-Statutory reports	2.00	-	-	-	870.00	435.00
Admin-Travel	-	-	-	-	-	-
Admin-VAT and tax	-	0.50	-	0.50	220.00	220.00
Realisation of assets						
Realisation of Assets-Asset realisation	-	-	-	-	-	-
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	-	0.20	-	-	74.00	370.00
Creditors-Creditor committee work	-	-	-	-	-	-
Creditors-Employee matters	-	-	-	-	-	-
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	2.00	2.30	-	1.70	6.00	
Total time costs (£)					1,826.00	
Total disbursements (£)					39.68	
Total costs (£)					<u>1,865.68</u>	
Total Average Hourly rate						304.33

## APPENDIX 3 – SIP 9 FEE BREAKDOWN ANALYSIS (CONT.)

10 October 2021 – 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	7.70	-	8.50	1,648.00	193.88
Admin-Appointment Work	-	0.80	1.50	-	2.30	555.00	241.30
Admin-Banking and accounts maintenance	-	2.00	1.30	6.35	9.65	1,309.50	135.70
Admin-Bonding	-	-	-	-	-	-	-
Admin-Strategy and planning	2.00	4.00	-	-	7.70	2,498.75	324.51
Admin-Case closure	0.50	-	-	-	0.50	217.50	435.00
Admin-Statutory meetings	-	-	-	-	-	-	-
Admin-Nominee work	-	-	-	-	-	-	-
Admin-Receipts and Payments and Statement of Affairs	-	-	-	-	-	-	-
Admin-Statutory reports	2.45	-	12.20	-	14.65	3,082.00	210.38
Admin-Travel	-	-	-	-	-	-	-
Admin-VAT and tax	0.80	-	4.00	-	4.80	976.75	203.49
Realisation of assets							
Realisation of Assets-Asset realisation	0.25	0.50	4.00	-	4.75	954.75	201.00
Realisation of Assets-Debt collection	-	-	1.00	-	1.00	163.00	163.00
Realisation of assets - fixed charge assets	-	-	-	-	-	-	-
Realisation of assets - trading/sale of business	-	-	-	-	-	-	-
Creditors							
Creditors-Shareholders/Distribution work	0.25	-	0.20	-	0.45	141.75	315.00
Creditors-Unsecured creditors	-	-	-	-	-	-	-
Creditors-Creditor committee work	-	-	-	-	-	-	-
Creditors-Employee matters	-	-	0.90	-	0.90	157.50	175.00
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	6.25	8.10	32.80	6.35	55.20		
Total time costs (£)						11,704.50	
Total disbursements (£)						5.96	
Total costs (£)						<u>11,710.46</u>	
Total Average Hourly rate							212.04

## APPENDIX 3 – SIP 9 FEE BREAKDOWN ANALYSIS (CONT.)

10 July 2020 – 9 October 2021

10 July 2020 to 10 October 2021

Classification of work function	Hours					Time Cost £	Average Hourly Rate £
	IP	Managers	Other Seniors / Professionals	Trainees / Assistants	Total Hours		
Administration and planning investigations							
General administration	-	0.25	2.10	11.90	14.25	1,287.25	90.33
Appointment work	4.50	1.60	-	4.50	10.60	2,606.00	245.85
Banking and accounts maintenance	0.55	1.60	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	283.50	189.00
Case closure	-	-	-	-	-	-	-
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	5.75	30.50	7,844.00	257.18
Travel	-	-	-	-	-	-	-
VAT and tax	1.75	-	0.40	-	2.65	773.75	291.98
Realisation of assets							
Asset realisation	6.45	-	1.40	-	7.85	2,490.00	317.20
Debt collection	-	-	0.20	-	0.20	30.00	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	1.60	-	-	3.00	1,040.00	346.67
Pensions	0.75	0.30	2.20	-	3.25	700.50	215.54
ROT 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
<b>Total hours</b>	<b>41.90</b>	<b>8.45</b>	<b>14.30</b>	<b>43.10</b>	<b>108.25</b>		
<b>Total time costs (£)</b>						<b>22,816.50</b>	
<b>Total disbursements (£)</b>						<b>590.24</b>	
<b>Total costs (£)</b>						<b>23,406.74</b>	
<b>Total Average Hourly rate</b>							<b>210.78</b>

## 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 April 2020 £	From 1 April 2021 £	From 1 April 2022 £	From 1 April 2023 £
Insolvency Practitioner	300-400	300-400	435	475
Senior Managers/Managers	250-350	250-350	300 - 370	250 - 405
Other Seniors/Professionals	55-150	55-150	125 - 175	130 - 200
Trainees/Assistants	50-75	50-75	60 - 125	65 - 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

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





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