

1 Company details

Company number 0 3 1 2 6 4 7 6

Company name in full Paperhat Group Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Philip James

Surname Watkins

3 Administrator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

4 Administrator's name ①

Full forename(s) Anthony John

Surname Wright

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

② Other administrator

Use this section to tell us about
another administrator.



AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 0	^d 9	^m 1	^m 1	^y 2	^y 0	^y 2	^y 0
To date	^d 0	^d 8	^m 0	^m 5	^y 2	^y 0	^y 2	^y 1

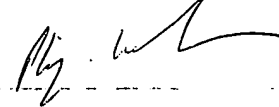
7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date

^d 0	^d 7	^m 0	^m 6	^y 2	^y 0	^y 2	^y 1
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AM10

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 **Matthew Kesek**

Company name **FRP Advisory Trading Limited**

Address **2nd Floor**

110 Cannon Street

Post town **London**

County/Region

Postcode **E C 4 N 6 E U**

Country

DX **cp.london@frpadvisory.com**

Telephone **020 3005 4000**



Checklist

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Paperhat Group Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 09/11/2020 To 08/05/2021 £	From 09/11/2018 To 08/05/2021 £
	SECURED ASSETS		
25,000.00	Despark Bulgaria	NIL	25,000.00
	Bank Interest - Fixed	NIL	46.09
20,000.00	Grebot Donnelly Associates Ltd	5,000.00	20,000.00
200,000.00	CTI Digital	100,000.00	200,000.00
		<u>105,000.00</u>	<u>245,046.09</u>
	COSTS OF REALISATION		
	Administrators' Fees	NIL	20,000.00
	Administrators' pre-appointment fees	NIL	18,913.00
	Legal Fees	5,352.00	35,355.98
	Advertising	NIL	69.93
	Bank Charges - Fixed	NIL	0.80
		<u>(5,352.00)</u>	<u>(74,339.71)</u>
	SECURED CREDITORS		
	Barclays Bank PLC	NIL	60,000.00
		<u>NIL</u>	<u>(60,000.00)</u>
	ASSET REALISATIONS		
	Bank Interest Gross	4.62	323.64
	Insurance Refund	NIL	338.67
		<u>4.62</u>	<u>662.31</u>
	COST OF REALISATIONS		
	Bank Charges - Floating	NIL	0.80
	Corporation Tax	(261.20)	(261.20)
		<u>(261.20)</u>	<u>(260.40)</u>
245,000.00		99,391.42	111,108.29
	REPRESENTED BY		
	Current Fixed Non Int Bearing 8.2.21		107,370.87
	Current Floating Non Int Bearing 8.2.2		292.03
	Trade Creditors		(6,353.40)
	Unpaid Administrators' fees		(5,000.00)
	Vat Recoverable - Fixed		14,798.79
			<u>111,108.29</u>





FRP

Paperhat Group Limited & Paperhat Communications Limited (In Administration)
("The Companies")

The High Court of Justice District Registry Bristol NO. 258 & 259 OF 2018

The Administrators' Progress Report for the period 9 November 2020 to 8 May
2021 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules 2016

7 June 2021

Contents and abbreviations



FRP

Section	Content
1.	Progress of the Administrations in the period
2.	Estimated Outcomes for the creditors
3.	Administrators' remuneration, disbursements, expenses and pre-appointment costs
Appendix	Content
A.	Statutory information regarding the Companies and the appointments of the Administrators
B.	Form AM03, formal notices of the progress reports
C.	Schedule of works
D.	Details of the Administrators' time costs and disbursements for the Period and cumulatively for the Companies
E.	Receipts and payments accounts for the period and cumulative
F.	Statements of expenses incurred in the Period

The following abbreviations may be used in this report:

FRP	FRP Advisory Trading Limited
Group	Paperhat Group Limited (In Administration)
Communications	Paperhat Communications Limited (In Administration)
The Administrators	Philip James Watkins and Anthony John Wright of FRP Advisory LLP
The Period	The reporting period 9 November 2020 to 8 May 2021
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
The Insolvency Rules	The Insolvency (England and Wales) Rules 2016
Barclays	Barclays Bank PLC
Close	Close Brothers Invoice Finance Limited



FRP

1. Progress of the Administrations in the Period

Work undertaken during the period

This progress report has been prepared from information available at the time of its preparation. Due to the global outbreak of Covid 19 and the UK's response to this, requiring working from home and necessarily a lack of access to physical files or other information, we should advise that we may not have all the information required to ensure this report is both complete and accurate. Where there are errors and/or omissions we will endeavour to correct these where possible in our next report to you.

I attach at **Appendix C** a schedule of work undertaken during the period together with a summary of work still to be completed. This report should be read in conjunction with the Administrators' proposals report dated 19 November 2018 and progress reports dated 6 June 2019, 6 December 2019 and 5 June 2020 and 4 December 2020.

As previously advised, an offer of £20k was received for the purchase of the shares of Grebot Donnelly Associates Limited from Tony Rapacioli, a former director of Paperhat. The offer had £5k payable on completion with the remaining £15k payable in three instalments over the following twelve months. The final payment was received during the period.

The final payment of £100k for the CTI Digital Limited share purchase was received on 29 November 2020.

All assets held by both Companies on appointment have now been realised in full.

The only outstanding matters relate to finalising the post appointment tax positions and the final distribution to Barclays under their security. Unfortunately, HMRC have not responded to any of our communications and this has resulted in significant delays and a requirement to seek further extensions of the administrations with consent of the Court. This was approved on 8 April 2021 with the administrations now extended until 8 November 2021.

Paperhat Group Limited (In Administration)
The Administrators' Progress Report

Attached at **Appendix E** are receipts and payments account detailing both transactions for the period of this report and also cumulatively since my appointments as Administrator.

Investigations

Part of my duties include carrying out proportionate investigations into what assets the Companies had, including any potential claims against directors or other parties, and what recoveries could be made. I have reviewed the Companies' books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have regarding the way in which the Companies' business has been conducted.

I can confirm that no further investigations or actions were required.

Extension to the initial period of appointment

The statutory twelve-month periods for the administrations of the Companies were extended with the consent of the Secured Creditors to enable collection of the deferred payments for the share sales made during the administration.

The administrations were further extended by six months to 8 May 2021 with the consent of the Court on 29 October 2020.

The administrations were further extended to 8 November 2021 with the consent of the Court on 8 April 2021.

Anticipated exit strategy

In accordance with the approved Administrators' proposals the purposes of the Administrations are to realise the Companies' assets with a view to making a distribution to one or more of the secured or preferential creditors.



FRP

1. Progress of the Administrations in the Period

Based on current information it is anticipated that these purposes will be achieved and the Administrations will be exited by the Administrators filing the requisite forms at Companies House with the Companies being dissolved 3 months after the filing of the notices.



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2. Estimated Outcomes for the creditors

The estimated outcome for creditors was set out in the Administrators proposals.

Outcome for the secured creditors

On appointment, Close and Barclays both held fixed and floating charges over the Companies.

Close were owed some £553k on appointment. Close was repaid in full from the sale of debtors ledgers that were assigned to them. Close also hold guarantees from other group companies which settled the shortfall of £38k.

On appointment, there was a loan to Barclays of £1.4m owed by Group. In addition there was a further CAS arrangement which enabled the UK group companies to pool their positive and overdrawn cash balances subject to a maximum net overdraft of £600k. On the filing of the notices of intention to appoint administrators, the cash balances held in the UK subsidiaries were swept to reduce the overdrawn position of Group of £869k in accordance with the security granted. The CAS was in a net overdraft position of around £15k.

There are inter-group cross guarantees and debenture for all amounts owed to Barclays by the UK registered companies. However, they are still expected to suffer a significant shortfall.

Outcome for the preferential creditors

Preferential creditors relate to employees' preferential element for arrears of pay, unpaid pension contributions and holiday pay as calculated in accordance with legislation.

As all 53 employees of Communications have been transferred to the purchaser of the business. There are not expected to be any preferential claims.

Group had no employees other than the statutory directors. The directors were made redundant on appointment and two claims have been submitted to the Redundancy Payments Office.

Outcome for the unsecured creditors

There will not be sufficient funds available to make a distribution to unsecured creditors.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10k.

A prescribed part is not appropriate in these cases because net floating charge realisations are below £10k.



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3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

Administrators' remuneration

On appointment, it was understood that as all the Companies realised assets are subject to an assignment of trade receivables or fixed charge security, the Administrators' fees for dealing with these assets will be agreed with Barclays and Close.

A breakdown of our time costs incurred during the period of this report and to date is attached at **Appendix D**.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

Administrators' expenses

An estimate of the Administrators' expenses was set out in the Administrators' proposals. I attach at **Appendix F** a statement of expenses that have been incurred during the period covered by this report. It is currently expected that the expenses incurred or anticipated to be incurred are not likely to exceed the details previously provided.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Administrator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Administrator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Administrator and usually have

knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix F** only).

Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <https://creditors.frpadvisor.com/info.aspx> and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Administrators' pre-appointment costs

The Joint Administrators' pre-appointment costs as set out in the proposals report dated 19 November 2018 were approved by Barclays on 26 April 2019.

Appendix A

Statutory Information

**FRP**

PAPERHAT GROUP LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names: N/A

Company number: 09441985

Registered office: 2nd Floor, 110 Cannon Street, London, EC4N 6EU

Previous registered office: 5 Fleet Place, London, EC4M 7RD

Business address: Aldwych House, 71-91 Aldwych, London, WC2B 4HN

ADMINISTRATION DETAILS:

Administrators: Philip James Watkins & Anthony John Wright

Address of Administrators: FRP Advisory Trading Limited
2nd Floor, 110 Cannon Street, London, EC4N 6EU

Date of appointment of Administrators: 9 November 2018

Court in which administration proceedings were brought: The High Court of Justice District Registry Bristol

Court reference number: 259 of 2018

Appointor details: Directors

Extensions to the initial period of appointment: The administration was extended to 8 November 2020 with the consent of the Secured creditors and further extended to 8 May 2021 with the consent of Court. The administration was further extended to 8 November 2021 with consent of the Court.

Date of approval of Administrators' proposals: 9 December 2018

Appendix A

Statutory Information

**FRP**

PAPERHAT COMMUNICATIONS LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names: N/A

Company number: 03126476

Registered office: 2nd Floor, 110 Cannon Street, London, EC4N 6EU

Previous registered office: 5 Fleet Place, London, EC4M 7RD

Business address: Aldwych House, 71-91 Aldwych, London, WC2B 4HN

ADMINISTRATION DETAILS:

Administrators: Philip James Watkins & Anthony John Wright

Address of Administrators: FRP Advisory Trading Limited
2nd Floor, 110 Cannon Street, London, EC4N 6EU

Date of appointment of Administrators: 9 November 2018

Court in which administration proceedings were brought: The High Court of Justice District Registry Bristol

Court reference number: 258 of 2018

Appointor details: Directors

Extensions to the initial period of appointment: The administration was extended to 8 November 2020 with the consent of the Secured creditors and further extended to 8 May 2021 with the consent of Court. The administration was further extended to 8 November 2021 with consent of the Court.

Date of approval of Administrators' proposals: 9 December 2018

Appendix B

CH Form AM10 Formal Notices of the Progress Reports



FRP



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

1 Company details

Company number 0 3 1 2 6 4 7 6

Company name in full Paperhat Group Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Philip James

Surname Watkins

3 Administrator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

4 Administrator's name ①

Full forename(s) Anthony John

Surname Wright

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

② Other administrator

Use this section to tell us about
another administrator.



AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	0	d	9	m	1	m	1	y	2	y	0	y	2	y	0
To date	d	0	d	8	m	0	m	5	y	2	y	0	y	2	y	1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

[Handwritten signature]

X

Signature date

d	0	d	7	m	0	m	6	y	2	y	0	y	2	y	1
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---



**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 **Matthew Kesek**

Company name **FRP Advisory Trading Limited**

Address **2nd Floor**

110 Cannon Street

Post town **London**

County/Region

Postcode

E C 4 N 6 E U

Country

DX **cp.london@frpadvisory.com**

Telephone **020 3005 4000**

**Checklist**

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25,000.00	Despark Bulgaria	NIL	25,000.00
	Bank Interest - Fixed	NIL	46.09
20,000.00	Grebot Donnelly Associates Ltd	5,000.00	20,000.00
200,000.00	CTI Digital	100,000.00	200,000.00
		<u>105,000.00</u>	<u>245,046.09</u>
	COSTS OF REALISATION		
	Administrators' Fees	NIL	20,000.00
	Administrators' pre-appointment fees	NIL	18,913.00
	Legal Fees	5,352.00	35,355.98
	Advertising	NIL	69.93
	Bank Charges - Fixed	NIL	0.80
		<u>(5,352.00)</u>	<u>(74,339.71)</u>
	SECURED CREDITORS		
	Barclays Bank PLC	NIL	60,000.00
		NIL	(60,000.00)
	ASSET REALISATIONS		
	Bank Interest Gross	4.62	323.64
	Insurance Refund	NIL	338.67
		<u>4.62</u>	<u>662.31</u>
	COST OF REALISATIONS		
	Bank Charges - Floating	NIL	0.80
	Corporation Tax	(261.20)	(261.20)
		<u>(261.20)</u>	<u>(260.40)</u>
245,000.00		<u>99,391.42</u>	<u>111,108.29</u>
	REPRESENTED BY		
	Current Fixed Non Int Bearing 8.2.21		107,370.87
	Current Floating Non Int Bearing 8.2.2		292.03
	Trade Creditors		(6,353.40)
	Unpaid Administrators' fees		(5,000.00)
	Vat Recoverable - Fixed		14,798.79
			<u>111,108.29</u>



AM10

Notice of administrator's progress report



Companies House

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1 Company details	
Company number	0 9 4 4 1 9 8 5
Company name in full	Paperhat Communications Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name	
Full forename(s)	Philip James
Surname	Watkins

3 Administrator's address	
Building name/number	2nd Floor
Street	110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	

4 Administrator's name ①	
Full forename(s)	Anthony John
Surname	Wright

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②	
Building name/number	2nd Floor
Street	110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	

② Other administrator
Use this section to tell us about
another administrator.



AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 0	^d 9	^m 1	^m 1	^y 2	^y 0	^y 2	^y 0
To date	^d 0	^d 8	^m 0	^m 5	^y 2	^y 0	^y 2	^y 1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

[Handwritten Signature]

X

Signature date

^d 0	^d 7	^m 0	^m 6	^y 2	^y 0	^y 2	^y 1
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Company name **FRP Advisory Trading Limited**

Address **2nd Floor**

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Postcode **E C 4 N 6 E U**

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DX **cp.london@frpadvisory.com**

Telephone **020 3005 4000**



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

Statement of Affairs £		From 09/11/2020 To 08/05/2021 £	From 09/11/2018 To 08/05/2021 £
	SECURED ASSETS		
	Debtors surplus	NIL	74,998.00
54,000.00	Nirvana share sale	NIL	54,000.00
	Bank Interest - Fixed	NIL	167.65
1.00	Paperhat USA	NIL	1.00
1.00	Paperhat Hong Kong	NIL	1.00
		<u>NIL</u>	<u>129,167.65</u>
	COSTS OF REALISATION		
	Administrators' Fees	NIL	70,857.28
	Administrators' Disbursements	NIL	456.55
	Administrators' pre-appointment fees	NIL	13,375.00
	Legal Fees	NIL	28,320.77
	Advertising	NIL	69.93
	Bank Charges - Fixed	NIL	10.80
		<u>NIL</u>	<u>(113,090.33)</u>
	SECURED CREDITORS		
	Barclays Bank PLC	NIL	1,480.64
		<u>NIL</u>	<u>(1,480.64)</u>
	ASSET REALISATIONS		
	Bank Interest Gross	0.03	431.16
	Cash at Bank	NIL	6,472.55
		<u>0.03</u>	<u>6,903.71</u>
	COST OF REALISATIONS		
	Bank Charges - Floating	NIL	10.80
	Corporation Tax	(281.70)	(281.70)
		<u>(281.70)</u>	<u>(270.90)</u>
	FLOATING CHARGE CREDITORS		
	Floating Charge Creditor	NIL	6,519.36
		<u>NIL</u>	<u>(6,519.36)</u>
54,002.00		<u>(281.67)</u>	<u>14,710.13</u>
	REPRESENTED BY		
	Current Fixed Non Int Bearing 8.2.21		2,757.64
	Current Floating Non Int Bearing 8.2.2		0.56
	Unpaid Administrators fees		(6,050.00)
	Vat Recoverable - Fixed		18,001.93
			<u>14,710.13</u>



**FRP**

Appendix C

Schedule of works

Paperhat Group Limited

Note	Category	
1	ADMINISTRATION AND PLANNING Work undertaken during the reporting period	ADMINISTRATION AND PLANNING Future work to be undertaken
	General Matters	
	Necessary administrative and strategic work. Liaising with secured lender and identifying any other significant creditors.	Regular reviews of the case and the on-going strategy as required under legislation and by the Joint Administrators' Regulatory Professional Bodies ("RPBS") to ensure that all compliance and statutory matters are attended to and that the case is progressed in a timely manner. Ongoing liaison with the secured and all other creditors. Continued adherence to internal procedures and external requirements.
	Regulatory Requirements	
	Reviewing the case as required by the RPBs to ensure all statutory matters are adhered to and that the case is being progressed in a timely manner. Adherence to Money Laundering Regulations and any other regulations specific to the Company.	Regularly reviewing the case as required by the RPBs to ensure all statutory matters are adhered to and that the case is being progressed in a timely manner. Ongoing adherence to Money Laundering Regulations and any other regulations specific to the Company.

**FRP**

Appendix C

Schedule of works

	Case Management Requirements	
	<p>Continue to monitor and document any proposed changes of strategy and implementation thereof.</p> <p>Regularly reviewing the case as required by the RPBs to ensure all statutory matters are adhered to and the case is progressing.</p> <p>Maintaining and developing the case specific paper and electronic files on behalf of the Administrators aside from other records pertaining to the Company directly.</p> <p>Case accounting work to process all receipts and payments including associated adjustments to ensure bank reconciliations and production of reports can be achieved at all times. Continued updating and maintenance of records on the IPS system.</p> <p>Liaising with HMRC to finalise post-appointment tax position and seek de-registration for VAT purposes.</p>	<p>Continue to monitor and document any proposed changes of strategy and implementation thereof.</p> <p>Regularly reviewing the case as required by the RPBs to ensure all statutory matters are adhered to and the case is progressing.</p> <p>Maintaining and developing the case specific paper and electronic files on behalf of the Administrators aside from other records pertaining to the Company directly.</p> <p>Case accounting work to process all receipts and payments including associated adjustments to ensure bank reconciliations and production of reports can be achieved at all times. Continued updating and maintenance of records on the IPS system.</p> <p>Ongoing liaison with HMRC to crystallise the Company's post-appointment tax position and to achieve tax clearance from the period of the administration. Submission of ongoing returns as required.</p> <p>Obtain VAT de-registration from HMRC.</p>
2	<p>ASSET REALISATION Work undertaken during the reporting period</p> <p>The deferred payments have now been received in full.</p>	<p>ASSET REALISATION Future work to be undertaken</p> <p>No further assets realisations are expected.</p>

**FRP**

Appendix C

Schedule of works

3	CREDITORS Work undertaken during the reporting period	CREDITORS Future work to be undertaken
	<p>Liaising and reporting to the secured creditors as required to finalise matters and distribute funds due under the fixed charges as appropriate.</p> <p>Providing written reports and oral updates to Creditors as required.</p>	<p>To continue to liaise with and provide reports and oral updates to the secured creditor as required.</p>
4	INVESTIGATIONS Work undertaken during the reporting period	INVESTIGATIONS Future work to be undertaken
	<p>No further works identified.</p>	<p>No further works identified.</p>
5	STATUTORY COMPLIANCE AND REPORTING Work undertaken during the reporting period	STATUTORY COMPLIANCE AND REPORTING Future work to be undertaken
	<p>Deal with tax and VAT matters arising following appointment.</p> <p>Statutory reporting to all relevant parties and filing of those reports in accordance with the legislation.</p>	<p>Bringing the conduct of the insolvency process to a close when all matters are complete in accordance with the relevant requirements.</p> <p>To provide updating reports to all known creditors and members as prescribed under the Insolvency Act 1986.</p> <p>To deal with statutory requirements in order to bring the appointment to an orderly close.</p> <p>Maintaining a record and forecast of the work that has been or is anticipated to be undertaken throughout the duration of the case.</p>



Appendix C

Schedule of works

FRP

		Ongoing liaison with HMRC to crystallise the Company's post-appointment tax position and to achieve tax clearance from the period of the administration. Submission of ongoing returns as required.
6	LEGAL AND LITIGATION Work undertaken during the reporting period	LEGAL AND LITIGATION Future work to be undertaken
	Seeking legal advice to obtain the further extensions to the administrations through the Court.	No further works identified.
7	TRADING Work undertaken during the reporting period	TRADING Future work to be undertaken
	No further works identified.	No further works identified.

**FRP**

Appendix C

Schedule of works

Paperhat Communications Limited

Note	Category	
1	ADMINISTRATION AND PLANNING Work undertaken during the reporting period	ADMINISTRATION AND PLANNING Future work to be undertaken
	General Matters	
	Regular reviews of the case and the on-going strategy as required under legislation and by the Joint Administrators' Regulatory Professional Bodies ("RPBS") to ensure that all compliance and statutory matters are attended to and that the case is progressed in a timely manner.	Regular reviews of the case and the on-going strategy as required under legislation and by the Joint Administrators' Regulatory Professional Bodies ("RPBS") to ensure that all compliance and statutory matters are attended to and that the case is progressed in a timely manner. Ongoing liaison with the secured and all other creditors. Continued adherence to internal procedures and external requirements.
	Regulatory Requirements	
	Regularly reviewing the case as required by the RPBs to ensure all statutory matters are adhered to and that the case is being progressed in a timely manner. Ongoing adherence to Money Laundering Regulations and any other regulations specific to the Company.	Regularly reviewing the case as required by the RPBs to ensure all statutory matters are adhered to and that the case is being progressed in a timely manner. Ongoing adherence to Money Laundering Regulations and any other regulations specific to the Company.
	Case Management Requirements	
	Determine and document case strategy.	Continue to monitor and document any proposed changes of strategy and implementation thereof.

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Appendix C

Schedule of works

	<p>Maintaining and developing the case specific paper and electronic files on behalf of the Administrators aside from other records pertaining to the Company directly.</p> <p>Liaising with HMRC to finalise post-appointment tax position and seek de-registration for VAT purposes.</p>	<p>Maintaining and developing the case specific paper and electronic files on behalf of the Administrators aside from other records pertaining to the Company directly.</p> <p>Case accounting work to process all receipts and payments including associated adjustments to ensure bank reconciliations and production of reports can be achieved at all times. Continued updating and maintenance of records on the IPS system.</p> <p>Ongoing liaison with HMRC to crystallise the Company's post-appointment tax position and to achieve tax clearance from the period of the administration. Submission of ongoing returns as required.</p> <p>Obtain VAT de-registration from HMRC.</p>
2	ASSET REALISATION Work undertaken during the reporting period No further works identified.	ASSET REALISATION Future work to be undertaken No further works identified.
3	CREDITORS Work undertaken during the reporting period	CREDITORS Future work to be undertaken
	<p>Liaising and reporting to the secured creditors as required to finalise matters and distribute funds due under the fixed charges as appropriate.</p>	<p>To continue to liaise with and provide reports and oral updates to creditors as required.</p>

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Appendix C

Schedule of works

4	INVESTIGATIONS Work undertaken during the reporting period	INVESTIGATIONS Future work to be undertaken
	No further works identified.	No further works identified.
5	STATUTORY COMPLIANCE AND REPORTING Work undertaken during the reporting period	STATUTORY COMPLIANCE AND REPORTING Future work to be undertaken
	Deal with tax and VAT matters arising following appointment. Statutory reporting to all relevant parties and filing of those reports in accordance with the legislation.	Bringing the conduct of the insolvency process to a close when all matters are complete in accordance with the relevant requirements. To provide updating reports to all known creditors and members as prescribed under the Insolvency Act 1986. Maintaining a record and forecast of the work that has been or is anticipated to be undertaken throughout the duration of the case. Ongoing liaison with HMRC to crystallise the Company's post-appointment tax position and to achieve tax clearance from the period of the administration. Submission of ongoing returns as required.
6	LEGAL AND LITIGATION Work undertaken during the reporting period	LEGAL AND LITIGATION Future work to be undertaken
	Seeking legal advice to obtain the further extensions to the administrations through the Court.	Continuing to seek legal advice and intervention as and when needed throughout the assignment.
7	TRADING	TRADING



FRP

Appendix C
Schedule of works

	Work undertaken during the reporting period	Future work to be undertaken
	No further works identified.	No further works identified.



Appendix D

FRP

Details of the Administrators' time costs and disbursements for the period and cumulatively for the Companies

Paperhat Group Limited (In Administration)

Time charged for the period 09 November 2020 to 08 May 2021

	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	0.40	2.65	0.15	3.20	1,235.50	386.09
Case Accounting	0.40	0.90	0.15	1.45	544.25	375.34
General Administration		1.75		1.75	691.25	395.00
Statutory Compliance	0.50	12.75		13.25	5,073.75	382.92
Statutory Compliance - General	0.50	7.25		7.75	2,971.25	383.39
Statutory Reporting/ Meetings		3.50		3.50	1,312.50	375.00
Tax/VAT - Post appointment		2.00		2.00	790.00	395.00
Total Hours	0.90	15.40	0.15	16.45	6,309.25	383.54

Disbursements for the period

09 November 2020 to 08 May 2021

Value £
Grand Total

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates

Grade	From 1st May 2017	1st May 2019	1st November 2020
Appointment taker / Partner	450-545	495-595	595-695
Managers / Directors	340-465	385-495	445-595
Other Professional	200-295	225-340	275-395
Junior Professional & Support	125-175	150-195	175-245

Paperhat Group Limited (In Administration)
The Administrators' Progress Report

**FRP**

Appendix D

Details of the Administrators' time costs and disbursements for the period and cumulatively for the Companies

Time charged from the start of the case to 08 May 2021

	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	22.35	7,743.75	346.48
Admin & Planning	1.50	532.50	355.00
Case Accounting	7.40	2,005.00	270.95
Case Control and Review	0.90	288.75	320.83
General Administration	4.80	1,450.00	302.08
Fee and WIP	1.25	425.00	340.00
Strategy and Planning	6.50	3,042.50	468.08
Asset Realisation	58.50	26,935.00	460.43
Asset Realisation	24.00	9,677.50	403.23
Asset Realisation Fixed	34.50	17,257.50	500.22
Creditors	31.75	11,611.50	365.72
Employees	7.85	1,811.25	230.73
Secured Creditors	9.55	4,287.50	448.95
Unsecured Creditors	14.35	5,512.75	384.16
Investigation	12.00	3,425.00	285.42
Investigatory Work	2.75	756.25	275.00
CDDA Enquiries	8.25	2,418.75	293.18
IT - Investigations	1.00	250.00	250.00
Statutory Compliance	76.70	27,255.00	356.35
Statutory Compliance - General	39.75	12,758.75	320.97
Statutory Reporting/ Meetings	32.50	12,905.00	397.08
Appointment Formalities	1.50	510.00	340.00
Statement of Affairs	0.70	222.50	317.86
Bonding/ Statutory Advertising	0.25	68.75	275.00
Tax/VAT - Post appointment	2.00	790.00	395.00
Grand Total	201.30	76,970.25	382.37

**FRP**

Appendix D

Details of the Administrators' time costs and disbursements for the period and cumulatively for the Companies

Paperhat Communications Limited (In Administration)

Time charged for the period 09 November 2020 to 08 May 2021

	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	0.40	2.55	0.15	3.10	1,212.50	391.13
Case Accounting	0.40	0.80	0.15	1.35	521.25	386.11
General Administration		1.75		1.75	691.25	395.00
Statutory Compliance	0.50	13.25		13.75	5,261.25	382.64
Statutory Compliance - General	0.50	7.75		8.25	3,158.75	382.88
Statutory Reporting/ Meetings		3.50		3.50	1,312.50	375.00
Tax/VAT - Post appointment		2.00		2.00	790.00	395.00
Total Hours	0.90	15.80	0.15	16.85	6,473.75	384.20

Disbursements for the period

09 November 2020 to 08 May 2021

	Value £
Category 1	
Storage	0.87
Grand Total	0.87

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates

Grade	From		
	1st May 2017	1st May 2019	1st November 2020
Appointment taker / Partner	450-545	495-595	595-695
Managers / Directors	340-465	385-495	445-595
Other Professional	200-295	225-340	275-395
Junior Professional & Support	125-175	150-195	175-245

Paperhat Group Limited (In Administration)
The Administrators' Progress Report

**FRP**

Appendix D

Details of the Administrators' time costs and disbursements for the period and cumulatively for the Companies

Time charged from the start of the case to 08 May 2021

	Total Hours	Total Cost £	Average Hrlly Rate £
Administration and Planning	26.60	8,037.00	302.14
Admin & Planning	2.25	813.75	361.67
Case Accounting	8.80	2,459.50	279.49
Case Control and Review	3.20	876.25	273.83
General Administration	8.35	2,456.25	294.16
Insurance	0.50	137.50	275.00
Fee and WIP	2.50	843.75	337.50
Strategy and Planning	1.00	450.00	450.00
Asset Realisation	14.45	6,290.00	435.29
Asset Realisation	6.75	2,162.50	320.37
Sale of Business	0.20	40.00	200.00
Asset Realisation Fixed	7.50	4,087.50	545.00
Creditors	47.40	14,625.25	308.55
Employees	1.50	412.50	275.00
HP/ Leasing	0.50	137.50	275.00
Secured Creditors	23.55	7,450.00	316.35
Unsecured Creditors	16.35	4,842.75	296.19
Landlord	4.50	1,237.50	275.00
Shareholders	1.00	545.00	545.00
Investigation	10.50	3,037.50	289.29
Investigatory Work	1.25	343.75	275.00
CDDA Enquiries	9.25	2,693.75	291.22
Statutory Compliance	87.05	31,112.50	357.41
Statutory Compliance - General	46.85	14,793.75	315.77
Statutory Reporting/ Meetings	34.50	13,995.00	405.65
Appointment Formalities	2.75	1,242.50	451.82
Statement of Affairs	0.70	222.50	317.86
Bonding/ Statutory Advertising	0.25	68.75	275.00
Tax/VAT - Post appointment	2.00	790.00	395.00
Grand Total	186.00	63,102.25	339.26

Appendix E

Receipts and payments account for the period and cumulative



FRP

**Paperhat Group Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 09/11/2020 To 08/05/2021 £	From 09/11/2018 To 08/05/2021 £
	SECURED ASSETS		
25,000.00	Despark Bulgaria	NIL	25,000.00
	Bank Interest - Fixed	NIL	46.09
20,000.00	Grebot Donnelly Associates Ltd	5,000.00	20,000.00
200,000.00	CTI Digital	100,000.00	200,000.00
		105,000.00	245,046.09
	COSTS OF REALISATION		
	Administrators' Fees	NIL	20,000.00
	Administrators' pre-appointment fees	NIL	18,913.00
	Legal Fees	5,352.00	35,355.98
	Advertising	NIL	69.93
	Bank Charges - Fixed	NIL	0.80
		(5,352.00)	(74,339.71)
	SECURED CREDITORS		
	Barclays Bank PLC	NIL	60,000.00
		NIL	(60,000.00)
	ASSET REALISATIONS		
	Bank Interest Gross	4.62	323.64
	Insurance Refund	NIL	338.67
		4.62	662.31
	COST OF REALISATIONS		
	Bank Charges - Floating	NIL	0.80
	Corporation Tax	(261.20)	(261.20)
		(261.20)	(260.40)
245,000.00		99,391.42	111,108.29
	REPRESENTED BY		
	Current Fixed Non Int Bearing 8.2.21		107,370.87
	Current Floating Non Int Beaing 8.2.2		292.03
	Trade Creditors		(6,353.40)
	Unpaid Administrators' fees		(5,000.00)
	Vat Recoverable - Fixed		14,798.79
			111,108.29

Appendix E

Receipts and payments account for the period and cumulative



FRP

**Paperhat Communications Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 09/11/2020 To 08/05/2021 £	From 09/11/2018 To 08/05/2021 £
	SECURED ASSETS		
	Debtors surplus	NIL	74,998.00
54,000.00	Nirvana share sale	NIL	54,000.00
	Bank Interest - Fixed	NIL	167.65
1.00	Paperhat USA	NIL	1.00
1.00	Paperhat Hong Kong	NIL	1.00
		NIL	129,167.65
	COSTS OF REALISATION		
	Administrators' Fees	NIL	70,857.28
	Administrators' Disbursements	NIL	456.55
	Administrators' pre-appointment fees	NIL	13,375.00
	Legal Fees	NIL	28,320.77
	Advertising	NIL	69.93
	Bank Charges - Fixed	NIL	10.80
		NIL	(113,090.33)
	SECURED CREDITORS		
	Barclays Bank PLC	NIL	1,480.64
		NIL	(1,480.64)
	ASSET REALISATIONS		
	Bank Interest Gross	0.03	431.16
	Cash at Bank	NIL	6,472.55
		0.03	6,903.71
	COST OF REALISATIONS		
	Bank Charges - Floating	NIL	10.80
	Corporation Tax	(281.70)	(281.70)
		(281.70)	(270.90)
	FLOATING CHARGE CREDITORS		
	Floating Charge Creditor	NIL	6,519.36
		NIL	(6,519.36)
54,002.00		(281.67)	14,710.13
	REPRESENTED BY		
	Current Fixed Non Int Bearing 8.2.21		2,757.64
	Current Floating Non Int Bearing 8.2.2		0.56
	Unpaid Administrators fees		(6,050.00)
	Vat Recoverable - Fixed		18,001.93
			14,710.13

Appendix F

Statements of expenses incurred in the Period



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Paperhat Group Limited (in Administration) Statement of expenses for the period ended 8 May 2021		
Expenses	Period to 8 May 2021 £	Cumulative period to 8 May 2021 £
Office Holders' remuneration (Time costs)	6,309	76,970
Office Holders' disbursements	-	191
Legal fees	3,727	35,356
Statutory advertising	-	70
Administrators' pre-appointment fees	-	18,913
Total	10,036	131,500

Paperhat Communications Limited (in Administration) Statement of expenses for the period ended 8 May 2021		
Expenses	Period to 8 May 2021 £	Cumulative period to 8 May 2021 £
Office Holders' remuneration (Time costs)	6,474	63,102
Office Holders' remuneration (Fixed Fee)	-	50,000
Office Holders' disbursements	0.87	460
Legal fees	-	28,321
Statutory advertising	-	70
Administrator's pre-appointment fees	-	13,375
Total	6,475	155,328