In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

SATURDAY

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COMPANIES HOUSE

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1 Company details

Company number	0 3 5 1 2 9 9 7
Company name in full	Beta Services (UK) Limited

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

2 Administrator's name

Full forename(s)	Clare
Surname	Boardman

3 Administrator's address

Building name/number	1 City Square
Street	Leeds
Post town	West Yorkshire
County/Region	
Postcode	L S 1 2 A L
Country	

4 Administrator's name ❶

Full forename(s)	Richard Michael
Surname	Hawes

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	5 Callaghan Square
Street	Cardiff
Post town	CF10 5BT
County/Region	
Postcode	
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM10
Notice of administrator's progress report

6 Period of progress report

From date	d 1 d 5	m 1 m 0	y 2 y 0 y 1 y 8
To date	d 1 d 4	m 0 m 4	y 2 y 0 y 1 y 9

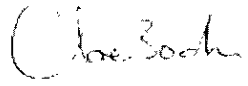
7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature

Signature

X  X

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Deloitte.

Beta Distribution Plc (formerly Beta Electronics Limited) ("Plc"), Beta Distribution Employee Services LLP ("LLP"), Beta Services (UK) Limited ("SUK") and The Content Wall Limited ("TCW") – ("the Companies") – all in Administration

Progress report to creditors for the period 15 October 2018 to 14 April 2019 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules")

Plc:
Court Case No. 008632 of 2018
In the High Court of Justice,
Business & Property Courts of
England and Wales;
Insolvency & Companies List (Chd)
Company Number: 01970907

LLP:
Court Case No. 008722 of 2018
In the High Court of Justice,
Business & Property Courts of
England and Wales;
Insolvency & Companies List (Chd)
Company Number: OC396910

SUK:
Court Case No. 008720 of 2018
In the High Court of Justice,
Business & Property Courts of
England and Wales;
Insolvency & Companies List (Chd)
Company Number: 03512997

TCW:
Court Case No. 008719 of 2018
In the High Court of Justice,
Business & Property Courts of
England and Wales;
Insolvency & Companies List (Chd)
Company Number: 09265110

Registered Office for the Companies:
c/o Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Clare Boardman and Richard Michael Hawes ("the Joint Administrators") were appointed Joint Administrators of Beta Distribution Plc, Beta Distribution Employee Services LLP, Beta Services (UK) Limited, and The Content Wall Limited on 15 October 2018 by the directors of the Companies. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

10 May 2019

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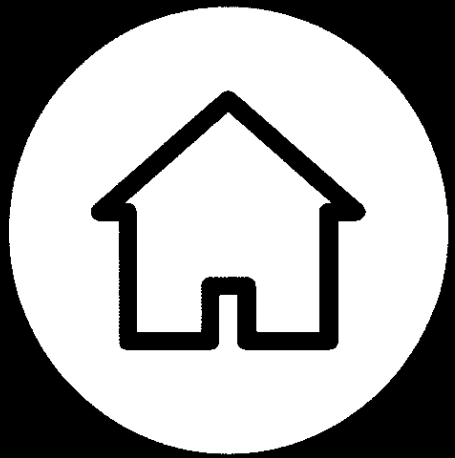

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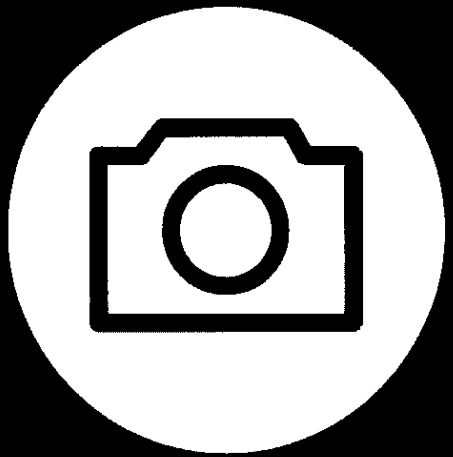
Key messages



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Key messages

Joint Administrators of the Companies

Clare Boardman

Richard Michael Hawes

Deloitte LLP

Four Brindleyplace

Birmingham

B1 2HZ

Contact details

Email: ethorne@deloitte.co.uk

Website: www.deloitte.com/uk/beta

Tel: +44 (0) 121 696 8569

	Commentary
Purpose of administration	• The purpose of the administrations will be to achieve a better result for the Companies' creditors as a whole than would be achieved through liquidations.
Progress of administration	• Plc, LLP, and TCW ceased trading on 15 October 2018; SUK was a non-trading holding company. Since appointment, our strategy has been focused on identifying and realising the Companies' assets, as detailed on page 5. • Funds of £1,519,053 (Plc), £174,558 (LLP), and £19,106 (TCW) have been received in the period. No assets have been realised in SUK. Please see page 5 for further details. • Our investigations and forensic review of the Companies' records is on-going.
Costs	• Our time costs for the period of the report are as follows. Please see page 16-20 for further details: – Plc: £1,657,396 made up of 2,699 hours. – LLP: £134,447 made up of 246 hours. – SUK: £19,425 made up of 60 hours. – TCW: £35,819 made up of 89 hours. • We have incurred disbursements of £10,446 (Plc) and £1,687 (LLP) in the report period. Please see page 21 for further details. • Third party costs and expenses of £528,611 (Plc) and £182 (LLP) have been incurred in the report period. Please see page 7-8 for further details.
Outstanding matters	• Finalise collection of book debts. • Continue to pursue other amounts owed to the Companies. • Conclude our investigations. • Prepare for and make distributions to the secured creditors. • In the event of sufficient realisations, calculate and distribute a Prescribed Part dividend. • Statutory closing procedures.
Dividend prospects	• Lloyds Banking Group ("LBG") and Lloyds Bank Commercial Finance ("LBCF") (together "the Secured Creditors") in Plc will not be repaid in full from the Plc administration. There are no secured creditors in LLP, SUK or TCW. • Preferential creditors – There will be insufficient realisations to enable payment of preferential claims for the employees of LLP and TCW. Plc and SUK had no employees and consequently we do not expect to receive any preferential claims in these entities. • Unsecured creditors – It is unlikely that there will be a distribution for unsecured creditors of any of the Companies. It is possible that in Plc there may be a small Prescribed Part dividend ("PP") but, if so, it may be of insufficient quantum for a distribution to be economical, in which case we will seek to dis-apply the PP on the grounds of it being so small/uneconomical. This position will be reviewed upon asset realisations being concluded.
Extension to administration period	• We do not anticipate that it will be necessary to extend the period of the LLP, SUK or TCW administrations which are due to end on or before 14 October 2019. • We will likely need an extension to the period of the Plc administration for a period of 12 months from 14 October 2019 to enable the final assets to be realised.

Progress of the administration

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Progress of the administration

Summary

Work done during the report period

Stock, chattels and vehicles

Stock owned by Plc was sold once it was no longer subject to any Retention of Title ("ROT") claims, raising £1,100,827. Further stock amounting to £386,086 has been realised by our agents SIA Group (UK) London Limited ("SIA") and is in the process of being paid to us and is accordingly not reflected in the Plc receipts and payments account. Chattel assets owned by Plc have been sold for £4,800 and intangible assets owned by Plc including trademarks have been sold for £31,250.

Two cars, owned by LLP, were sold for £25,700.

Book Debts - Plc

We continue to recover book debts, which had a book value of £36,411,654 and an estimated to realise value of £25,488,157 as at our appointment. There have been recoveries of £16,396,469 during the report period. We anticipate that further recoveries will be made and will provide a further update to you on progress in our next report.

Through Beta's confidential invoice discounting ("CID") facility with LBCF, the debts invoiced by Plc were pledged to LBCF. As such, realisations from these assets are for the sole benefit of LBCF to the value of its debt (£24.4 million). Accordingly these realisations are not shown in the receipts and payments account.

Book Debts - TCW

We are working to recover book debts which had a estimated realisable value of £27,215 as at our appointment. There have been recoveries of £13,264 during the report period, but we do not anticipate that further recoveries will be made.

Rates/sundry refunds

Rates and sundry refunds of £14,635 in Plc and £5,835 in TCW have been realised during the report period in respect of overpayments made by the Companies prior to our appointment.

A prepayment amounting to £243,747 made by PLC pre appointment, in respect of stock that was never ordered/received, was refunded to Plc during the period.

Funds of £50,941 have been received into Plc, these are currently unallocated and we are seeking further information to allow their accurate allocation.

Third party funding

Funds of £10,500 were received into Plc from a third party to assist a creditor with their ROT claim as the work done was not of benefit to the body of creditors as a whole.

Funds received in error

Funds amounting to £20,141 have been received into Plc in error, these funds have accordingly been paid on to the correct party.

Leasehold property

The Companies operated from two leasehold properties and one serviced office facility, all of which have now been vacated and keys returned to their respective landlords.

Legal advice has been sought where required in relation to the various properties and leases.

Creditors

Creditor claims have not been adjudicated as there was not expected to be a dividend under the Prescribed Part, however owing to improved realisations we are now considering whether such a distribution may be possible. If so we will commence adjudication of claims.

In the meantime we are handling creditor queries and assisting those making claims on their credit insurance.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case set-up and management actions, including filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of the Proposals and this progress report;
- Appointment notifications, including notifying the relevant parties of the appointment;
- Confidential report to the Insolvency Service on the directors' conduct;

Progress of the administration

Summary

Work done during the report period

- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors

Director Conduct Reports

We have complied with our statutory duty to report on the conduct of the Companies' directors and submitted our confidential report to the Insolvency Service on 14 January 2019.

Investigations

We are in the process of reviewing the information available to assess whether there are any matters that might lead to a recovery for the benefit of creditors, such as potential claims that may be brought against third parties either connected to or who have had past dealings with the Companies.

During the period the Administrators have undertaken extensive work in relation to a number of potential claims against third parties.

This work has included compiling information from the Companies' records (including electronic data) and liaising with legal advisors to allow the claim to progress.

We have engaged with Deloitte LLP Forensics specialists in order to capture data such as all electronic company records and for forensic analysis of these records. This includes interrogation of the Companies' records regarding various transactions identified for further investigation.

We attended the Companies' offices to inspect and collect all hard copy records available and deal with various directors, employees and other stakeholders.

Our investigations and actions are commercially sensitive and therefore, for the purpose of this report, further information and any estimate of potential recoveries will not be disclosed at this time.

We will, where possible, update creditors further in our next report.

If you have any information that you feel should be brought to our attention, please contact us in writing using the contact details on the cover page.

Third party costs incurred during the report period

LLP

The following third party agents' costs have been incurred in LLP during the report period:

- Accountability have provided payroll support for which they have billed £182 plus VAT in respect of their fees. It was not anticipated that any agents would be required for payroll processing.

Plc

The following third party expenses have been incurred in Plc during the report period:

- Legal Costs:
  - Addleshaw Goddard LLP ("Addleshaw") have reviewed the validity of all of the appointments for which they have billed Plc £5,011 plus VAT in respect of their fees. This is in line with expectations as detailed in our Proposals. Addleshaw are also providing legal advice in relation to investigations and actions against third parties, costs of £14,809 plus VAT have been billed in respect of their fees.
  - Dentons US LLP ("Dentons") have assisted with the collection of book debts for which they have incurred £14,559 of costs and been paid £4,739 in respect of their fees. This is above our initial estimates due to the complexity of pursuing recovery of the debt in question.
  - Carter, Backer, Winter LLP ("CBW") were paid £2,000 plus VAT to assist the directors in preparing the Statement of Affairs. No further costs have been incurred by CBW.

Progress of the administration

Summary

Third party costs incurred during the report period continued

- Shakespeare Martineau LLP ("Shakespeare") have assisted with debtor recovery and some ROT matters for which they have incurred £88,695 to date they have billed £31,059 plus VAT in respect of their fees and expenses. This is higher than our initial estimate of £75k however additional work related to the debtor recoveries has been required.
- CMS Cameron McKenna Nabarro Olswang LLP ("CMS"), are instructed to advise on the appointment of administrators over the Companies, ongoing adhoc queries including suppliers, third party contracts, warehouse queries and ROT matters.
- CMS have estimated that their fees will not exceed £112,000 (exclusive of VAT and disbursements) across the Companies. Their outstanding WIP amounts to £54,094, these costs will be paid in due course.

• Agents' Costs

- A former employee of LLP has provided IT backups of Plc's electronic data for which they have billed £450 in respect of their fees. This is marginally higher than expected as additional work was required as part of our investigations.
- Hilco Appraisal Limited have assisted with a trademark application for which they have billed and been paid £14,580 plus VAT in respect of their fees. Their agreed billing rate is 35% of any recoveries made plus VAT.
- Veritas Commercial Services have assisted with book debt collections for which they have been paid £240,895 plus VAT in respect of their fees and expenses. A further £4,404 has been billed but is currently unpaid. Their fee is agreed as 1.5% of any recoveries made plus VAT.
- SIA were instructed to value the Companies assets, assist with ROT matters and sell various items of plant and machinery. SIA have incurred costs of £146,800 plus VAT and expenses, these costs will be paid in due course.

All professional costs are reviewed and analysed in detail before payment was approved.

Please note that all costs incurred in relation to book debts recovered under the fixed charge, ie those that are subject to the CID facility will be refunded to the estate by the Secured Creditors.

Costs incurred

Receipts and Payments account	Total	Addleshaw	Denton	Shakespeare	CMS	Eee IT	Hilco	Veritas	SIA	CBW
Legal Fees - debtor recovery costs	30,189	-	2,849	27,339	-	-	-	-	-	-
Legal fees - Retention of Title costs	3,720	-	-	3,720	-	-	-	-	-	-
Legal Fees - general	19,820	19,820	-	-	-	-	-	-	-	-
Agents' fees on book debt collections	232,502	-	1,890	-	-	-	-	230,612	-	-
Agents' Fees on intangible assets	14,580	-	-	-	-	-	14,580	-	-	-
Agent fees to back up company records	450	-	-	-	-	450	-	-	-	-
Agents' expenses	10,283	-	-	-	-	-	-	10,283	-	-
Preparation of S. of A.	2,000	-	-	-	-	-	-	-	-	2,000
Total payments	**313,543**	**19,820**	**4,739**	**31,059**	**-**	**450**	**14,580**	**240,895**	**-**	**2,000**

Unpaid costs	Total	Addleshaw	Denton	Shakespeare	CMS	Eee IT	Hilco	Veritas	SIA	CBW
Legal Fees - general	54,094	-	-	-	54,094	-	-	-	-	-
Legal Fees - debtor recovery costs	9,820	-	9,820	-	-	-	-	-	-	-
Agents Fees - general	146,800	-	-	-	-	-	-	-	146,800	-
Agents' fees on book debt collections	4,404	-	-	-	-	-	-	4,404	-	-
Total unpaid WIP	**215,118**	**-**	**9,820**	**-**	**54,094**	**-**	**-**	**4,404**	**146,800**	**-**
Total costs	**528,661**	**19,820**	**14,559**	**31,059**	**54,094**	**450**	**14,580**	**245,299**	**146,800**	**2,000**

Progress of the administration

Receipts and payments

Receipts and payments accounts for Plc, LLP and TCW are provided opposite and on the next page, detailing the transactions during the report period.

No account is provided for SUK as no transactions have occurred on this case.

Beta Distribution Plc
Joint Administrators' receipts and payments account
15 October 2018 to 14 April 2019

£	SoA values	Notes	Period	To date
Receipts				
Third party income	-		41,667	41,667
Intagible assets	-		31,250	31,250
Stock	*2,240,000*		1,100,827	1,100,827
Fixtures and fittings	*79,980*		-	-
Vehicles	*4,039*		4,800	4,800
Other debtors	-		243,747	243,747
Sundry refunds	-		14,635	14,635
Funding from ROT creds for legal costs	-		10,500	10,500
Bank Interest Gross	-	*A*	545	545
Funds received in error	-	*D*	3,600	3,600
LLP funds received in error	-	*D*	15,700	15,700
Book Debts to forward to LBCF	*36,411,654*	*D*	841	841
Unallocated receipts		*G*	50,941	50,941
Total receipts	*38,735,673*		**1,519,053**	**1,519,053**
Payments				
Funds returned to LLP		*D*	15,700	15,700
Funds received in error returned		*D*	3,600	3,600
Book debts forwarded to LBCF		*D*	841	841
Fixed charge debt - refund of overpayment		*D*	5,154	5,154
Employee costs paid through LLP		*F*	114,874	114,874
DPD lien			42,139	42,139
Rents Payable			9,854	9,854
Other Property Expenses			646	646
Telephone Telex & Fax			3,790	3,790
Cleaning charges			1,710	1,710
Storage Costs			94,821	94,821
Postage & Redirection			1,376	1,376
Statutory Advertising			169	169
Insurance of Assets			5,534	5,534
Bank Charges			103	103
Pre-appointment Administrators fees			69,326	69,326
Administrators' Fees			330,674	330,674
Administrators' Expenses			9,669	9,669
Legal Fees - debtor recovery costs			30,189	30,189
Legal fees - Retention of Title costs			3,720	3,720
Legal Fees - general			19,820	19,820
Agents' fees on book debt collections			232,502	232,502
Agents' Fees on intangible assets			14,580	14,580
Agent fees to back up company records			450	450
Agents' expenses			10,283	10,283
Preparation of S. of A.			2,000	2,000
Irrecoverable VAT		*C*	8,025	8,025
Total payments			**1,031,550**	**1,031,550**
Balance				**487,503**
Made up of:				
Fixed IB Current A/c		*A*		14,817
Floating IB Current A/c		*A*		567,307
Sale of stock funds held by LBG				12,609
Intercompany - due to LLP		*F*		(42,635)
Trade Creditors		*E*		4,893
VAT Payable		*C*		(69,488)
Balance in hand				**487,503**

Notes to receipts and payments accounts

A. All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HM Revenue & Customs.

B. In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

C. All sums are shown net of VAT, some of which is recoverable and will be accounted for to HM Revenue & Customs in due course.

D. Funds of £20,141 were paid into the Plc bank account in error by various parties. As these funds do not form part of the Plc estate, they have been refunded. Refunds amounting to £5,154 were made to creditors who had overpaid the CID account, these amounts were refunded by Plc to the debtor and will be repaid to Plc by the Secured Creditors.

E. Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

F. LLP are owed £42k from Plc in respect of payroll funding that was not paid. These funds will be paid to LLP in due course.

G. Funds of £50,941 have been received into Plc, these are currently unallocated and we are seeking further information to allow their accurate allocation.

Progress of the administration

Receipts and payments

Beta Distribution Employee Services LLP
Joint Administrators' receipts and payments account
15 October 2018 to 14 April 2019

£	SoA values	Notes	Period	To date
Receipts				
Motor Vehicles	*6,961*		25,700	25,700
Bank Interest Gross		*A*	46	46
Payroll Funding		*F*	114,874	114,874
Pre-appointment cash at bank	*39,287*		33,938	33,938
Total receipts	*46,248*		**174,558**	**174,558**
Payments				
Wages and Salaries			114,874	114,874
Agents/Valuers Fees			182	182
Bank Charges			41	41
Total payments			**115,097**	**115,097**
Balance				**59,461**
Made up of:				
VAT Receivable		*C*		36
Interest bearing bank account		*A*		16,790
Intercompany - due from Plc		*F*		42,635
Balance in hand				**59,461**

The Content Wall Limited
Joint Administrators' receipts and payments account
15 October 2018 to 14 April 2019

£	SoA values	Notes	Period	To date
Receipts				
Fixtures and Fittings	*1,405*		-	-
Stock	*8,644*		-	-
Book Debts	*27,215*		13,264	13,264
Rates refund			5,835	5,835
Bank Interest Gross		*A*	7	7
Total receipts	*37,264*		**19,106**	**19,106**
Payments				
Payroll costs			73	73
Bank Charges		*B*	0	0
Total payments			**73**	**73**
Balance				**19,032**
Made up of:				
VAT Receivable		*C*		15
Interest bearing bank account		*A*		19,018
Balance in hand				**19,032**

Progress of the administration

Pre-administration costs

Pre administration costs

We included the following statement of pre administration costs in our Proposals:

In the following paragraphs we have provided an explanation of the work carried out by us and by CMS in the period prior to the administration of the Companies, and which was carried out with the intention of helping to achieve the objectives of the administration, i.e. to prepare for the appointment, ascertain whether the business could be sold or traded, and optimise realisation of assets in the wind down process.

Joint Administrators' pre-administration costs in Plc

- Review the potential rights of third parties in each of the Companies to ascertain their ability to influence the proposed administration strategy.
- Assess the impact of the Companies' insolvencies on the ability of BV to continue trading (with BV's shares being a potential asset of Plc).
- Prepare a funding proposal to LBG and LBCF to support the financing required to allow the administration strategies to be enacted.
- Notify in advance the relevant Government bodies that redundancies would be a possibility as a consequence of the administrations.
- Review of the lien position relating to Plc's third party warehousing and logistics provider.
- Assess the Companies' IT and infrastructure to identify critical systems likely to be needed to fulfil the administration strategies.

In relation to this work our costs and expenses are £69,326 (excluding VAT) which has been paid from the estate per the receipts and payments account on page 8.

CMS pre-administration costs

During planning for the administration, we were assisted by CMS on matters including:

- appointment documents
- advising on regulations
- advising on timings
- serving notices
- security structure

In respect of this work, CMS incurred £30,078 of costs across the Companies, for which a breakdown is provided in the table below.

Costs mentioned above relating to Plc have now been approved by consent of the Secured Creditor on 15 March 2019. The Joint Administrators' pre-appointment costs in Plc have been drawn as shown in the receipts and payments account on page 8, and CMS' pre-appointment costs will be drawn as and when funds permit.

In respect of CMS's costs in LLP, TCW and SUK referred to above, the payments of these unpaid costs as expenses of the administrations are also subject to approval under Rule 3.52. In this regard we will invite the preferential creditors of LLP and TCW, and the unsecured creditors of SUK to decide whether and to what extent the unpaid pre-administration costs should be approved for payment, in the event that sufficient funds are realised to cover these costs.

Pre-administration costs

Party	Amount (£)	Approval date	Date paid
Administrators	69,326	15/03/2019	04/04/2019
Lawyers - Plc	18,181	15/03/2019	
Lawyers - LLP	4,358		
Lawyers - SUK	3,494		
Lawyers - TCW	4,045		
Total approved	**87,507**		
Total paid	**69,326**		

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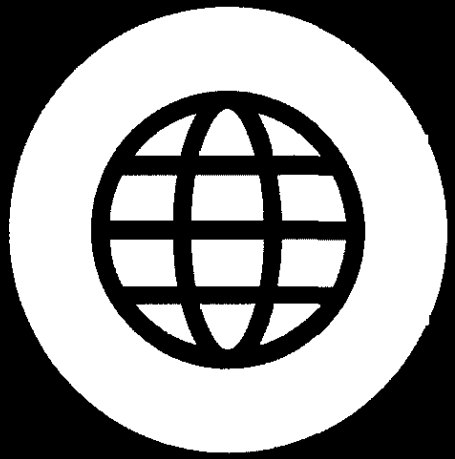

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Information for creditors

Outcome

Outcome for creditors

Secured creditors

There are no secured creditors in LLP, SUK, or TCW.

Plc's records show that, at the date of appointment, the following amounts were owed to Secured Creditors:

- LBCF - £24.4 million in respect of a CID facility.
- LBG - £4.1 million in relation to an overdraft and trade finance facility.

This is lower than stated in the Directors' statement of affairs for Plc as it reflects amounts due after the cash at bank on appointment was swept by the Secured Creditors.

These amounts are secured by way of fixed and floating charges granted by Plc on 25 July 2008 and 22 July 2008 respectively. Furthermore, Plc's book debts have been pledged to LBCF and paid directly to LBCF by our agents. To date £16.4 million has been paid under this pledge. Interest and charges will continue to accrued on secured debts until repaid in full.

Based on currently available information, we do not expect there will be sufficient asset realisations to repay the Secured Creditors in full. No distributions from the Administration estate have been made to date.

Preferential creditors

Plc and SUK are understood to have no preferential creditors. Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions. On present information, it is not anticipated that sufficient funds will become available to enable these claims to be paid.

In LLP we have received 68 preferential claims totalling c.£111,629, which is higher than anticipated owing to the wage arrears position being higher than stated by the directors.

In TCW we have received 6 preferential claims totalling c.£11,269, which is in line with our expectations.

Prescribed Part

Based on current information, it is possible that Plc will have sufficient net property to enable a distribution under the PP. We do not intend to undertake any work to agree any creditor claims received as this work is performed only once the dividend prospects are certain.

The PP does not apply to LLP, SUK, or TCW as there is no floating charge holder and therefore no net property.

Unsecured creditors

Plc

The directors' Statement of Affairs for Plc shows 204 unsecured creditors with estimated non-preferential claims totalling £22.6 million.

It is unlikely that sufficient funds will be realised to enable a distribution to be made to unsecured creditors (except possibly via the PP).

LLP

The members' Statement of Affairs for LLP shows 3 unsecured creditors with estimated non-preferential claims totalling £4,000. It is unlikely that sufficient funds will be realised to enable a distribution to be made to unsecured creditors and the PP does not apply.

SUK

The directors' Statement of Affairs for SUK shows that there were no unsecured creditors, albeit LBCF has a guarantee for SUK in respect of Plc's debts. It is unlikely that sufficient funds will be realised to enable a distribution to be made to unsecured creditors and the PP does not apply. If funds are available for distribution, LBCF would likely be the sole beneficiary.

TCW

The directors' Statement of Affairs for TCW shows 49 unsecured creditors with estimated non-preferential claims totalling £13,000. It is unlikely that sufficient funds will be realised to enable a distribution to be made to unsecured creditors and the PP does not apply.

Information for creditors

Outcome

Claims process

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed, according to the Company's statement of affairs, is £1,000 or less. Instead, we will notify you if funds become available for dividend purposes and provide you with details of the amount at which your claim has been admitted. If you disagree with that amount, you will be provided with an opportunity to notify us of the correct amount.

Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of claim to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us by completing a proof of debt form, which is available on the administration website and which should be sent to the address on the cover page.

Currently we do not intend to undertake any work to agree any creditor claims received. This work will be performed only once the dividend prospects are certain.

Extensions to the administration

We do not anticipate that it will be necessary to extend the period of the LLP, SUK, and TCW administrations, which are due to end on or before 14 October 2019. We intend to request a further extension to the period of the administration for a period of 12 months from 14 October 2019 to enable final asset realisations.

Exit

As detailed in our Proposals, we consider dissolution to be the most appropriate exit route from administration, because there are no funds to distribute to unsecured creditors.

Information for creditors

Transactions with Connected Parties

Connected party transactions

Purchaser	Connection	Date	Price (£)	Transaction
Titan Data Products	Common director	29/10/2018	250	6 Desks with chairs
Titan Data Products	Common director	29/10/2018	100	Printer located at warehouse

Transactions with connected parties

During the period covered by the report some of Plc's assets have been sold to Titan Data Products, who are a connected party.

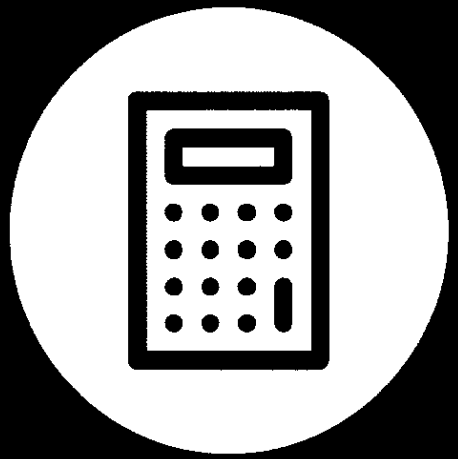
Prior to undertaking the sales:

- We obtained valuations performed by qualified valuers and from which we are satisfied that the values achieved were appropriate; and
- Having regard to the costs of a sale by auction or similar method and the low value of the goods, we are satisfied that the sales represented the best outcome for the estate.

None of the assets owned by LLP, SUK or TCW have been sold to any connected parties.

Remuneration and expenses

Joint Administrators' remuneration 16



Remuneration and expenses

Joint Administrators' remuneration

Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/beta.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration - Plc

The basis of our remuneration was fixed on 15 March 2019 by the Secured Creditor by reference to the time properly given by the Joint Administrators and their staff plus VAT thereon.

Basis of remuneration - LLP

We will seek to fix the basis of our remuneration by reference to our time costs incurred in attending to matters arising in the administration with a decision of the preferential creditors in a decision procedure.

Basis of remuneration - SUK

It is uncertain as to whether there will be funds available to the unsecured creditors of SUK. Therefore, we will either:

- seek a contribution to our time costs from the Secured Creditors if asset realisations do not occur; or
- in accordance with Rule 18.18(4) of the Rules and in the absence of a creditors' committee, we will seek to fix the basis of our remuneration by reference to our time costs incurred in attending to matters arising in the administration with a decision of the unsecured creditors in a decision procedure.

Basis of remuneration - TCW

We will seek to fix the basis of our remuneration by reference to our time costs incurred in attending to matters arising in the administration with a decision of the preferential creditors in a decision procedure.

Fees drawn to date – Plc only

We have drawn fees of £330,674 as shown in the receipts and payments account on page 8.

Time costs - analysis of actual against budget

Please refer to pages 17-20 where we have updated the Fees Estimate to provide details of our actual time costs per entity for the period of the report and for the entire period of our appointment and also summarised here:

Our total time costs to 14 March 2019 are as follows:

Entity	Costs (£)	Hours	Average charge rate (£/h)
Plc	1,657,396	2,699	614
LLP	134,447	246	547
SUK	19,425	60	324
TCW	35,819	89	404
All Companies	**1,847,087**	**3,094**	**597**

Time costs have exceeded budget - excess fee request will not be made

Our actual time costs in Plc are higher than we anticipated, for the reasons set out below:

- Higher costs than expected were incurred while carrying out the Director Conduct Reporting due to a high number of transactions on the bank statements to be reviewed.
- Higher volume than anticipated of creditor queries.
- Increased number of queries received from overseas suppliers not familiar with UK insolvency procedures.
- Unexpected work required to deal with litigation from a stock supplier.
- Higher costs than expected were incurred on work to recover loans to the Companies' directors.
- Additional work on investigations required that had not initially been anticipated.

Although our actual time costs to date are higher than we anticipated, at this time we do not anticipate drawing fees in excess of the £1,736,956 as provided for in our Fee Estimate.

Time costs within budget - excess fee unlikely

Our time costs in LLP, SUK and TCW to 14 April 2019 are broadly in line with expectations and we do not anticipate that we will seek to draw a fee greater than provided in our Fees Estimates.

Beta Distribution Plc
Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)
Administrative activities	Cashiering	104.0	585	60,880	43.6	412	17,947
	Case supervision	389.0	452	175,732	305.8	503	153,838
	Case reviews	86.1	483	41,581	-	-	-
	Case closure matters	51.0	522	26,610	-	-	-
Statutory & compliance	Compliance & IPS diary	45.6	455	20,760	33.4	365	12,193
	Insurance	15.5	535	8,290	0.5	350	175
	General reporting	190.0	658	124,965	91.2	874	79,696
	Regulatory & other legislation	2.4	550	1,320	-	-	-
Initial actions	Appointment matters	25.0	918	22,940	24.3	910	22,115
	Securing assets	9.0	710	6,390	5.8	981	5,687
	Notifications	32.3	533	17,190	17.0	406	6,910
Investigations	CDDA reporting	139.0	624	86,745	75.1	483	36,262
	Investigations	537.0	582	312,370	466.5	596	277,978
Total of above categories		**1,625.9**	**557**	**905,773**	**1,063.2**	**576**	**612,800**
Taxation	Tax	24.5	802	19,650	62.5	840	52,504
	VAT	63.9	528	33,749	28.8	752	21,666
Asset realisations	Book debts	344.0	665	228,885	460.2	691	318,026
	Other assets	317.5	620	196,945	374.3	664	248,615
	Property	19.0	502	9,530	-	-	-
	Retention of title	279.0	606	169,020	380.1	546	207,392
Trading	Day 1 control of trading	20.9	593	12,392	18.4	612	11,256
	Ongoing trading	104.0	590	61,310	53.7	860	46,198
	Closure of trade	70.0	573	40,110	50.1	378	18,950
Employees	Correspondence	9.0	562	5,060	5.5	583	3,208
	Pensions	0.5	465	233	-	-	-
Correspondence	Creditors	90.0	483	43,475	195.8	565	110,665
Distributions	Secured creditors	15.5	698	10,825	-	-	-
Total fees estimate		**2,983.7**	**582**	**1,736,956**	**2,699.1**	**614**	**1,657,396**

Beta Distribution Employee Services LLP
Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)
Administrative activities	Cashiering	28.6	545	15,594	2.3	436	1,003
	Case supervision	33.2	556	18,472	34.0	420	14,258
	Case reviews	8.4	483	4,056	0.5	1,010	505
	Case closure matters	8.5	522	4,435	-	-	-
Statutory & compliance	Compliance & IPS diary	10.8	528	5,700	7.9	380	3,005
	Insurance	15.5	535	8,290	0.4	350	140
	General reporting	53.5	545	29,165	4.4	663	2,916
	Regulatory & other legislation	2.4	550	1,320	-	-	-
Initial actions	Appointment matters	3.5	673	2,355	2.0	425	850
	Securing assets	23.4	673	15,745	2.5	840	2,100
	Notifications	31.8	532	16,895	13.4	395	5,290
Investigations	CDDA reporting	25.0	557	13,930	9.3	415	3,855
	Investigations	17.0	564	9,590	1.0	1,010	1,010
Total of above categories		**261.6**	**556**	**145,547**	**77.7**	**450**	**34,931**
Taxation	Tax	3.7	494	1,827	1.2	550	660
	VAT	15.9	420	6,672	-	-	-
Asset Realisations	Chattel assets	20.0	787	15,730	8.5	590	5,015
	Other assets	16.0	623	9,965	0.9	823	741
Trading	Ongoing trading	64.0	540	34,530	39.7	611	24,248
Employees	Consultation	30.5	527	16,080	-	-	-
	Correspondence	80.0	542	43,320	83.0	589	48,908
	Employment tribunals	3.0	590	1,770	-	-	-
	Pensions	35.5	500	17,758	20.0	590	11,800
Correspondence	Creditors	28.3	424	11,981	2.2	350	770
Distributions	Preferential creditors	-	-	-	1.5	590	885
	Unsecured creditors	-	-	-	11.0	590	6,490
Total fees estimate		**558.4**	**547**	**305,180**	**245.7**	**547**	**134,447**

Beta Services (UK) Limited
Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)
Administrative activities	Cashiering	6.0	335	2,010	4.0	410	1,640
	Case supervision	28.8	309	8,892	18.2	250	4,560
	Case reviews	8.4	240	2,016	-	-	-
	Case closure matters	8.5	265	2,255	-	-	-
Statutory & compliance	Compliance & IPS diary	10.8	274	2,964	7.7	332	2,555
	Insurance	4.0	283	1,130	-	-	-
	General reporting	53.5	283	15,165	9.2	371	3,414
	Regulatory & other legislation	2.4	290	696	-	-	-
Initial actions	Appointment matters	2.5	346	865	1.5	230	345
	Notifications	9.5	355	3,375	6.2	447	2,770
Investigations	CDDA reporting	24.0	278	6,680	8.5	199	1,695
	Investigations	13.0	362	4,710	1.2	555	666
Total of above categories		**171.4**	**296**	**50,758**	**56.5**	**312**	**17,645**
Taxation	Tax	3.7	248	919	0.4	150	60
	VAT	17.5	196	3,437	-	-	-
Asset realisations	Other assets	-	-	-	3.1	555	1,721
Correspondence	Shareholders	1.2	260	312	-	-	-
Total fees estimate		**193.8**	**286**	**55,426**	**60.0**	**324**	**19,425**

The Content Wall Limited
Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)
Administrative activities	Cashiering	15.6	590	9,204	4.8	379	1,818
	Case supervision	31.0	561	17,396	26.6	309	8,220
	Case reviews	8.4	483	4,056	-	-	-
	Case closure matters	8.5	522	4,435	-	-	-
Statutory & compliance	Compliance & IPS diary	10.8	528	5,700	10.5	350	3,675
	Insurance	10.0	476	4,760	-	-	-
	General reporting	53.5	545	29,165	1.6	556	890
	Regulatory & other legislation	2.4	550	1,320	-	-	-
Initial actions	Appointment matters	3.5	673	2,355	1.5	230	345
	Securing assets	22.0	644	14,170	-	-	-
	Notifications	29.2	503	14,685	13.4	395	5,290
Investigations	CDDA reporting	19.0	644	12,230	7.9	426	3,365
	Investigations	19.0	642	12,205	-	-	-
Total of above categories		**232.9**	**565**	**131,681**	**66.3**	**356**	**23,603**
Taxation	Tax	3.7	494	1,827	-	-	-
	VAT	17.5	419	7,333	-	-	-
Asset realisations	Book debts	-	-	-	3.3	465	1,511
	Other assets	23.5	632	14,845	0.1	590	59
Trading	Day 1 control of trading	12.0	650	7,800	3.5	590	2,065
Employees	Correspondence	20.4	487	9,941	13.0	590	7,670
	Pensions	8.5	467	3,973	-	-	-
Correspondence	Creditors	12.0	385	4,614	2.6	350	910
	Shareholders	0.8	465	372	-	-	-
Total fees estimate		**331.3**	**551**	**182,386**	**88.8**	**404**	**35,819**

Remuneration and expenses

Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Joint Administrators' Disbursements

Details of all disbursements are given below and from which it can be seen that we have not recovered our disbursements in full.

The only costs incurred in SUK and TCW are £20 and £230 respectively of Insolvency Bordereau insurance (Category 1). No further costs are expected.

Category 2 Disbursements

Specific approval is required before these costs and expenses can to be drawn from the administration estate and was given with regard to Plc by the Secured Creditor on 15 March 2019.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Deloitte charges a fixed cost of £500 for each statutory website set up to cover the costs of setting up and maintaining the website, along with the uploading of statutory notifications, reports and other documents to the website for the duration of the appointments. There is only one charge to cover all of the Companies and this cost has been assigned to Plc.

Category 1 disbursements - Plc

£ (net)	Estimated	Incurred in report period	Paid	Unpaid
Travel	3,000	3,254	3,254	-
Subsistance	1,000	590	590	-
Webhosting and IP	200	108	108	-
Accommodation	7,000	5,652	5,652	-
Telephone	100	-	-	-
Postage/Couriers	100	75	62	13
Specific Penalty Bond	230	230	-	230
Land registry searches	-	3	3	-
Total disbursements	**11,630**	**9,912**	**9,669**	**243**

Category 2 disbursements - Plc

£ (net)	Estimated	Incurred in report period	Paid	Unpaid
Mileage	50	34	-	34
Website set up	500	500	-	500
Total disbursements	**550**	**534**	**-**	**534**

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

Category 1 disbursements - LLP

£ (net)	Estimated	Incurred in report period	Paid	Unpaid
Travel	1,000	577	-	577
Subsistance	40	35	-	35
Accommodation	800	231	-	231
Telephone	100	-	-	-
Postage/Couriers	1,300	824	-	824
Specific Penalty Bond	20	20	-	20
Total disbursements	**3,260**	**1,687**	**-**	**1,687**

Category 2 disbursements - LLP

£ (net)	Estimated	Incurred in report period	Paid	Unpaid
Mileage	70	-	-	-
Total disbursements	**70**	**-**	**-**	**-**

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Deloitte.

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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	Emily Thorne
Company name	Deloitte LLP
Address	1 City Square
	Leeds
Post town	West Yorkshire
County/Region	
Postcode	L S 1 2 A L
Country	
DX	
Telephone	+44 121 632 6000

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse