

**2.17B**

The Insolvency Act 1986

**Statement of administrator's proposals**

Name of Company <b>EVIDENTLY LIMITED</b>	Company number <b>04160853</b>
In the <b>HIGH COURT OF JUSTICE, CHANCERY DIVISION, COMPANIES COURT</b> <small>(full name of court)</small>	Court case number <b>5341 of 2016</b>

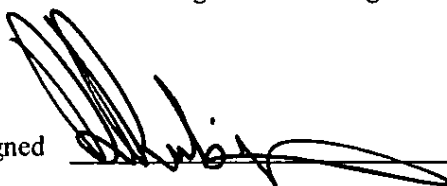
We  
David Rubin  
David Rubin & Partners  
Pearl Assurance House  
319 Ballards Lane  
London N12 8LY

Asher Miller  
David Rubin & Partners  
Pearl Assurance House  
319 Ballards Lane  
London N12 8LY

attach a copy of our proposals in respect of the administration of the above company

A letter was sent to all known creditors on 12 September 2016, advising them that a copy of these proposals is available for reading or downloading from our website at [www.drpartners.com/cases](http://www.drpartners.com/cases)

Signed




Dated

12/09/2016

12.09.2016

Joint / Administrators IP Nos 2591 | 9251

**Contact Details**

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

David Rubin & Partners  
Pearl Assurance House  
319 Ballards Lane  
London N12 8LY

Tel 020 8343 5900  
DX Number 57368

DX Exchange Finchley 1

When you have completed and signed this form, please send it to the  
registrar of Companies at -  
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



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A24

13/09/2016

#5

COMPANIES HOUSE

TUESDAY

**IN THE HIGH COURT OF JUSTICE**

**NO. 5341 OF 2016**

**IN THE MATTER OF**

**EVIDENTLY LIMITED - IN ADMINISTRATION**

**AND**

**THE INSOLVENCY ACT 1986**

**THE JOINT ADMINISTRATORS' REPORT AND  
STATEMENT OF FORMAL PROPOSALS AS REQUIRED BY  
PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986  
AND RULE 2.33 OF THE INSOLVENCY RULES 1986**

## **EVIDENTLY LIMITED – IN ADMINISTRATION**

### **JOINT ADMINISTRATORS' REPORT AND PROPOSALS - PARA 49**

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**EVIDENTLY LIMITED – IN ADMINISTRATION**  
**STATEMENT OF FORMAL PROPOSALS AND REPORT**  
**OF THE JOINT ADMINISTRATORS AS REQUIRED BY**  
**PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

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**1. INTRODUCTION**

1 1 Asher Miller and I, David Rubin, both of David Rubin & Partners, Pearl Assurance House, 319 Ballards Lane, London, N12 8LY were appointed Joint Administrators of Evidently Limited ("the Company") on 1 September 2016. The appointment was made by the Directors pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986.

1 2 The Joint Administrators act jointly and severally in the exercising of any and all functions exercisable by an administrator appointed under the provisions of Schedule B1 of the Insolvency Act 1986.

1 3 This report should be read in conjunction with my SIP 16 Report which deals with many of the matters that this Report should contain as prescribed by Rule 2.33 and for the sake of clarity, these matters are not repeated in the main body of this Paragraph 49 Report. If you require a further copy of the SIP16 report, it is available for reading or downloading from my firm's website at [www.drpartners.com/cases](http://www.drpartners.com/cases) using the following user name and password to log in:

USERNAME E949@drco.co.uk

PASSWORD 949Eds\*1

**2. STATUTORY INFORMATION**

The Company's statutory information is set out in Appendix 1 of this report.

**3. BACKGROUND TO THE APPOINTMENT OF ADMINISTRATORS**

The background to the Company proceeding into Administration can be found at paragraph 3 of the SIP 16 Report.

**4. PURPOSE OF THE ADMINISTRATION ORDER**

4 1 Paragraph 3(1) of Schedule B1 of the Insolvency Act 1986 states that Administrators must perform their 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

4 2 It was clear from the outset that purpose (a) would not be achievable as the Company was insolvent, continuing to trade at a loss and attempts at raising fresh capital had failed. Purpose (c) is not applicable as there are no secured creditors.

4 3 However, as the Company has substantial realisable assets and the report from the agents indicated that a sale of the assets as part of an administration procedure is likely to result in a higher distribution to unsecured creditors than in a liquidation, as Joint Administrators, we have conducted our strategy both prior to and after our appointment with a view to achieving purpose (b).

## **5. CONDUCT OF THE ADMINISTRATION**

5 1 Following our appointment as Joint Administrators, we completed the pre-packaged sale of the Company's business and assets. On 5 September 2016, we notified creditors of our appointment, and advised them that we had filed a SIP 16 Report on our website for their attention. In our letter, we also indicated that this Report and Proposals would be ready for reading and downloading from our website from 12 September 2016. The log in details are provided above in paragraph 1 3.

5 2 As required by Schedule B1 to the Insolvency Act 1986, we have filed notice of our appointment with the Registrar of Companies, served formal notice on the Company and advertised our appointment in the London Gazette.

5 3 We were required as soon as reasonably practicable after our appointment to write to all creditors of the Company, notifying them of our appointment. We obtained details of the Company's creditors from the Director and on 5 September 2016, we sent formal notice to all known creditors notifying them of our appointment as Administrators.

In addition to the work of developing the strategy for the Administration, including liaising with the Directors, evaluating the business and progressing the sale of the business as explained above, the Joint Administrators and their staff have undertaken the following tasks -

- a) Corresponding with the Company's banks to freeze all accounts so that no payments are made,
- b) Opening a designated bank account and dealing with the movement of funds,
- c) Applying for the Joint Administrators' bonds, as required by the Insolvency Practitioners Regulations 2005,
- d) Publishing the necessary statutory advertisement in respect of the Administration proceedings in the London Gazette,
- e) Completing various searches at Companies House to obtain statutory information on the Company,
- f) Submitting a VAT 769 notifying HMRC that the Company is now in Administration and requested that the Company be deregistered for VAT,
- g) Drafting and circulating a report on the pre-packaged sale in line with the Statement of Insolvency Practice 16 ("SIP16"),
- h) Acknowledging creditors' claims, answering telephone enquiries and correspondence therewith,

- i) Obtaining a case reference and submitting the relevant forms to the Redundancy Payments Office,
- j) Dealing with employees' queries and concerns

## **6. RECEIPTS AND PAYMENTS ACCOUNT**

A copy of the Joint Administrators' Receipts and Payments Account for the period from 1 September 2016 to 7 September 2016 is attached at Appendix 2. I would comment on the account as follows -

### **6.1 RECEIPTS**

#### **6.1.1 Cash held on appointment**

Prior to our appointment as Joint Administrators, the amount of £10,000 was held by my firm, specifically for the purposes of meeting the costs of the Statement of Affairs fee as detailed below

## **7. STATEMENT OF AFFAIRS**

7.1 I have requested that the Directors submit a Statement of Affairs of the Company. When this statement is available, copies will be circulated to all known creditors with the Joint Administrators' next report. I am unable to prepare a summary of the Estimated Financial Position of the Company as the Company staff are still posting the accounting records up to the date of our appointment. I attach a list of creditors' names and addresses along with details of their debts. This is included at Appendix 4.

7.2 The creditors' claims are based on the last known position from the Company's records. Creditors, if they have not already done so, are requested to submit a formal proof of debt form in order that the final position may be ascertained, although it is not the responsibility of the Joint Administrators to formally agree claims.

## **8. CREDITORS, PRESCRIBED PART AND DIVIDEND PROSPECTS**

### **8.1 Secured creditors**

There are no secured creditors.

### **8.2 Preferential creditors**

There will be preferential claims for those employees who are owed unpaid holiday pay. Under the provisions of Schedule 6 of the Insolvency Act 1986, any amounts outstanding to employees in respect of outstanding annual leave entitlements are afforded priority over the claims of ordinary unsecured creditors.

It is likely that a significant element of the preferential claim will be claims which are subrogated to the Secretary of State, following payment to the employees by the Redundancy Payments Office.

Although the Joint Administrators are yet to receive notification of the preferential creditors' claims, on current information, it is expected that the preferential claims in respect of arrears of

pay and holiday pay, including the claim that will be made by the RPO, will amount to approximately £860 in respect of 5 employees

It is envisaged that there will be sufficient funds available to enable a distribution to be paid to preferential creditors in full settlement of their claims

**8.3 Prescribed part**

Pursuant to section 176A of the Insolvency Act 1986 where a floating charge is created after 14 September 2003 a prescribed part of the Company's net property shall be made available to unsecured non-preferential creditors. However, the Prescribed Part mechanism does not apply because there are no secured creditors

**8.4 Non-preferential unsecured creditors**

In addition to the Company's liabilities to the preferential creditors, there are also trade and expense creditors, and Crown liabilities as set out in the attached list of creditors (appendix 4)

The ex-employees unsecured claims in respect of lieu of notice and statutory redundancy is estimated to be around £27,554

**8.5 Dividend prospects**

Preferential creditors are expected to be paid in full. It is too early at this stage to provide a meaningful estimate of the likely level of distributions to the unsecured non-preferential creditors. However, given the sum of the consideration payable for the pre-packaged asset sale, a dividend may be paid to unsecured creditors in due course

**9. INVESTIGATION BY THE JOINT ADMINISTRATORS**

The Joint Administrators will investigate and, if appropriate, pursue any claims that the Company may have under the Companies Acts 1985 and 2006 or the Insolvency Act 1986. The Joint Administrators are required, within three months of their appointment, to submit a return on the conduct of all persons who have acted as either Directors or shadow directors of the Company during the period of three years ending on the date of the Joint Administrators' appointment. To facilitate the preparation of that return and our enquiries into the Company's affairs, the Joint Administrators have already invited creditors to provide them with information on any matters of concern to the creditors

**10. CREDITORS' MEETING**

An initial creditors' meeting is being convened and will be held at Pearl Assurance House, 319 Ballards Lane, London, N12 8LY on 30 September 2016 at 10.30AM to consider the Joint Administrators' proposals and decide whether a creditors' committee should be formed. Having regard to the geographic location of the majority of the Company's creditors, our North London office has been chosen as the most appropriate venue, to comply with the requirements of the Insolvency Act 1986

Formal notice of the meeting, Form 2.20B, has been sent to you by post. Please note that you will be bound by our proposals if they are approved at the creditors' meeting by the requisite majority of creditors. It is therefore important that you read this document carefully. You may put forward any modifications that you wish to see incorporated into the proposals and make your views known on whether they should be accepted

## **11. ENDING OF ADMINISTRATION**

The options available to the Joint Administrators for the exit from the Administration are as follows

- Compulsory Winding Up
- Creditors' Voluntary Liquidation
- Company Voluntary Arrangement
- Return of control to the Director
- Dissolution of Company (i.e. striking off the Companies House register)

The Joint Administrators recommend that the Company should move from Administration to Creditors' Voluntary Liquidation in accordance with the provisions of paragraph 83 of IA1986 so that the Liquidators may adjudicate creditors' claims and pay a dividend to the unsecured creditors

## **12. JOINT ADMINISTRATORS' REMUNERATION**

- 12.1 As Administrator, under the provisions of R2 106 of the Insolvency Rules 1986, I am required to provide creditors with details of the work I propose to undertake in the Administration and the expenses I consider will be, or are likely to be, incurred in dealing with the Company's affairs, prior to determining the basis upon which my remuneration is to be fixed
- 12.2 In addition to this, where an Administrator seeks to pass a resolution to agree the basis of his remuneration by reference to the time properly spent by him and his staff in attending to matters arising in the Administration, a fee estimate outlining the time and estimated cost of the work to be done must also be provided
- 12.3 In this case, I am seeking to agree that my remuneration be based on the time properly spent by me and my staff in dealing with the affairs of the Company. My fee estimate and details of the work I propose to undertake can be found at Appendix 2. Please note that where appropriate, the fee estimate may be to a particular stage of the case only and if I consider the estimate will be exceeded during the Administration, I am obliged to seek further approval for any increase in my remuneration
- 12.4 I will provide updates on the expenses I consider will be, or are likely to be, incurred during this case with my progress reports in due course
- 12.5 We have now reviewed our time costs both for the period prior to our appointment and for the period in Administration from 1 September 2016 to 12 September 2016. A detailed report of our time costs is attached at Appendix 3

## **13. PRE-APPOINTMENT COSTS**

As stated in Appendix 2, unpaid pre-appointment costs are not part of the above proposals but subject to approval under paragraph 53. However, in accordance with Rule 2.67A the Joint Administrators will also seek approval for any unpaid pre-administration costs detailed in this report and in Appendix 2 from creditors



#### **14. EC REGULATION ON INSOLVENCY PROCEEDINGS**

It is considered that the EC regulation applies and that these proceedings are main proceedings as defined in Article 3 of the EC Regulation as the Company was incorporated in England and the centre of main interest of the Company is in England and Wales within the United Kingdom

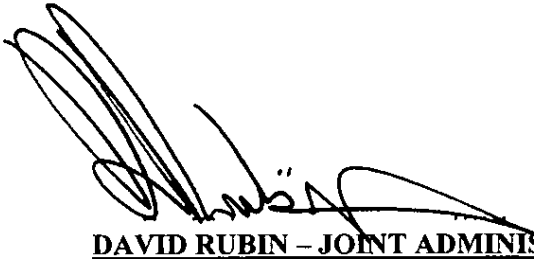
#### **15. JOINT ADMINISTRATORS' FORMAL PROPOSALS**

The Joint Administrators hereby make the following proposals, in accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986, for the achievement of the purpose of the Administration and creditors are asked to consider and cast their votes thereon or put forward any modifications they wish using the Form 2 25B sent to them by post -

- i) The Joint Administrators will continue to manage the Company's affairs in accordance with the statutory purpose until such time as the Administration ceases to have effect
- ii) As funds will become available for unsecured creditors, the Joint Administrators may at their discretion establish in principle the claims of unsecured creditors for subsequent adjudication by a subsequent Liquidator and that the costs of doing be met as a cost of the Administration as part of the Joint Administrators' remuneration
- iii) A creditors' committee may be formed if a creditors' meeting resolves to do so provided that three or more creditors are willing to serve on it. If the Administration moves to Creditors' Voluntary Liquidation, any creditors' committee which is in existence immediately before the Company ceases to be in Administration shall continue in existence after that time as if appointed as a Liquidation committee under Section 101. If a committee is formed, the Joint Administrators and the Joint Liquidators (when appointed), will consult with it from time to time on the conduct of the Administration and Liquidation proceedings. Where it is considered appropriate, the committee's sanction will be sought to proposed action instead of convening a meeting of all the creditors
- iv) Should a creditors' committee be formed and the Joint Administrators consider that an extension beyond an Administration's statutory duration of one year would be advantageous, the Joint Administrators will consult with the committee prior to taking the necessary steps. If a creditors' committee is not appointed, the Joint Administrators shall either apply to the court or seek a resolution of the appropriate classes of creditors for the consent to an extension
- v) That the basis of the Joint Administrators' fees will be fixed and their Category 2 disbursements will be agreed by the creditors' committee. If no creditors committee is formed, it is proposed that under Rule 2 106(2)(b) of the Insolvency Rules 1986, the remuneration of the Joint Administrators shall be fixed by reference to the time given by the Joint Administrators and the various grades of their staff according to their firm's usual charge out rates in attending to matters arising in the administration and that the Joint Administrators be authorised to draw category 2 disbursements in accordance with their firm's published tariff and they be entitled to draw sums on account of their remuneration and disbursements as and when funds permit
- vi) That without prejudice to the provisions of Paragraphs 59 to 72 of Schedule B1 of the Insolvency Act 1986, the Joint Administrators may carry out all other acts that they

consider to be incidental to the proposals above to assist in their achievement of the overriding purpose of the Administration

- vii) The Joint Administrators take whatever other actions they deem appropriate in the interest of creditors. This includes placing the Company into Liquidation if it appears that this would be in the best interests of the general body of creditors. In these circumstances it is proposed that the Joint Administrators shall become the Joint Liquidators and any act required or authorised under any enactment to be done by the Joint Liquidators may be done by either or both persons from time to time holding office. Creditors are advised that, pursuant to Paragraph 83(7)(a) and Rule 2.117(A)(2), they may appoint different persons as the proposed Joint Liquidators, provided the nomination is made after the receipt of these proposals and before these proposals are approved.
- viii) That the Joint Administrators' liability, in respect of any action of theirs as Joint Administrators, shall be discharged in accordance with Paragraph 98 of Schedule B1, immediately upon the appointment ceasing to have effect.



**DAVID RUBIN – JOINT ADMINISTRATOR**

**DATE: 12 SEPTEMBER 2016**

## **APPENDIX 1**

### **STATUTORY INFORMATION**

**Date of incorporation:** 15 February 2001

**Registered number** 04160853

**Registered office:** Harella House  
90-98 Goswell Road  
London  
EC1V 7DF

**Trading address:** Harella House  
90-98 Goswell Road  
London  
EC1V 7DF

**Authorised share capital:** 10,000 ordinary shares of £0.01 each

**Issued share capital:** 2,352 ordinary A shares of £0.01 each fully paid  
7,290 ordinary B shares of £0.01 each fully paid  
2,416 deferred shares of £0.01 each fully paid

**Shareholders:** Daniel Saul Zeff  
Simon Wiseman  
SCP Evidently LLC  
Geoffrey Probert  
Gordon David Grender  
Andrew Stafford Dietsch  
James Rosenthal

**Directors:** Daniel Saul Zeff  
James Rosenthal  
Gordon David Grender  
Hilary Claire Jeffrey  
Geoffrey Probert

**Secretary:** James Rosenthal

## **APPENDIX 2**

### **EVIDENTLY LIMITED - IN ADMINISTRATION**

#### **JOINT ADMINISTRATORS' ESTIMATE OF THE COSTS FOR THE ADMINISTRATION**

As Joint Administrators, we are seeking to agree the basis of our remuneration in respect of this case on the time properly spent by us and our staff in dealing with the affairs of the Company. I have set out in Appendix 3 my firm's time costs in respect of pre-appointment work and also the work carried out from appointment to 12 September 2016. I attach at Appendix 2A estimates of the further work which we consider will be necessary in the conduct of the Administration. These estimates are provided to creditors in accordance with the requirements set out in the Insolvency (Amendment) Rules 2015. However, the Administrators' fees will be charged by reference to time properly spent by the Administrators and their staff in managing the Administration. If the actual time taken is less than the estimates, then only the time actually incurred will be billed and drawn.

In Appendix 2A, I have set out against each task the further time, from the date of this report, I estimate to be necessary to complete each particular task properly, analysed by different grades of staff. The estimate is intended to be viewed on a total basis and not on the basis of the individual tasks which have been provided as a guide only. It is inevitable that provisions for some tasks will be overestimated whilst others will be underestimated and, therefore, the guide should be taken as a whole. In addition, the estimate is a ceiling that is initially binding on us as Joint Administrators, but we have the right to refer back to creditors in circumstances where we consider that the time cost fees estimate will be exceeded.

If I consider that the estimate of £48,672 plus VAT, in addition to the time cost already incurred of £14,177.50, is likely to be exceeded and doing so would result in better prospects of recovery for the creditors, I will seek sanction from creditors for a revised estimate and explain why I perceive there to be a benefit to the creditors of approving any increase in fees.

My firm's general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the task and case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

My firm's current hourly charge-out rates applicable to this appointment, which are charged in units of 6 minutes exclusive of VAT, are as follows:

	£
Senior / Managing Partners	450
Partners/Office holders	320 - 395
Managers / Senior Managers	250 - 295
Senior Administrators	180 - 220
Administrators	130 - 160
Cashiers and Assistants	120 - 160
Supports	110 - 120

Charge-out rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

### **Explanations of the Estimates**

The majority of the tasks listed in Appendix 3 are self-explanatory and I do not therefore propose to elaborate on these. Creditors who require further details should feel free to contact my office. However, creditors may get a better understanding of the work involved if I list out, in broad terms, the various tasks involved.

### **Statutory compliance, administration and planning**

Under insolvency legislation the Joint Administrators must comply with certain statutory compliance requirements which may not bring any direct financial benefit to the creditors of the Company. These tasks consist of

- Notifying creditors of the Administrators' appointment and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House
- Opening, maintaining and managing the Administration estate cashbook and bank account
- IPS set-up – Creating and updating the case files on the firm's insolvency software which include company information, employees, creditors, shareholders and directors details
- Securing the Company's books and records
- Complying with statutory duties in respect of the Administrators' specific penalty bonds
- Completion and filing of the notice of the Company's insolvency to HMRC
- Dealing with all post-appointment VAT and corporation tax compliance
- Filing a statutory return to the Department for Business, Innovation and Skills under the CDDA
- Preparing a Paragraph 49 Report and formulating the Joint Administrators' Proposal
- Preparing and issuing six monthly progress reports to members and creditors
- Lodging periodic returns with the Registrar of Companies for the Administration
- Establishing and holding periodic meetings of the Creditors' Committee and associated filing formalities (if a committee is appointed)
- Initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA) including the review of the Company's books and records and the identification of potential further asset realisations which may be pursued in the liquidation
- Periodic case progression reviews (typically at the end of month 1, month 4, month 6 and every 6 months thereafter). Although these reviews are not a legal requirement, Regulatory Bodies who monitor the work of the Administrator see this task as a best practice requirement with which the Office Holders are required to comply
- Preparing a final report near the first anniversary to move the Company into Liquidation or request an extension of the Administration as the duration of an Administration is one year

### **Investigations**

As Administrators, we are required by the Company Directors Disqualification Act 1986 to review the conduct of the Directors of the Company and transactions entered into prior to the Company's insolvency. The time estimated for this work is the minimum that is considered necessary in order to carry out any meaningful investigation.

SIP2 also requires that I review the Company's financial affairs in order to make an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment takes into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire.

This work may not necessarily lead to any financial benefit to creditors yet is work I am required to undertake in order to be satisfied that all assets belonging to the Company have been accounted for. My initial investigations may reveal that further recoveries could be available for the insolvent estate and if this proves to be the case and I consider that further work will be required to pursue these assets, I will refer back to creditors about the likely costs involved in pursuing such recoveries.

I have based the estimate on the assumption that our investigations do not reveal anything and we submit a clean report. If my investigations are more extensive than I expect and I need to file an adverse report, leading to increased time costs, I will contact creditors to seek approval to revise my fee estimate.

### **Realisation of assets**

I have made provision for the following

- Having to deal with any formalities with regards the lease at Goswell Road post completion
- Monitoring the receipt of the deferred contributions in line with the Asset Sale Agreement.
- Signing legal documentation transferring the intangible assets to Newly Limited
- Collecting the earn-out payments which also formed part of the sale
- Dealing with the formalities associated with share transfers
- Monitoring the collection of the book debts. The agreement states that the buyer shall pay 50% of any collected book debts within a stipulated time frame, these realisations will need to be monitored
- Settling the unpaid invoices with instructed agents, Rabbow & Co and solicitors, Sheridans

### **Creditors and distributions**

The Administrators have been dealing with all preferential and unsecured creditors' correspondence and claims when received.

There are five employees which were made redundant in July 2016. I have made provisions for providing support and assistance in lodging any claims they may be entitled to make for unpaid wages, holiday pay and other statutory entitlements from the National Insurance Fund as well as submitting the required documentation to the Redundancy Payments Office.

Based on current information, it appears that there may be a dividend payable to unsecured creditors. I have therefore provided an estimate which includes acknowledging and adjudicating the claims of 79 creditors. In the first week of my appointment my staff have already dealt with a number of queries by telephone and email, time estimates have also been included for answering these.

As I have had an expression of interest in the formation of a creditors committee, I made provision in the fee estimate. If a creditors committee is not established at the first meeting of creditors on 30 September 2016 these costs will not be incurred.

## **EXPENSES AND DISBURSEMENTS**

### **Direct expenses ("Category 1 disbursements")**

Category 1 disbursements as defined by SIP 9, can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include, but are

not limited to, such items as case advertising, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Below is a table which outlines the expenses that I consider at this stage will be, or are likely to be incurred in dealing with the Company's affairs. I will provide update to creditors in my future progress reports.

<b>Expense</b>	<b>Provider</b>	<b>Basis of fee arrangement</b>	<b>Cost to date (yet to be drawn)</b>
Agent's costs in drafting a valuation report	Rabbow & Co	Fixed fee	£4,000 plus VAT
Solicitor's costs in dealing with sale of property and filing the appointment documents at the High Court	Sheridans	Time costs plus disbursements	£13,796.20 including VAT
Statutory advertising	Courts Advertising	At cost	£84.60
Administrator's bond	AxA Insurance Plc	At cost	£450

#### **Indirect expenses ("Category 2 disbursements")**

It is our normal practice to also charge the following indirect disbursements ("Category 2 disbursements" as defined by SIP 9) to the case, where appropriate:

Headed paper	25p per sheet
Photocopying	6p per sheet
Envelopes	25p each
Postage	Actual cost
Meeting room facility	£150

#### **Storage and Archiving Charges**

We use a commercial archiving company for storage facilities for companies' records and papers. This is recharged to the estate at the rate of £10 per box per quarter, and includes a small charge to cover the administration costs of maintaining the archiving database and retrieval of documents. We also use our own personnel and vehicle for collection of books and records for which we charge £60 per hour.

#### **Travel**

Mileage incurred as a result of any necessary travelling is charged to the estate at HM Revenue & Customs approved rate, currently 45p per mile.

## EVIDENTLY LIMITED - IN ADMINISTRATION

JOINT ADMINISTRATORS' ESTIMATE OF TIME COSTS							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
<b>Statutory compliance, admin and planning</b>							
IPS set up & maintenance	00 00	00 30	02 12	00 18	03 00	559 50	186 50
Statutory filings, circulars, notices, etc	02 00	10 00	15 00	00 00	27 00	6,715 00	248 70
Case planning, strategy & control	01 00	02 00	01 00	00 00	04 00	1,260 00	315 00
Taxation PAYE, C/Tax & VAT	01 00	02 00	07 00	00 00	10 00	2,232 50	223 25
Accounting & Cashiering	00 30	01 00	02 30	06 00	10 00	1,710 00	171 00
Case reviews & Diary maintenance	01 00	01 00	08 00	00 00	10 00	2,025 00	202 50
Statutory reporting and compliance	03 00	03 00	12 00	00 00	18 00	4,545 00	252 50
<b>Investigations</b>							
CDDA preparation & reporting	00 18	01 00	04 30	00 00	05 48	1,340 00	231 03
SIP2 assessment and financial review	00 30	01 00	08 30	00 00	10 00	2,210 00	221 00
Antecedant transactions & wrongful trading	00 30	01 00	06 00	00 00	07 30	1,720 00	229 33
<b>Realisation of assets</b>							
Freehold & leasehold properties	00 12	00 30	01 00	00 00	01 42	457 50	269 12
Intangible assets	01 24	03 30	03 30	00 00	08 24	2,432 50	289 58
Tangible assets	00 06	00 30	01 30	00 00	02 06	482 50	229 76
Shares & Investments	00 06	00 30	00 30	00 00	01 06	302 50	275 00
Book debts collection	00 36	02 00	04 00	00 00	06 36	1,740 00	263 64
<b>Creditors &amp; distributions</b>							
Unsec'd Creditors correspondence & claims	01 00	05 00	40 00	00 00	46 00	9,525 00	207 07
Preferential creditors & employees	00 30	10 00	15 00	00 00	25 30	6,315 00	247 65
Creditors' Committee (if established)	02 00	04 00	05 00	00 00	11 00	3,100 00	281 82
<b>Total hours and costs</b>	<b>15 42</b>	<b>48 30</b>	<b>137 12</b>	<b>06 18</b>	<b>207 42</b>	<b>48,672.00</b>	<b>234 34</b>



**APPENDIX 2B**

**EVIDENTLY LIMITED - IN ADMINISTRATION**

**JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

**1 SEPTEMBER 2016 TO 8 SEPTEMBER 2016**

	<b><u>Realised</u></b> <b><u>to-date</u></b> <b>£</b>
<b><u>Receipts</u></b>	
Cash held on appointment	<u>10,000 00</u>
<b><u>Represented by:-</u></b>	
Client account	<u>10,000 00</u>

## **APPENDIX 3**

### **JOINT ADMINISTRATORS' TIME COSTS AND EXPENSES**

#### **Pre-Appointment Costs: Statement under Rule 2.33(2B) of the Insolvency Rules 1986**

Unpaid pre-appointment costs as an expense of the Administration are -

- (i) Subject to approval under Rule 2.67A, and
- (ii) Not part of the proposals subject to approval under paragraph 53

By a letter of engagement between David Rubin & Partners and the Company, dated 25 July 2016, the Company agreed to pay for our time costs for assistance and advice on a prospective Administration of the Company

#### **Pre-appointment time costs**

The time costs we incurred between our first consultation and the date of our appointment were £17,621 plus VAT for a total of 68 hours 54 minutes. This represents an average hourly charge out rate of £255.75 per hour. Prior to our appointment, we were advanced a sum of £10,000 which we are currently holding and have yet to bill, as we have not had approval to draw any pre-Administration time costs. We therefore have outstanding pre-Administration time costs of £17,621 plus VAT. An analysis of the time spent is provided at Appendix 3A.

#### **Overview**

Our firm, David Rubin & Partners, was first consulted by one of the Directors in July 2016 as the Company was unable to pay their debts as and when they fell due. At the end of July 2016, they had made five employees redundant as a cost cutting measure but the Company was still experiencing financial difficulties. A number of meetings took place with the Company's management to determine the financial position of the Company and to consider what options were available to the Directors. I advised that given the Company's financial situation, a Company Voluntary Arrangement or an Administration would be the options. However, given that a fresh injection of capital was unavailable, I advised that the best option was for the Company to be placed into Administration.

Having established that parts of the business appeared profitable and viable, it was decided that an Administration was going to be the best way of preserving maximum value for all creditors. We therefore instructed independent valuation agents, Rabbow & Co, to prepare a valuation of the business and its assets. We also engaged the services of solicitors, Sheridans, to draft the Asset Sale Agreement who were both competent enough to handle the complexities of the case and also who had no prior professional relationship with the Company or its management.

#### **Issues impacting on the level of costs**

We originally requested a retainer of £10,000 to cover pre-appointment time costs. However the time costs have been greater than expected for a few reasons. Firstly, a lot of time was spent discussing the asset sale with our lawyers and negotiating amendments with the buyer. Secondly, as five employees were made redundant shortly before our appointment we had to deal with a number of unexpected queries.

#### **Pre-appointment expenses**

Sheridans have also been providing legal advice in the period leading up to the Administration including filing the statutory forms with the High Court to place the Company into Administration on

the instruction of the Directors and drafting an Asset Sale Agreement for the pre-packaged sale of the business. Their time costs and disbursements incurred completing the work, none of which has been paid, amounts to £13,796.20 including VAT.

Rabbow & Co who have been assisted pre-Administrators producing a valuation report on the Company's assets have an unpaid fixed fee invoice of £4,000 + VAT.

### **Seeking Approval for Payments**

In accordance with rule 2.67A of the Insolvency Rules 1986 (as amended), we shall be seeking the approval of the Creditors Committee, if one is appointed, to draw our unpaid pre-appointment time costs. Additionally, the disbursement of the pre-appointment expenses as reported at 8.23, 8.24 of this Report and in this Appendix. If no Committee is appointed, we will seek the approval of the creditors at the meeting.

### **Post-appointment**

The time costs we have incurred from the date of our appointment to 8 September 2016 amount to £14,177.50 plus VAT for a total of 69 hours 18 minutes. This represents an average hourly charge out rate of £204.58 per hour. We have not drawn any fees on account and this entire sum is outstanding. An analysis of the time spent is also provided at Appendix 3A.

### **Case overview**

On 1 September 2016, the Agreement selling the business to Newly Limited was signed. The sale included all business assets of the Company, including goodwill, furniture and equipment, intellectual property, business name, work in progress, the benefit of the client and supplier contracts, shares or securities owned by the seller, the seller's records, motor vehicles and book debts. The Company held two leases in London. One at Goswell Road was included as part of the sale but a second lease at Summers Street EC1 was excluded as it has no commercial value and has not been occupied by the Company since 2010.

The nature of the business required a seamless transfer in order to preserve customer relations and to continue servicing their needs and to be able to collect in the book debts. In addition, the contracts of employment of all the staff employed at the date of the Administration have been transferred to the purchaser.

### **Issues affecting costs**

Shortly after our appointment the business was sold as a pre-packaged sale which meant that we were required to write a Statement of Insolvency Practice 16 report. This practice directive requires me to disclose a number of details on the sale in the report and this took a considerable amount of time. I have also had a large number of creditors contacting us with concerns about the material they have produced, some of these queries have required the knowledge of the Senior Manager working on the case which increased the post-appointment costs.

To view an explanatory note concerning Administrators' remuneration approved by the Joint Insolvency Committee, please visit the Publications folder on our website [www.drpartners.com/cases](http://www.drpartners.com/cases), using the following log-on details:

USERNAME E949@sharesrvr.com

PASSWORD 949Eds\*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

**Provision of further information**

Within 21 days of receipt of this progress report, creditors may request the Administrators to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. Further details are set out at paragraph 8.2 and 8.3 of the Creditors' Guide to Administrators' Fees by following the URL link provided above.

## EVIDENTLY LIMITED - IN ADMINISTRATION

JOINT ADMINISTRATORS' PRE-APPOINTMENT TIME COSTS FOR THE PERIOD 25 JULY 2016 TO 31 AUGUST 2016							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
<b>Administration, Strategy and Planning</b>							
IPS set up & maintenance	00 00	00 00	00 18	00 00	00 18	39 00	130 00
Case planning, strategy & control	03 30	05 06	15 24	00 00	24 00	5,252 50	218 85
Accounting & Cashiering	00 00	00 00	00 00	00 12	00 12	32 00	160 00
SIP16 Considerations	00 24	06 00	08 06	00 00	14 30	3,246 00	223 86
<b>Review &amp; Valuation of Assets</b>							
Negotiating and agreeing asset sale	00 00	16 18	00 48	00 00	17 06	4,936 50	288 68
Others Liaising with agents, Review of contracts, etc	03 12	00 00	00 00	00 00	03 12	1,440 00	450 00
<b>Creditors</b>							
Unsec'd Creditors correspondence & claims	00 00	02 06	02 30	00 00	04 36	1,019 50	221 63
Preferential creditors & employees	01 36	02 54	00 30	00 00	05 00	1,655 50	331 10
<b>Total hours and costs</b>	<b>08 42</b>	<b>32 24</b>	<b>27 36</b>	<b>00 12</b>	<b>68 54</b>	<b>17,621 00</b>	<b>255 75</b>

JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD 1 SEPTEMBER 2016 TO 8 SEPTEMBER 2016							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
<b>Statutory compliance, admin and planning</b>							
Statutory filings, circulars, notices, etc	01 12	01 42	07 18	00 00	10 12	1,999 50	196 03
Case planning, strategy & control	00 00	00 06	00 00	00 00	00 06	29 50	295 00
Taxation PAYE, C/Tax & VAT	00 00	00 00	00 12	00 00	00 12	32 00	160 00
Case reviews & Diary maintenance	00 00	00 00	01 36	00 00	01 36	229 00	143 13
Statutory reporting and compliance	01 12	08 24	24 24	00 00	34 00	6,838 00	201 12
<b>Investigations</b>							
CDDA preparation & reporting	00 00	00 00	00 18	00 00	00 18	48 00	160 00
SIP2 assessment and financial review	00 00	00 18	00 00	00 00	00 18	88 50	295 00
<b>Realisation of assets</b>							
Freehold & leasehold properties	00 00	00 06	00 00	00 00	00 06	29 50	295 00
Shares & investments	00 00	00 24	00 06	00 00	00 30	134 00	268 00
Book debts collection	00 00	00 06	00 00	00 00	00 06	29 50	295 00
Tangible assets	00 00	02 00	03 48	00 00	05 48	1,150 00	198 28
<b>Creditors</b>							
Unsec'd Creditors correspondence & claims	00 42	01 18	05 24	00 00	07 24	1,503 00	203 11
Preferential creditors & employees	00 00	05 00	03 42	00 00	08 42	2,067 00	237 59
<b>Total hours and costs</b>	<b>03 06</b>	<b>19 24</b>	<b>46 48</b>	<b>00 00</b>	<b>69 18</b>	<b>14,177 50</b>	<b>204 58</b>

## Evidently Limited B - Company Creditors

Key	Name	Address	£
CA02	Adam & Miles	200-195 County court blvd, Brampton, on l6w 4p7	1,249 40
CA01	Agency Software Worldwide - Papnka	Latters House , High Street, Hadlow, Tonbridge Wells, Kent, TN11 0EF	724 80
CA00	All Graphics IT	21 Mathias Walk, Basingstoke, RG22 4EQ	3,829 68
CA05	American Express	Customer Service, American Express, Services Europe Ltd, Dept 580, Brighton, BN88 1AH	18,087 48
CA06	Animus Limited	The Old Bakery, 90 Camden Road, Tunbridge Wells, TN1 2QP	603 39
CL04	Anne Martine Lewis		750 00
CA03	Artion Screen Ltd	Flat 1, 4 Avondale Rd, South Croydon, CR2 6JA	330 00
CA04	Audio Network	54 St Johns Square, London, EC1V 4JL	240 00
CB06	Barclaycard	Barclaycard Commercial, PO Box 4000, Saffron Road, Wigston, LE18 9EN	37,020 15
CB00	Beavis Morgan	82 St John Street, London, EC1M 4JN	5,448 00
CL01	Ben Liddell	33 Goldstone Lane, Hove, BN3 7BB	700 00
CB02	Benjamin Liddell Ltd	33 Goldstone Lane, Hove, BN3 7BB	660 00
CB01	BGL Partners	120 Marylebone Lane, London, W1U 2QG	1,085 70
EZ00	Bianca Zeff	Garden Flat 1, 14 Belsize Park, London, NW3 4ES	0 00
CB04	Big Sync Music	8th Floor, 22 Upper Ground, London UK, SE1 9PD	1,438 00
CB03	BPP Professional Education	BPP House, 142-144 Uxbridge Road, London, NW12 8AA	457 20
CB05	Butter	532 Broadway, 5th Floor, New York, NY 10012	500 00
CW01	Chalsie Williamson		750 00
CB07	Charlotte Louise Bakewell	Flat 20, 19-21 Western Road, Southall, UB2 5JL	750 00
CC01	Chris Chow	10 Wellington House, Exeter Close, Wellington, Watford, Hertfordshire, WD24 4BP	650 00
CH08	Christine Unhi Han	37A Heath Drive, London, NW3 7SD	750 00
CH06	Crystal Hilsley	819 Caminito Rosa, Carlsbad, California, 92011	750 00
CC05	Daniel Chan	5 Pearl gate court, richmond hill, Ontario, L4B2R1	637 61
EA01	David Amanor	51A Drayton Park, London, N5 1NT	0 00
CE01	Ed Essex	35 Grafton Way, London, W1T 5DB	1,150 00
CB0A	Edmund Francis Brown	76 Montague Square, London, SE15 2LR	0 00
CE00	Emma Congdon Design Ltd	59 Athelstan Road, Harold Wood, Essex, RM3 0QD	4,535 00
CH07	Emma Louise Hubbard	Flat 8 Grand Canal Apartments, 56 De Beauvoir Crescent, London, N1 5TF	750 00
CL05	Erin Lally	17-19 Mare Street, London, E8 4RS	750 00
CE02	Excel Group	Excel Group Services Ltd, 188 Westferry Road, London, E14 3RY	13 20
CT05	Frederique Tietcheu		750 00

**Evidently Limited**  
**B - Company Creditors**

Key	Name	Address	£
CG01	Gallery Stock	47 - 49 Borough High Street, London, SE1 1NB	1,670 40
CG00	Gilsenan & Company	26 Rheidol Terrace, London, N1 8NS	13,193 74
CG02	Google Apps	Gordon House, Barrow Street, Dublin 4, Ireland	415 79
CG03	Gradwell dot com ltd	Westpoint, James street west, Bath, BA 2DA	17 10
CH04	HM Revenue & Customs (CT)	13th Floor Euston Tower, 286 Euston Road, London, NW1 3UH	0 00
CH03	HM Revenue & Customs (VAT)	Debt Management & Banking, National Insolvency Unit, 5th Floor, Regian House, James Street, Liverpool, L75 1AD	50,000 00
CH02	HM Revenue and Customs (PAYE)	Benton Park View, Longbenton, Newcastle, NE98 1ZZ	30,000 00
CH01	Hogarth (Shanghai) Image Video Design & Prod	11f WPP Campus, 399 Hengfenf, Shanghai, China	1,017 69
CM05	Jackie Mikel	27 Meagan Lane, Frankford, ON Canada, K0K 2C0	1,275 21
CB08	Jane Boehm	72a Rabekagh Road, London, W5 5RP	750 00
CC02	Jingyuan Ashley Cao	Flat 3, 111 Crawford Street, London, W1H 2JE	750 00
CC03	Johanna Corris	16 Thames Drive, Leigh-on-Sea, SS9 2DX	750 00
CJ00	Joseph Douglas Ltd	Ground Floor Flat, 62 Gleneldon Road, Streatham London, SW16 2BD	1,020 00
CL02	Language Recruitment Services Limited	2nd Floor, Greener House, 66-68 Haymarket, London, SW1Y 4RF	29 40
CP01	Leyla Pillai	Flat 7, 2nd Floor, 13-17 Rendlesham Road, London, E5 8BQ	750 00
CL03	London Borough of Islington	Revenues and benefits, PO Box 34750, N7 9WF	3,300 00
CM00	Manhattan Loft Corporation	NV 5th Floor, Edison House, 223-231 Old Marylebone Road, London, NW1 1QT	13,762 90
CL06	Martina Langschartner	93 Dunlace Road, London, E5 0NG	750 00
CS08	Maryam Safari		750 00
CM01	Masterclassing	Hoxton Mix, 86-90 Paul Street, London, EC2A 4NE	10,080 00
CM02	Mavis Creatives Limited	Unit 11, The Energy Centre, Bowling Green Walk, London, N1 6AL	469 20
CK01	Mimi Eileen Kufour	Flat 18, Aquarelle House, 259 City Road, EC1V 1AG	750 00
EO00	Misael Ortiz	1527-111 St Clair Avenue West, Toronto, Ontario, M4V 1N5	0 00
CM03	MoorePay Ltd	Warwick house, Hollins Brook way, Bury, BL9 8RR	149 42
CV02	Narina Valimohamed	22b Lakeside Road, London, W14 0DU	750 00
CV00	Nat Valente	66B Forthbridge Road, SW11 5NY	150 00
CC04	Natalie Chelliah	57a St Pauls Road, London, N1 2LT	750 00
CR04	Natasha Robertson	40 Westminster Court, Melville Place, London, N1 8ND	750 00
CT06	Nieve Tierney	22b Lakeside Road, London, W14 0DU	750 00
CB09	Norsheen Bhatti	Flat 9, Owens Court, 293 Richmond Road, TW9 4NG	750 00
CO00	Orbtalk Global IP Telephony	Orbtalk Ltd, 5 Frederick Terrace, Frederick Place, Brighton, BN1 1AX	171 18

## Evidently Limited B - Company Creditors

Key	Name	Address	£
CO01	Ozlem Ocak	162 Boundary Road, London, E17 8LA	750 00
CP00	Prada (Nadine Prada)	21 Foundry Ave , #6 Toronto, ON M6H 4K7	715 12
EJ00	Rachael Jackson	88 Merritt Road, London, SE4 1DX	0 00
CR01	Raina and Wilson Photography	402-688 Richmond Street West, Toronto, M6J 1C5	11,784 23
CR03	RBC US Dollar Visa Gold	RBC Royal Bank, Credit card payment centre, PO Box 4016, Station "A", Toronto, Ontario, M5W 2E6	3 71
CR02	RBC Visa Business account	RBC Royal Bank, Credit card payment centre, PO Box 4016, Station "A", Toronto, Ontario, M5W 2E6	1,527 14
CS01	S Management	15 Rocks lane, London, SW13 0DB	2,808 00
CR05	Sabinah Robinson	Sabina Knight (was Robinson), 11 Watson House, Turing Gate, Bletchley, MK3 6EQ	750 00
CO02	Sally J Owen	23a Deodar Road, Putney, London, SW15 2NP	750 00
CK00	Samantha Kennedy	Cavenagh Road #07-16 , Waterscape @ Cavenagh 65B, 229630, Singapore	141 35
EK02	Samantha Kennedy	65B Cavenagh Road, #06-16 Waterscape @ Cavenagh, Singapore, 229630	0 00
CS02	Sarah Laird & Good Company	10 Margaret Street, Suite 45 London, W1W 8RL	27,693 83
CS00	Serna London Ltd t/a Serna Services	36 Mayton Street, London, N7 6QR	3,538 20
CO03	Sevin Oglun	33 Oakwood Crescent, UB6 0RF	750 00
CL07	Sewin Lee		750 00
CY00	Se-Young Yang	3936 Walgrove Ave, Los Angeles, CA 90066	750 00
CS03	SPARKS Photographer	145 Berkeley Street , 5th Floor, Toronto, Ontario M5A 2X1	20,458 00
CH05	Stephen Hodge	124 Gipsy Road, London, SE27 9RE	503 00
CK02	Stephen Kwong	85 Ingram Road, Markham, ON, Canada, L3S 4J9	637 61
CS06	Stephens Capital Partners	c/o Andrew Stafford Deitsch, 63 St James Street, London, SW1A 1LY	650,196 00
CT02	The Sound Company	The Old School, 23 Gosfield Street, London, W1W 6HG	759 82
CL08	Wendi Li	11 Thornhill Brifge Wharf, London, N1 0RU	750 00
<b>84 Entries Totalling</b>			<b>947,097.65</b>