

# AM03

## Notice of administrator's proposals



Companies House

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

### 1 Company details

Company number 05070317

Company name in full Mediphararmacy Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Anthony John

Surname Wright

### 3 Administrator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode EC4N 6EU

Country

### 4 Administrator's name ①

Full forename(s) Ian

Surname Corfield

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode EC4N 6EU

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM03

## Notice of Administrator's Proposals

**6**

### Statement of proposals



I attach a copy of the statement of proposals

**7**

### Qualifying report and administrator's statement <sup>①</sup>



I attach a copy of the qualifying report



I attach a statement of disposal

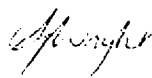
<sup>①</sup> As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

**8**

### Sign and date

Administrator's  
Signature

Signature



Signature date

<sup>d</sup>

2

<sup>d</sup>

5

<sup>m</sup>

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<sup>m</sup>

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<sup>y</sup>

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<sup>y</sup>

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2

<sup>y</sup>

4

# AM03

## Notice of Administrator's Proposals



### 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	Elena Joannides						
Company name	FRP Advisory Trading Limited						
Address	2nd Floor						
	110 Cannon Street						
Post town	London						
County/Region							
Postcode	E	C	4	N	6	E	U
Country							
DX	cp.london@frpadvisory.com						
Telephone	020 3005 4000						



### Checklist

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 and dated 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

**FRP**

Medipharma Limited (in Administration)

The Administrators' Proposals

25 January 2024

Contents and abbreviations



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C.	The Administrators’ remuneration, expenses and costs information <ul style="list-style-type: none"><li>• A schedule of work</li></ul>
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The following abbreviations may be used in this report:

AMA	Accelerated merger and acquisition
Christies	Christie Owen & Davies Limited
CVA	Company Voluntary Arrangement
CVL	Creditors’ Voluntary Liquidation
ERA	Employee Rights Act 1996
EOS	Estimated outcome statement
FRP	FRP Advisory Trading Limited
HMRC	HM Revenue & Customs
k	Thousand
m	Million
LTO	License to occupy
NHS	National Health Service
OTC	Over the counter
QFCH	Qualifying floating charge holder
RCF	Revolving credit facility
RPS	Redundancy Payments Service
RX	Rx Bridge Limited
Santander	Santander UK Plc

Contents and abbreviations



<b>SIP</b>	Statement of Insolvency Practice
<b>SPA</b>	Sale and Purchase Agreement
<b>STCFF</b>	Short-term cashflow forecast
<b>The Administrators</b>	Anthony Wright and Ian Corfield of FRP
<b>The Company or</b>	
<b>Medipharmacy</b>	Medipharmacy Limited (in Administration)
<b>The Bank</b>	Santander UK Plc
<b>The Directors</b>	Naveen Khosla, Sahna Khosla and Sandeep Khosla
<b>The Insolvency Rules</b>	The Insolvency (England and Wales) Rules 2016
<b>The Purchaser or Newco</b>	PI-Gen Pharma Ltd.
<b>TUPE</b>	Transfer of Undertakings (Protection of Employment) Regulations 2006
<b>WM</b>	Walker Morris LLP

## 1. Introduction

**FRP**

On 18 January 2024, the Company entered administration and Anthony Wright and Ian Corfield were appointed as Administrators.

This document, together with its appendices, forms the Administrators' statement of proposals ("the Proposals") to creditors in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules. The Proposals are deemed delivered on 25 January 2024.

Certain statutory information about the Company and the administration is provided at **Appendix A**.

A sale of the business and assets of the Company was affected on 18 January 2024 by the Administrators. Background information regarding the Company together with full details of the events that resulted in the appointment of the Administrators and this transaction taking place and why it was considered to be in the overall best interest of the creditors of the Company as a whole are set out in the statement attached at **Appendix B** in accordance with SIP 16.

## 2. Conduct of the administration

**FRP**

### The objective of the administration

The Administrators think that objective (a) of the Administration, as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, being to rescue the Company as a going concern, will not be achieved due to the extent of the Company's liabilities.

Objective (b) is also unlikely to be achieved, that being a better result for the Company's creditors as a whole than would be likely if the Company had been wound-up (without first being in administration). This is because, based on current estimates, there will not be a return to all classes of creditors (via a prescribed part distribution or otherwise).

As such, it is envisaged that objective (c) will be achieved, being to realise property in order to make a distribution to one or more secured or preferential creditors.

The Administrators confirm that the transaction detailed in **Appendix B** will enable the statutory purpose identified above to be achieved and that the sale price was the best reasonably obtainable in all the circumstances and was considered to be in the overall best interests of all creditors of the Company.

### The Administrators' actions

The Administrators' actions to the date of the sale of the business and certain assets is set out in detail, in the SIP 16 statement set out at **Appendix B**.

Details of work already undertaken since appointment or anticipated to be undertaken is set out in the schedule of work attached at **Appendix C**.

Following approval of the Proposals, the Administrators will continue to conduct the Administration to achieve the purpose detailed. Key matters to be undertaken include:

- Collecting the consideration due upon completion and in accordance with the terms of the SPA;

- Arranging a valuation of the Company's property assets which were excluded from the sale. Undertaking a marketing exercise in order to realise the maximum amount for the benefit of the creditors;
- Collecting amounts due under the LTO agreement and paying rents in respect of the Company's leasehold properties as they fall due, until such time as the Purchaser is able to formalise new leases with the Company's landlords;
- Investigating and, if appropriate, pursue any claims that the Company may have against any person, firms or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company;
- Distributing realisations to the secured creditor where applicable;
- Seeking an extension of the Administration if required;
- Ensuring all statutory and compliance matters are attended to; and
- Paying all administration expenses and bringing the administration to an end when deemed appropriate by the Administrators.

### Receipts and payments account

A copy of the Administrators' receipts and payment account to date is attached as **Appendix D**.

A non-refundable deposit was paid WM upon completion. The Administrators expect these funds to be paid to the estate in due course.

### The Directors' Statement of Affairs

The directors of the Company have been asked to submit a Statement of Affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1896. The directors are in the process of compiling the relevant information and this is expected to be received shortly. Details of the financial position of the Company in the form of an EOS at the latest practicable date, prepared from information available to the Administrators and including a list of creditors' names and addresses is provided at **Appendix B** and **Appendix E**. As and when the directors' Statement of Affairs is received it will be filed with the Registrar of Companies.



## 2. Conduct of the administration

**FRP**

### **Matters requiring investigation**

The Administrators are required as part of their duties to establish what assets the Company owns and to consider the way in which the Company's business has been conducted. They are also required under the provisions of the Company Directors Disqualification Act 1986 to report to the Secretary of State for Business and Trade on the conduct of the directors. If you have any information or concerns regarding the way in which the Company's business has been conducted or have information regarding potential recoveries for the estate, please contact me as soon as possible.

### **The end of the administration**

The administration will end automatically after 12 months from the date of appointment of the Administrators. This period can be extended with consent of the creditors for up to 12 months or longer by application to the Court as required.

If the Administrators think the Company has no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the administration into liquidation is not appropriate they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved.

If the Administrators are of the view that a dividend will become available to the unsecured creditors (other than by virtue of the prescribed part) it is appropriate for the Company to move from administration into CVL pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986. If applicable the Administrators will take steps to place the Company into CVL.

Should a dividend not become available to the unsecured creditors, but it is still appropriate for the Company to enter liquidation, the Administrators will petition the Court pursuant to Paragraph 79 of Schedule B1 to the Insolvency Act 1986 for an

order to bring the administration to an end with a consequential order for the compulsory winding up of the Company.

Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a Liquidator, the proposed Liquidators in a CVL are to be the Administrators or any successor office holder(s). Any act to be done by the Liquidators may be done by all or any one of them. Pursuant to Paragraph 83(7)(a) of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

The Liquidators in a compulsory winding up will be appointed by the Court and may be the Administrators, or any successor office holder(s).

If the Administrators are of the view that it is appropriate for the creditors to consider the approval of a CVA the proposed supervisors are to be the Administrators or any successor office holder(s). Creditors may nominate different supervisors when considering whether to approve the CVA proposals.

In this administration it is proposed that the administrators will take the necessary steps to dissolve the Company as it is not anticipated there will be funds available to enable a distribution to be made to unsecured creditors.

### **Decision of creditors**

Based on information currently available, the Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors, except potentially from the prescribed part if applicable. This statement is made in accordance with Paragraph 52(1)(b) of Schedule B1 to the Insolvency Act 1986.

The Administrators are therefore not required to seek a decision from creditors as to whether they approve the Proposals pursuant to Paragraph 51 of Schedule B1 to the Insolvency Act 1986.

## 2. Conduct of the administration

**FRP**

The Administrators must however seek a decision from the creditors if requested to do so by a single or group of creditors whose debts amount to at least 10% of the total debts of the Company. The request must contain the particulars prescribed by Rule 15.18 of the Insolvency Rules and be made within eight business days of the date of delivery of this report, in accordance with the Insolvency Rules. The expenses of seeking the decision shall be paid by the creditor or creditors requesting the decision, who will be required to lodge a deposit with the Administrators as security for this payment. The creditors may decide that the expenses of seeking the decision should be paid as an expense of the Administration payable from the assets of the Company.

In accordance with the Insolvency Rules where the Administrators have not sought a decision of the creditors, the Proposals will be deemed to have been approved by the creditors unless at least 10% by value of the creditors requisition a decision of creditors within eight business days of the date of delivery of the Proposals.

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

**FRP**

#### **Administrators' remuneration**

A schedule of the work to be undertaken during the Administration is set out at **Appendix C**. Assumptions made in preparing the summary of work, are set out in the schedule of work.

The Administrators' remuneration will be drawn from the Company's assets, and it is proposed that it will be charged by reference to the time incurred in attending to matters arising. Further details of how this will be calculated is set out below. The basis of the Administrators' remuneration has not yet been approved by creditors, and the Administrators have accordingly not drawn any remuneration in this case.

Should the Company subsequently be placed into liquidation and the Administrators appointed as Liquidators, the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the basis of the Liquidators' remuneration, in accordance with the Insolvency Rules. The Liquidators' will seek further creditor approval for the quantum of fees to be drawn in the liquidation where necessary.

Whichever fee basis is approved by creditors and utilised to calculate the level of remuneration that can be drawn by the Administrators will include all direct costs of providing professional services by the Administrators and their staff in dealing with the Company, but will exclude any expenses that may be paid to an associate or which have an element of shared costs (known as category 2 expenses), which require separate approval from creditors before they can be paid.

Where payments are to be made to associates of the office holder or their firm, creditors' approval to such payments must be received prior to payment being remitted. The Administrators confirm no payments are being made to associates of the office holder or their firm.

Where there is an element of costs being shared between this insolvency estate and other parties, and determination of how those costs are to be allocated is being decided by the office holders, creditors' approval to such payments must be received prior to payment being remitted. The Administrators confirm no shared costs have been incurred nor are any currently envisaged.

Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and the experience required. Time is charged to the case in maximum units of six minutes. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters.

#### **Administrators' disbursements**

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the administration of the Company, are paid by FRP at the HMRC approved mileage rate.

#### **Pre-administration costs charged or incurred by the Administrators**

In accordance with the engagement letter dated 5 December 2023, the Company resolved to settle FRP's costs which were based on time costs plus VAT and disbursements, capped at £15k per week, for assisting with the placing of the Company into Administration and dealing with matters in connection with SIP 16, in order to complete the sale of the business and assets of the Company upon the Administrators' appointment.

Attached at **Appendix F** is a statement of pre-administration costs charged or incurred by the Administrators of which £99,575 was unpaid as at appointment.

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

**FRP**

The Administrators are not seeking approval for pre-administration costs at this juncture. Approval will be sought in due course from the requisite class of creditor in line with statute.

#### **Creditors' ability to challenge the Administrators' remuneration and expenses**

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses under the Insolvency Rules following receipt of a progress report. Further details of these rights can be found in the Creditors' Guide to Fees which you can access by using the following link <https://www.frpadvisor.com/legal-and-regulatory-notice/information-creditors-insolvency-proceedings/> and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request.

#### 4. Estimated outcome for the creditors

##### **EOS**

Attached within **Appendix B** is an EOS which has been prepared from the information provided by the Directors, advice received in connection with the value of the Company's assets, estimated sums due to creditors and an estimate of Administrators' remuneration and other expenses that may be incurred during the course of these proceedings. The assumptions made in preparing the EOS are set out in the schedule of work.

Based on the information available to date and the assumptions made by the Administrators, the anticipated outcome for creditors is set out below:

##### **Outcome for secured creditors**

###### *Santander – First ranking fixed and floating charge holder*

At the date of Administration and as per information provided by the Directors, Medipharma has three term loans totalling £5.5m and a RCF drawn at £6.5m with the Bank. A further £550k was made available during the AMA process to enable the business to meet crucial payments, to maintain operations whilst the sale was progressed.

In accordance with the terms of the SPA, the non-refundable deposit totalling £500k will be distributed to Santander, as this deposit is based on 10% in value of the goodwill, which is subject to Santander's fixed charge.

Further distributions will be paid upon completion, as the majority of consideration to be realised relates to fixed charge recoveries.

In accordance with the EOS, it is expected that there will be a shortfall to Santander.

###### *RX– Second ranking fixed and floating charge holder*

The Company had a £3.4m debt purchasing facility at a 75% advance rate from RX.

A debenture in favour of RX was created on 28 November 2023 and delivered to Companies House on 6 December 2023. Under the terms of the debt purchasing agreement, termination of the agreement required a month's notice, therefore termination would occur at the end of the following month. RX are entitled to NHS funds for prescriptions reported in January and February 2024 (payable in February and March respectively).

Consequently, RX's indebtedness is currently uncertain and will be predicated on future NHS receipts.

##### **Outcome for preferential creditors**

The Company employed approx. 150 people including the three directors.

All of the employees were transferred under TUPE regulations upon the sale of the business, and we suspect there to be no preferential claims in this respect. It is understood that the directors also transferred under TUPE.

However, the Administrators understand that there will be arrears in respect of the Company's pension scheme. The quantum of these arrears are currently unknown and creditors will be appraised of the updated position within the next reporting period. The arrears in the pension scheme will rank as a preferential claim in these proceedings, and the Administrators will be assisting the pension providers in establishing their claim accordingly.

##### **Outcome for secondary preferential creditors**

From 1 December 2020 HMRC ranks as a secondary preferential creditor in respect of the following:

- VAT;
- PAYE (including student loan repayments);
- Construction Industry Scheme deductions; and
- Employees' NI contributions

#### 4. Estimated outcome for the creditors

**FRP**

From the Company records, the Administrators understand that £2.6m is owed to HMRC in respect of historic VAT arrears. Further amounts will be owed to HMRC in respect of PAYE arrears; however, these amounts remain uncertain at this time.

HMRC's overall claim is currently uncertain and HMRC are yet to prove for their final claim in these proceedings.

Based on current information, it is uncertain as to whether there will be sufficient funds to make a distribution to second ranking preferential creditors. Any surplus funds to enable a distribution to second ranking preferential creditors will be predicated on realisations into the estate and any arising corporation tax liability, as per the EOS provided at **Appendix B**.

##### **Outcome for unsecured creditors**

Based on the assumptions made in the EOS the outcome for unsecured creditors is uncertain and will be dependent on further realisations made during the course of the Administration.

##### **Prescribed part**

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000 and the cost of making a distribution to unsecured creditors would not be disproportionate to the benefits.

Based on current information, any distribution to unsecured creditors by way of the prescribed part is currently uncertain and will be subject to further realisations.

## Appendix A

### Statutory information about the Company and the administration

**FRP****COMPANY INFORMATION:**

Other trading names:	Mediphararmacy Limited
Date of incorporation:	11 March 2004
Company number:	05070317
Registered office:	Duaris House Imberhorne Way, East Grinstead, West Sussex RH19 1RL
Previous registered office:	N/A
Business address:	Duaris House Imberhorne Way, East Grinstead, West Sussex RH19 1RL
Directors:	Naveen Khosla Sadhna Kosla Sandeep Krishen Khosla
Company secretary:	Naveen Khosla

The directors and Company secretary have the following shareholdings in the Company:

Name	Shares	Type	%
Naveen Khosla	50	Ordinary	50
Sadhna Khosla	50	Ordinary	50

**ADMINISTRATION DETAILS:**

Names of Administrators:	Anthony Wright and Ian Corfield
Address of Administrators:	FRP Advisory Trading Limited 2nd Floor, 110 Cannon Street, London EC4N 6EU
Date of appointment of Administrators:	18 January 2024
Court in which administration proceedings were brought:	The High Court of Justice
Court reference number:	000071 of 2024
Date of notice of intention to appoint Administrators presented to Court:	19 December 2023 and 5 January 2024
Administration appointment made by:	Santander UK Plc

Consent to the notice to appoint an Administrator provided by the qualifying charge holder as follows:

Holder of Qualifying Floating Charge	Date of consent
1. Santander	N/A
2. RX	N/A

## Appendix A

### Statutory information about the Company and the administration

**FRP**

The appointment of the Administrators included a declaration that they are acting jointly and severally as Administrators of the Company in accordance with Paragraph 100 of Schedule B1 to the Insolvency Act 1986.

The directors have confirmed the Company's centre of main interest has been in the UK and accordingly the proceedings will be COMI proceedings as defined in the Insolvency Rules.

Extracts from the financial statements available are summarised below:

<b>Period Ended</b>	<b>Turnover</b>	<b>Gross Profit</b>	<b>Profit for the FY</b>
	<b>£</b>	<b>£</b>	<b>£</b>
31 March 2022	27,682,219	6,628,522	183,502
31 March 2021	20,954,523	4,990,589	173,087
31 March 2020	20,981,627	5,172,356	66,241
31 March 2019	20,505,123	5,103,726	161,960
31 March 2018	19,457,833	4,752,272	94,006



## Appendix B

Explanation of the pre-packaged sale in accordance with Statement of Insolvency Practice 16

**FRP**

# Medipharma Limited (in Administration) Disclosure to creditors in accordance with Statement of Insolvency Practice 16 25 January 2024

## Contents and Glossary

**FRP**

Section	Content
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| 1. | Introduction   |
| 2. | Background information and events leading to appointment of the Administrators |
| 3. | Pre-appointment considerations   |
| 4. | Estimated outcome statement  |

### Abbreviations

The following abbreviations are used in this document:

<b>AMA</b>	Accelerated merger and acquisition
<b>Christies</b>	Christie Owen & Davies Limited
<b>CVA</b>	Company Voluntary Arrangement
<b>CVL</b>	Creditors' Voluntary Liquidation
<b>EBITDA</b>	Earnings before interest, taxes, depreciation and amortization
<b>EOS</b>	Estimated outcome statement
<b>ERA</b>	Employee Rights Act 1996
<b>FRP</b>	FRP Advisory Trading Limited
<b>FY</b>	Financial Year
<b>HMRC</b>	HM Revenue & Customs
<b>IM</b>	Information Memorandum

Medipharma Limited (in Administration)  
The Administrators' Proposals

<b>k</b>	Thousand
<b>LTO</b>	License to occupy
<b>M&amp;A</b>	Merger and Acquisition
<b>m</b>	Million
<b>NHS</b>	National Health Service
<b>NHSBSA</b>	National Health Service Business Services Authority
<b>NK</b>	Naveen Khosla
<b>Orridge</b>	Orridge & Company Limited
<b>OTC</b>	Over the counter
<b>PI-Gen</b>	PI-Gen Pharma Limited
<b>PPD</b>	Prescription Pricing Division
<b>QFCH</b>	Qualifying floating charge holder
<b>RCF</b>	Revolving credit facility
<b>RPS</b>	Redundancy Payments Service
<b>RX</b>	Rx Bridge Limited
<b>Smartway</b>	Smartway Pharmaceuticals Limited
<b>Santander / the Bank</b>	Santander UK Plc
<b>SIP</b>	Statement of Insolvency Practice
<b>SK</b>	Sadhna Khosla

## Contents and Glossary

**FRP**

<b>SPA</b>	Sale and Purchase Agreement
<b>STCFF</b>	Short-term cashflow forecast
<b>The Administrators</b>	Anthony Wright and Ian Corfield of FRP Advisory Trading Limited
<b>The Company or</b>	
<b>Medipharmacy</b>	Medipharmacy Limited (in Administration)
<b>The Directors</b>	Naveen Khosla, Sahna Khosla and Sandeep Khosla
<b>The Insolvency Rules</b>	The Insolvency (England and Wales) Rules 2016
<b>The Purchaser or Newco</b>	PI-Gen Pharma Ltd
<b>TUPE</b>	Transfer of Undertakings (Protection of Employment) Regulations 2006
<b>WM</b>	Walker Morris LLP
<b>York</b>	York & Company Limited

## 1. Introduction

### **To all known creditors**

Following the appointment of the Administrators on 18 January 2024 we are required to provide the creditors with a detailed narrative explanation of the justification of the pre-pack sale within seven days of completion in accordance with SIP 16.

The Administrators set out in this document full details of the sale and reasons behind the decision for this sale and why it was considered to be in the overall best interests of all creditors of the Company as a whole.

The Administrators confirm that the transaction will enable the statutory purpose of the administration (being (c), being to realise property in order to make a distribution to one or more secured or preferential creditors) to be achieved and that the sale price realised was the best reasonably obtainable in all the circumstances.

Should you require any further information regarding this report or the administration in general please contact my office.

Yours faithfully  
For and on behalf of  
Medipharmacy Limited



**Tony Wright**  
**Joint Administrator**

Licensed in the United Kingdom by the Institute of Chartered Accountants in England & Wales and bound by the Insolvency Code of Ethics

**The Joint Administrators act as agents of the Company and without personal liability.**

**The affairs, business and property of the Company are being managed by Anthony Wright and Ian Corfield who were appointed Joint Administrators on 18 January 2024.**

Medipharmacy Limited (in Administration)  
The Administrators' Proposals

## 2. Background information and events leading up to the appointment of the Administrators

### Background information regarding the Company

Medipharmacy, a family owned and operated business, was incorporated in 2004 and began trading shortly thereafter. The Company operated a chain of 25 NHS community pharmacies across London, Kent, Surrey and West Sussex. Over the last decade, it had diversified into pharmaceutical wholesaling.

The Company was headquartered in East Grinstead, however the wholesaling division of the business was historically managed from India.

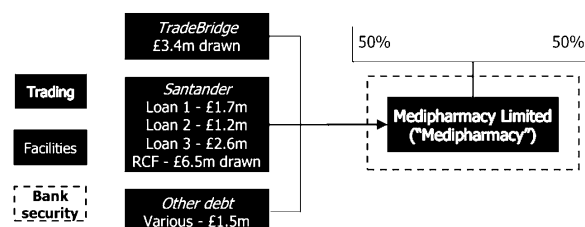
Medipharmacy employed approx. 150 employees and 50 self-employed contractors (drivers and qualified pharmacists), all based in the UK.

The Company had two shareholders, NK and SK, who both hold 50% shares in the Company. Both NK and SK are directors of the Company, with Sandeep Khosla ("Sandeep") additionally becoming a director in September 2023.

As at the date of appointment, Medipharmacy had three term loans totalling £5.5m and a RCF drawn at £6.5m with Santander. The Company also has a £3.4m debt purchasing facility at a 75% advance rate from RX.

A company structure as at 1 December 2023 is below:

Key:



NB: The above structure chart does reflect Sandeep Khosla's appointment as director of the Company in September 2023.

Medipharmacy Limited (in Administration)  
The Administrators' Proposals

### Events leading to the appointment of the Administrators

Medipharmacy had grown exponentially from revenues of £27.9m in FY22 to £69m in FY23. Growth was traditionally achieved through the acquisition of independent pharmacy branches; however, this expansion was principally attributed to a ramp up in wholesaling, with sales increasing from £11.8m to £50.6m for the division.

Increased revenues did not deliver corresponding improvements in profitability. EBITDA reduced from £1.7m in FY22 to a loss of £5.8m in FY23. This deterioration is due to wholesaling losses of 12% at gross profit level in FY23.

In August 2023, the Company's wholesale operation was wound down while management investigated how recent losses had accumulated. In doing so it became apparent that stock realisations did not generate sufficient cash to meet creditor arrears totalling approx. £19.9m. The contractor managing the wholesale division of the Company left the business in June 2023 and has been uncontactable since.

Creditor arrears have resulted in significant cashflow pressure, and the position worsened due to RX seeking to minimise their exposure due to concerns regarding unquantified accumulated losses and mounting creditor pressure, by restricting the Company's drawdowns.

In December 2023, Santander provided the Company with a further £550k to manage immediate essential trading costs, including payroll and suppliers. The additional funding provided by Santander is not reflected on the company structure provided.

SK and NK stepped back from the day-to-day operations due to personal reasons. Sandeep Khosla, the son of NK and SK, was then appointed as director in September 2023, to manage the day-to-day operations. Sandeep continued to manage the day to day operations of the business throughout until appointment, which included amongst other things, liaising with key trade suppliers to manage the arrears position and renegotiating terms, where applicable.

During this time, the superintendent pharmacist ("the superintendent") of the Company resigned, and another superintendent was appointed. The superintendent being the individual who has overall control of the management of the pharmacies. The Superintendent is responsible for the professional and clinical management of the pharmacies and the administration of the sale and supply of medicines. In addition, the

## 2. Background information and events leading up to the appointment of the Administrators

**FRP**

superintendent must also ensure compliance of operating procedures and that all pharmacy staff received the requisite training. No other resignations of key personnel occurred.

Noting the increased creditor and cashflow pressures as a result of the wholesale losses, Sandeep took legal advice regards the current Company position and his own director duties which lead to him being referred to FRP to provide advice.

### **Administrators' initial introduction and pre-appointment involvement**

Paul Kanolik of Elis Jones Solicitors, who were advising the Director at the time, introduced Sandeep to FRP on 12 September 2023.

FRP were formally engaged by both Sandeep and the Bank on 21 September 2023. In accordance with the LOE, FRP undertook the following in relation to Phase 1 of the engagement:

### **Short-term cash flow forecast ("STCFF")**

- Assist Management prepare a 13 week cash flow model as required;
- Review and comment on the Company's short-term cash flow forecast, commenting on the basis of preparation and reasonableness of the assumptions underpinning the forecast. Include commentary on the quantum of any funding requirement and Management's plan to mitigate;
- Provide high level commentary on the Company's working capital position, including current trade debtor, trade creditor, HMRC and landlord positions, and understand the critical payments over the next 13 weeks; and
- Prepare and comment on sensitivities to the STCFF to reflect key business risks identified, as well as any potential upsides.

### **Historical and current trading (to the extent of the sufficiency of internal MI)**

- Review and comment on FY22, FY23 and YTD FY24 (the "Historical Period") trading performance and financial position, including but not limited to:
  - high-level sales reconciliation to NHS documentation where possible;

- review of gross margins achieved by both the wholesale business and pharmacies;
- review profitability at individual store unit level;
- prepare a cash bridge showing the sources and uses of cash over the Historical period, with a particular focus upon the movements from peak cash levels and the recent unwinding of the wholesale business;
- high-level review of working capital trends (debtors, creditors and stock);
- comment on historical stock control and counting procedures; and
- analyse the Allied Healthcare, Phoenix Healthcare, Smartway and Astute Healthcare creditor balances to understand how these have materialised.

### **Management**

- Comment on the governance controls and reporting surrounding the procurement and sale decisions for the wholesale business across FY22, FY23 and YTD FY24.
- Comment on the resource and depth of the finance and Management team, and their ability to achieve a turnaround.

### **Options and contingency planning**

- Advise the Company and the Bank on the most suitable options available, including:
  - an assessment of the benefits, costs, risks, and associated mitigation strategies;
  - provide assumptions around the timeline for implementation of the most suitable option(s);
  - high-level contingency planning in response to creditor action; and
  - Prepare high-level estimated outcome statement ("high" and "low" scenarios) illustrating estimated recoveries to the Bank only (**for Santander only**).

## 2. Background information and events leading up to the appointment of the Administrators

**FRP**

Due to FRP's findings and reports back to the Bank, FRP was further engaged on 5 December 2023 to conduct the following in relation to Phase 2 of the engagement:

- Advise the directors in relation to the appointment of administrators.
- Assist the directors and members in filing the appropriate legal notices to obtain a Court moratorium.
- Assist the directors in managing the short term cash flow forecast so to manage the Company's working capital during the period prior to the appointment of Administrators.
- Liaise with the Bank in respect of, amongst other matters, funding required during the hiatus period and obtaining their consent to the appointment of Administrators and any sale of the business and assets.
- Assist the directors in preparing a sales memorandum to market the business, together with supporting information to be made available to potential purchasers ("Interested Parties") of the business and/or assets.
- Identify and approach potential interested parties and conduct negotiations as appropriate with a view to the sale of the business and/or assets and provide the Company with regular progress reports on the sales process and status of negotiations with Interested Parties
- As may be required, prepare a contingency plan for the event that a sale of the business and/or assets as a going concern appears unlikely.
- Deal with any matters in connection with our statutory obligation, including but not limited to those contained within "SIP 16" (attached at Appendix 3), in order to effect a sale of the business of the Company immediately upon the appointment of Administrators.

- Provide advice to the Company and Bank on any other matters we consider should be brought to their attention
- As may be required to support the directors in preparing Form HR1, Advance Notification of redundancies for submission to the Redundancy Payments Service.
- Any other work necessary to prepare the Company for entering into Administration.

In carrying out our work, the directors agree that FRP has the express authority to:

- Liaise and conduct negotiations with Interested Parties;
- Provide any information reasonably required by Interested Parties, on receipt of an appropriate non-disclosure agreement;
- Speak with employees and to any creditors or other stakeholders of the Company;
- Instruct and liaise with agents in respect of the Company assets, completing valuations and assisting with any other matters as required (the cost of which to be met by the Company); and
- Instruct and liaise with solicitors in the preparation of agreements for the sale of the business and/or assets and deal with the statutory formalities of appointment of the administrators (the cost of which to be met by the Company).

At this stage FRP were engaged by the Company and Santander via a tri-partite agreement, to advise the Company with a duty of care to the Company which would include consideration of the directors' fiduciary duties to act in the overall best interest

2. Background information and events leading up to the appointment of the Administrators



of all the Company creditors. Until the appointment of Administrators, the Directors continued to be responsible for the Company and its affairs.

FRP confirmed to the Directors within the LOE that there was no duty of care to them personally, and they should seek their own independent advice in connection with their personal position(s).

During the pre-appointment period, there were no significant asset sales.



3. Pre-appointment considerations



Appointment of the Administrators

As a result of the reported findings from Phase 1, it became clear that an Administration appointment was necessary and in order to protect the value of the underlying business, to preserve jobs and to minimise creditor claims, a pre-pack sale should be sought as this would best maximise realisations with the least disruption to business operations given the circumstances.

Sandeep therefore instructed FRP on 5 December 2023 as per phase 2, to assist in marketing the business and assets for sale and assisting in negotiations with potentially interested parties, at the earliest opportunity with a view to securing a sale immediately following the Company being placed into Administration.

Prior to their appointment, the Administrators are required to consider any ethical and conflict issues in relation to the appointment and provided they are satisfied that there are no matters arising that would preclude them consenting to act, they must provide a statutory statement and consent to act in which any prior relationship between the Administrators and the Company is summarised. This statement is subsequently filed in Court.

Two notices of intention to appoint were filed at Court on 19 December 2023 and 5 January 2024 respectively, in order to facilitate the agreed strategy.

The Company entered into administration on 18 January 2024. The appointment was made under paragraph 14 Insolvency Act 1986 by Santander, at the request of the Company’s directors. There was no prior floating charge therefore no other floating charge consent was required.

Following the appointment of the Administrators, their duty of care is to all the Company’s creditors as officers of the Court and agents of the Company, taking over from the Board the responsibilities of managing the affairs, business and property of the Company. In the interests of the creditors as a whole and mindful of the need to achieve a statutory purpose of an Administration, the sale set out in this document was concluded.

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Purpose of the administration

In accordance with Paragraph 3 of Schedule B1 to the Insolvency Act 1986 an Administrator of a company must perform his functions with the objective of:

- a) Rescuing the Company as a going concern, or
- b) Achieving a better result for the Company’s creditors as a whole than would have been 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 of the secured or preferential creditors.

As detailed earlier in this document, the purpose of this Administration will be to achieve objective (c), by completing a sale of the business and assets therefore allowing distributions to be made to the secured and preferential creditors where applicable.

Alternative courses of action considered

Continuation of trade

As detailed above, management produced a 13-week cashflow forecast together with FRP and an interim finance director. The STCFF prepared, highlighted that without a significant cash injection, ongoing trade would not be feasible. Even with the projected NHS income for the month of January, it was considered that key payments to suppliers and employees would be unlikely to be met without additional funding.

It was considered that continuing to trade the Company was not a viable option, and not considered to be in the best interests of the creditor pool. Given the quantum of creditor debt and liquidity pressures caused by the restrictions applied to the RX facility (as a result of the creditor debt), it would not have been possible to continue to trade without significant further funding, which was not forthcoming. FRP were made aware that the shareholders, namely the Khosla family, were no longer in a position to provide

### 3. Pre-appointment considerations

further funding to the Company and the Bank had advised that it would not be willing to provide additional funding in order to support the continuation of trade.

#### CVA

A CVA was not considered a viable option as the business had a significant ongoing funding need to meet current and future costs associated with day-to-day operations, absent the NHS receipts which are payable to RX, under their facility.

Considering the above and taking into account the time required to implement a CVA, this option was discounted.

#### Moratorium

As with a CVA, a moratorium process was not considered a viable option for the Company as it would not address the Company's ongoing need for external funding to continue to trade. It was therefore considered unlikely that a solvent solution could be achieved given the significant creditor debt and lack of available funding.

#### Restructuring Plan

A restructuring plan was also not considered a viable option for the Company given it is a Court-driven process with inherent uncertainty around its approval and length of time to implement.

In addition, a restructuring plan can be a more expensive process and without certainty of the result, this option was discounted.

#### CVL

A CVL was not considered appropriate as it would mean the immediate cessation of trade, which would result in all staff being made redundant, and the pharmacies immediately closed. This would materially impact the realisable value of the Company's prime asset being goodwill.

The value of the Company's business was in its goodwill and the nature of the business was dependant on pharmacy sites remaining open to serve patients and local communities. A liquidation would therefore compromise the value of the business and materially affect any potential recoveries that could be made for the benefit of creditors.

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If the Company were to be placed into liquidation the Company's assets would have been sold on an ex-situ basis at a lower value than in a going concern scenario, and there would be little or no value realised for the intellectual property, goodwill and other assets; therefore, a return to creditors would have been lower in a liquidation.

Furthermore, and as above, liquidation would result in the redundancy of all 150 members of staff employed by the Company, adding to the liabilities of the Company by way of preferential claims lodged by redundant staff to the RPS.

This option would have been value destructive and would considerably diminish any return to all classes of creditor. As such this option was discounted.

#### Trading Administration

The Company receives core income from the NHS, being payment against prescriptions issued, based on monthly reports. As a result of the RX discounting facility, these receipts are assigned to RX. Due to RX's indebtedness, the estate would not benefit from receipts until March 2024.

In light of the above and as referenced previously, that the Company had no prospects of obtaining further funding from the Bank or shareholders to support continued trade, trading in administration would not likely benefit creditors (ultimately causing a worsening of the creditor position) and was therefore not considered appropriate.

#### Pre-package administration

As noted previously, the Company's value was deemed to be in its goodwill, the preservation of which was key to the retention of the Company's value.

It was therefore considered that a sale of the business and assets via a pre-packaged administration would allow for a going concern transaction thereby maximising the value of the assets for the benefit of creditors and minimising disruption to operations. Further details regarding the valuations provided prior to the pre-packaged sale are noted below.

3. Pre-appointment considerations



Post appointment administration trading considerations

As detailed above, whilst consideration was given to a trading administration, absent further funding, or access to the NHS receipts, it was considered that trading the business was not a viable option.

This coupled with the potential damage to the Company’s goodwill (as well as reputation), in which much of the Company’s value was retained, trading the business would have greatly reduced the potential asset realisations available to creditors and further increased the Company’s liabilities.

Consultation with major creditors

Santander

Santander hold the following fixed and floating charges against the Company:

Charge	Created	Delivered
1	19 June 2020	30 June 2020
2	19 June 2020	30 June 2020
3	18 August 2020	20 August 2020
4	18 June 2021	22 June 2021
5	8 November 2021	10 November 2021
6	8 November 2021	10 November 2021
7	19 August 2022	19 August 2022
8	21 December 2022	22 December 2022
9	16 August 2023	18 August 2023

As at the date of the Administrators’ appointment, Santander had provided three term loans totalling £5.5m and an RCF drawn at £6.5m. In addition, to the funding provided

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by Santander, a further £550k was provided to the Company to meet crucial payments during the course of the AMA period. Santander have the benefit of being first ranking fixed and floating charges over the Company. The validity of these charges has not yet been reviewed, but it is noted that the charges were correctly recorded at Companies House as per the above table.

Prior to the appointment, FRP maintained regular email correspondence with Santander in addition to regular calls and meetings as and when appropriate, to discuss ongoing strategy and the sales process.

RX

RX hold a second ranking fixed and floating charge against the Company. Their charge was created on 28 November 2023 and delivered on 6 December 2023.

As noted previously, RX has provided the Company with a £3.4m debt purchasing facility at a 75% debt advance rate.

As a result of RX’s involvement in an offer made to Santander by Sandeep to settle Santander’s indebtedness, FRP could not provide detailed updates to RX. However, RX were kept apprised of developments during the course of the AMA process by Sandeep and were served with the two “notice of intention to appoint administrators” dated 19 December 2023 and 5 January 2024 respectively.

HMRC

Prior to the involvement of FRP, discussions between the Company and HMRC were conducted with a view to agreeing a TTP arrangement to settle historical tax arrears.

It is understood that a formal agreement with HMRC was not reached, but that the Company continued to appraise HMRC of its financial position.

As at the date of the Administrators’ appointment, the Company’s HMRC liabilities were understood to be:

- PAYE - Uncertain
- VAT - £2.6m

### 3. Pre-appointment considerations

On 10 January 2024, FRP contacted the EIS Administration department at HMRC via email to advise of FRP's involvement in the matter and the proposed pre-packaged sale. FRP invited HMRC to contact the proposed administrators to discuss this matter, however a response has not yet been received.

#### Trade Creditors

Medipharma is understood to have significant trade creditors totalling an estimated £21.5m, as a result of the closure of its wholesaling division and the restriction of working capital required to trade and pay down historic creditors.

Accordingly, discussions were entered into with Smartway a key trade creditor in this matter. Discussions were led by the directors, with regard to a potential debt purchase and taking on of the business.

During the AMA process, Sandeep maintained dialogue with key suppliers such as Phoenix, AAH and Alliance (which collectively make up 90% of the creditor ledger). Regular updates were provided to suppliers such as Phoenix, by Santander, in doing so stock continued to be supplied albeit on a restricted and pro forma basis.

#### **Previous acquisitions from an IP**

The business and assets of the Company were not acquired from an IP within the previous 24 months.

#### **Marketing activities undertaken**

Below are the marketing essentials, together with details under each heading as to the work undertaken and how this complied with these principles:

- 1. Broadcast** – *the business should be marketed as widely as possible proportional to the nature and size of the business – the purpose of the marketing is to make the business's availability known to the widest group of potential purchasers in the time available, using whatever media or other sources are likely to achieve this outcome.*

FRP sought to expose the business as widely as possible and used the following channels:

- **FRP's internal database** – the opportunity was circulated to an appropriate selection, identified by reference to their recorded requirements, from FRP's interested party database, with over 5,000 potential purchasers; and
- **Direct contact** – FRP engaged with certain private equity firms who have also shown interest in similar opportunities.
- **Christie Owen & Davies Ltd database** – Christies have significant experience in dealing with the sale of pharmacies in their capacity as agents.
- Consequently, Christies hold an extensive database of interested parties who have shown interest in similar opportunities previously.

FRP prepared a short-form IM with the input and assistance of the Director which was sent to 406 potentially interested parties on 8 December 2023. These parties had shown interest in similar opportunities previously.

A data room was set up by FRP, which was populated with relevant financial and operational information to allow potentially interested parties to assess the opportunity and, if interested in an acquisition, submit an offer.

16 parties signed an NDA and accessed the data room. These parties were then passed to Christies to begin their due diligence.

Additionally, Christies circulated an email to 828 potentially interested parties via a targeted email campaign.

From this campaign, 43 parties signed an NDA and gained access to the Christies' data room. Christies then began discussions with these parties to progress due diligence.

From this dual approach, 20 interested parties showed serious interest in progressing an acquisition on a group or subgroup basis.

The proposed transaction timetable was:

### 3. Pre-appointment considerations

- Best and final offers (with evidence of funding) for the business and assets as a going concern by close of business 12pm on 22 December 2023;
- Anticipated completion deadline of 5pm 29 December 2023;

This timeframe was considered appropriate as:

- the director was cognisant of his fiduciary duties to minimise losses to creditors; and
- Due to limited funding, the Company had a restricted window in which to achieve a sale in order to preserve value of the Company.

However, to allow a second round of best and final offers, Santander agreed to extend the completion date to 12 January 2024 and provide funding of £550k, to meet the essential trading costs of the business, in the interim period.

**2. Justify the marketing strategy** – *the statement to creditors should not simply be a list of what marketing has been undertaken. It should explain the reasons underpinning the marketing and media strategy used.*

As detailed further in this report, the marketing exercise was restricted due to the time and funding available. However, due to Christies' involvement in this market area, the opportunity could be circulated directly to parties who were able to progress a sale of the business and assets on a group or subgroup level. In light of the number of parties who received the short-form IM, the marketing strategy adopted by Christies and FRP engaging directly with certain PE firms, it is considered that the marketing strategy was reasonable in these circumstances.

**3. Independence** – *where the business has been marketed by the Company prior to the IP being instructed, this should not be used as a justification in itself to avoid further marketing. The Administrator should be satisfied as to the adequacy and independence of the marketing undertaken.*

The Company had not previously marketed the business for sale prior to the Administrators' involvement.

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Therefore, there was no reliance on any previous marketing strategy. FRP's marketing process ensured that the opportunity was exposed as widely as possible.

**4. Publicise rather than simple publish** – *marketing should have been undertaken for an appropriate length of time to satisfy the administrator that the best available outcome for creditors as a whole in all the circumstances has been achieved. Creditors should be informed of the reason for the length of time settled upon.*

The length of time for marketing was driven by available funding, the current appetite of the market, as well as creditor pressure and the need for any sale to complete in short order to protect the Company's goodwill and value, therefore deriving the best result for creditors. This together with the Directors being cognisant of their fiduciary duties resulted in the acquisition opportunity being marketed for 14 days.

As above, the opportunity was marketed to FRP's internal database of potential interested parties, as well as to Christies database of 828 selected contacts. It is considered that these avenues of marketing exposed the business to as wide a market as possible, which included a number of distressed investors who had worked with FRP on previous and similar projects and had a proven track record of being able to act in short order, as required to preserve the business' value and in order to maximise realisations for creditors.

**5. Connectivity** – *include online communication alongside other media by default. The internet offers one of the widest populations of any medium. If the business is not marketed via the internet, this should be justified.*

As stated above, the opportunity was advertised via FRP's and the Christies databases. However, the Administrators on this occasion chose not to advertise online via [www.ip-bid.com](http://www.ip-bid.com), a site used by IPs to market business and acquisition opportunities.

An advertisement was not placed on [www.ip-bid.com](http://www.ip-bid.com) as is common in similar scenarios where the business operates in a certain regulated area, as following advice from Christies and other industry experts it was considered that any interested party, who had the finance in place and was in a position to move quickly, would come from either within the industry itself or from a private equity backed entity. Such entities would not

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be found via the placing of an advert on [www.ip-bid.com](http://www.ip-bid.com) or other similar websites, and it was considered that any interested parties directed to the opportunity from [www.ip-bid.com](http://www.ip-bid.com) were likely to frustrate and slow the time sensitive sales process.

With the acquisition opportunity sent to 1234 contacts across FRP internal databases and Christies databases, the Administrators consider that the business was exposed to a wider market as possible, in order to maximise realisations.

**6. Comply or explain** – particularly with sales to connected parties where the level of interest is at its highest, the administrator needs to explain how the marketing strategy has achieved the best available outcome for creditors as a whole in all the circumstances.

FRP are satisfied that the marketing strategy has achieved the best available outcome, in comparison to a liquidation scenario, for creditors by securing a sale of the business and assets in the limited time available, and in light of the liquidity pressures facing the business. This will allow the statutory purpose of the administration to be achieved, enabling a return to secured creditors and in turn minimising preferential claims.

Having regard for the six Marketing Essentials proscribed in SIP 16, the Administrators are satisfied the strategy adopted adhered to those principles without divergence and marketed the businesses proportionally and successfully, in the circumstances.

Valuation of assets

FRP engaged Christies to value the Company’s business and assets (both tangible and intangible). Christies confirmed their independence and that they carry adequate professional indemnity insurance to undertake such an instruction.

Christies were provided with specific Company information in order to undertake a review of the Company’s asset position and to gain a better understanding of the business. Christies were provided with Medipharma’s NHS prescription/submission

data and lease information, following which it was agreed that a desktop valuation would be carried out. The freehold properties were valued on the same basis.

This valuation was undertaken on a desktop basis and in accordance with the Royal Institute of Chartered Surveyors (“RICS”) Valuation Global Standards effective from 31 January 2020, which incorporates the International Valuation Standards Council (“IVSC”), effect 31 January 2020.

Tony Evans, a valuer at Christies, was instructed to provide a formal valuation of the Company’s goodwill and freeholds.

Tony Evans, was confirmed to be a RICS registered valuer and confirmed to have had the knowledge, skills and understanding to undertake the valuation competently, and furthermore was in a position to provide an objective and unbiased valuation.

A summary of the valuations provided by Christies is shown below. The valuation of the goodwill is based on prescription submissions to the NHS, for the 12-month period to August 2023 as well as OTC sales.

Offers received and further negotiations

A summary of the valuations provided by Christies is shown below:

Asset	Value (£) (in situ)
Freeholds	2.8m
Goodwill	11.1m
Total	13.9m

The valuations provided above, were given with a number of assumptions, these included:

- Income used to value goodwill was derived from NHSBSA PPD statements for the 12 months to August 2023, it was assumed that any subsequent dispensing activity would remain in line with the PPD statements reviewed;
- In light of stock shortages experienced by the Company, retail income was assumed to be 2.5% of overall NHS income; and

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- Net profit was adjusted and assumed to be 10% of turnover for managed pharmacies and 14% for owner-operated pharmacies.

It was considered that in an M&A setting, with a six-month timeline, sales values would be achieved in line with the Christies valuations provided above. Such a process would need to be funded by Santander up until Management Agreements were in place with prospective purchasers. Given that Santander had already confirmed that additional funding would not be provided, and the Company did not have the benefit of a six-month sales process timeline, it was considered that sales values outside of an M&A setting would be lower than the Christies valuation provided.

Furthermore, in an AMA setting, with an accelerated sales timeline (three to four weeks), it was considered that sales values of around 40-50% of the Christies valuation provided could be achieved. This of course would be dependent on market appetite for the acquisition opportunity.

Should a going concern sale not occur, it was expected that the goodwill will hold no value, in line with the basis upon which the goodwill was valued. On the advice of Christies, which is based on their experience in the market area, the goodwill would hold no value on an ex-situ basis, given the value is based on sites trading with an active NHS contract.

A desktop valuation of the freehold properties, based on current lease income value and NHSBA PPD statements, was provided by Christies. The warehouse property was valued in 2020 by a third party, the valuation of which was agreed by Christies who confirmed the valuation was still within market value, and therefore was not adjusted.

As part of a sales process, the stock within the business is to be valued and the consideration attributed to stock will be that of the valuation. As at the date of writing, an independent stock take is being undertaken by Orridge and York. The consideration payable for the stock by Newco, will be in accordance with the stock take valuations. These valuations are to be based on cost value.

In light of discussions with valuers it was understood that the fixtures and fittings and motor vehicles would be of nominal value. It was therefore not deemed necessary to obtain a formal valuation of these assets as the cost in doing so would not be economic. A nominal value was attributed to these assets subject to the outcome of the Sales Purchase Agreement.

FRP were satisfied that a nominal value could be ascribed to fixtures and fittings and motor vehicles in light of the above.

Any other Company assets were strictly excluded from this sale and will be subject to valuations and a period of marketing post appointment. These assets strictly excluded from the sale assets are freehold investment properties which are subject to Santander's fixed charge.

FRP, via Christies, received six offers on a group basis, these are as follow:

- **Offer 1** – a cash offer of £3.5m for goodwill only.
- **Offer 2** – an offer of £8m for goodwill only, however this offer was subject to successful application for funding.
- **Offer 3** – an offer of £6m for goodwill only, however this offer was subject to successful application for funding.
- **Offer 4** – a cash offer of £5m for goodwill plus a further sum for the freehold properties subject to an independent valuation. This offer also included a further amount payable for stock subject to valuation.
- **Offer 5** – a cash offer of £2.65m for goodwill only.
- **Offer 6** – a cash offer of £5m for goodwill plus £2.1m for the freehold properties. This offer also included a further amount payable for stock subject to valuation.

The offers received were discussed with Santander who hold first ranking fixed and floating charges as per the above. Due to the sale being expedited due to the heavily restricted cashflow, cash offers were considered the most viable option going forward and provided more certainty in completing the sale in the requisite time frame.

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Christies recommended Offer 6, made by PI-Gen Pharma Limited ("PI-Gen"/"Newco"), as this was a cash offer (therefore not subject to third party approval for funding) and, whilst less than Offer 2, was more likely to complete in the time frame, due to funding being approved. The party was known to Christies and had completed similar transactions previously. This offer was not increased when a second round of best and final offers occurred.

On 10 January 2024, Offer 6 was accepted as being the best available offer in the circumstances.

A letter of recommendation dated 9 January 2024, was provided by Christies formally confirming the terms of the offer and substantiating their opinion on the offer to be accepted.

During the course of negotiations, FRP engaged with PI-Gen to secure a nonrefundable deposit. A £200k deposit was first negotiated which increased to £500k which was agreed.

It should be noted that one of the Company’s Directors, Sandeep Khosla, made a full and final debt purchase offer to Santander totalling £6m, which was reduced to £5.5m. However, due to the AMA offers being greater than the offer put forward by Sandeep, as well as other considerations such as the Bank’s reputational risk, this offer was rejected.

The transaction

Claire Askew of WM was instructed to draft an SPA (and other necessary documentation to facilitate the sale) to conclude the sale of the business and assets of the Company to PI-Gen.

It was initially envisaged that the sale would transact on 29 December 2023. However, as above, the offer deadline was extended to 12 January 2024, with the consent of Santander. In order to allow time for the parties to draw up and review sales documentation, the transaction completed on 18 January 2024.

The offer received from Newco was a cash offer, which included the aforementioned non-refundable £500k deposit, being 10% of the value attributed to goodwill. The

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deposit was payable immediately upon exchange and is currently held in WM’s client account. This amount will be transferred to the estate account in due course.

The balance of the consideration relating to goodwill (£4.5m), is due and payable upon the NHS contracts being transferred, the time frames for this will be determined by NHS process.

Following the transfer of the NHS contracts to Newco (and the payment of the balance of the consideration), the secured creditors, both Santander and RX, will be required to release their security via a deed of release. The form of the deeds of release have been approved by Santander but are yet to be approved by RX.

The consideration due in relation to the freehold properties (£2.1m), will be payable upon the sale of the freehold properties which will be concluded post appointment. Newco is obligated to make this payment within nine months of exchange. Newco is also obligated to pay the balance of the goodwill consideration within nine months of exchange, subject to NHS transfers.

Simultaneously and upon completion, a management agreement was entered into by the Company and Newco, whereby Newco will continue (and fund) daily operations of the business.

In addition, a LTO will be granted to Newco to enable them to operate from 21 of the 25 properties. The remaining four freehold investment properties will not be subject to the LTO and are currently subject to individual tenancy agreements. This will be subject to a licence fee for property associated costs such as rent (and other lease liabilities).

As part of the transaction, all employees were transferred to Newco under TUPE, including the Company’s Directors.



3. Pre-appointment considerations



Purchaser and related parties

The Purchasing entity is PI-Gen Pharma Limited (CRN: 04387670).

PI-Gen, was incorporated on 5 March 2002 and is understood to have been trading a number of dispensing pharmacies since this date. The directors of PI-Gen are Krishma Patel and Vikash Patel. The directors of PI-Gen are not connected to Medipharma, in any capacity.

Medipharma is not part of a group, therefore no consideration is applicable to other group assets, in accordance with SIP 16.

No personal guarantees have been provided by PI-Gen’s directors in respect of this transaction.

It is understood that the Company’s directors, namely NK and SK had provided personal guarantees for some of the creditor balances due from Medipharma. The quantum of these personal guarantees are yet to be substantiated.

During the course of negotiations, it became apparent that Newco had sought and agreed funding for the freehold properties. This transaction therefore will occur post appointment as detailed earlier.

Assets

The agreed SPA will allow for the sale of the business and assets of the Company including the right title and interest that the Company has in the freeholds as well as goodwill.

As above, the employees and the liabilities associated with their contracts of employment transferred to Newco in accordance with TUPE as part of the transaction.

Sale consideration

The business and assets were sold for the total consideration of £7.1m, the breakdown of the consideration is shown below:

Medipharma Limited (in Administration)  
The Administrators’ Proposals

Assets acquired	£
<b>Fixed</b>	
Goodwill	4,981,000
Freehold properties	2,100,000
<b>Floating</b>	
Fixtures and fittings	15,000
Motor Vehicles	4,000
Stock	Subject to valuation
<b>Total</b>	<b>7,100,000+ stock (subject to valuation)</b>

It is noted, as shown per the EOS overleaf, Santander agreed to certain deductions from the sales consideration. These included amounts due to RX, estimated to total £1.1m (amounts due under the RX facility and facility termination costs) and the quantum of pre-completion staff salaries estimated to total £101k.

Realisation values attributed to fixed and floating assets are based on valuations provided by Christies.

Christies advised that given the condition of certain floating charge assets and in light of current market conditions, the Company’s motor vehicles and fixtures and fittings were likely to achieve a nominal value. The values attributed to these assets have been agreed with Christies.

Upon appointment, Orridge and York & Co were engaged by Newco to conduct a stock take at the pharmacies in order to ascertain its value. The stock take certificates are currently awaited.

In accordance with the SPA and as detailed earlier, the consideration payable for the stock by Newco, will be in accordance with the stock take valuations. This valuation is

### 3. Pre-appointment considerations

based on cost value and funds will be payable by Newco immediately upon completion of the stock take.

Creditors will be advised on consideration paid for the stock in the next reporting period.

As stated previously, a £500k deposit was paid on exchange with the balance of the consideration for goodwill payable upon successful transfer of the NHS contracts. As Newco operate in the pharmaceutical industry it is not expected that there will be any issues with the transfer of the NHS contracts.

The sale of the freehold properties are expected to complete shortly after exchange however Newco are obligated to complete the sale and make payment within nine months of exchange.

The Administrators have not taken any security in these proceedings as the transfer of the NHS contracts is expected to be a formality and the secured creditors will not release their security until successful transfer has occurred. There are no further considerations applicable to this transaction.

The Administrators understand that the directors of Newco have been independently advised throughout the proceedings by their legal advisors.

The Administrators can confirm that the sale was not part of a wider transaction. It is further confirmed that no options or buy-back agreements have been attached to the conditions of the transaction.

#### **Evaluators Report**

As the sale was not to a connected party, a report by the evaluator was not required.

#### **Viability review**

As the sale was not to a connected party, a viability review was not required.

4. Estimated Outcome Statement



Medipharmacy Limited				
		Offer 6		CVL
Estimated outcome statement				
Indicative as at: 24 January 2024	NBV	Notes	£'000s	£'000s
<b>FIXED CHARGE ASSETS</b>				
Freeholds	2,830	1	2,100	1,415
Investment properties	605	1a	303	151
Goodwill	11,065	1	4,981	-
NHS contracts	-	2	-	250
<b>Less: Agreed consideration deductions</b>				
Amounts due to RX		3	(1,081)	-
RX termination costs		4	(35)	-
Salaries pro rata		5	(101)	-
<b>Total fixed charge realisations</b>			<b>6,167</b>	<b>1,816</b>
<b>Less: Professional Costs</b>				
Office holder costs (AMA)		6	(105)	(105)
Office holder costs (post appointment)		6	(28)	(20)
Flomax		7	(10)	-
Legal expenses (AMA)		8	(30)	(30)
Legal expenses (post appointment)		8	(10)	-
Agent costs - sale of business / assets		9	(177)	(35)
<b>Funds available under fixed charge</b>			<b>5,807</b>	<b>1,626</b>
Sums due to Santander (inc of Jan funding)	(13,324)		(13,324)	(13,324)
Sums due to RX			-	(743)
<b>(Shortfall) after fixed charge</b>			<b>19,131</b>	<b>15,693</b>
<b>FLOATING CHARGE ASSETS</b>				
Stock (SAV)	Unknown	10	Uncertain	Uncertain
Motor Vehicles		11	4	2
Fixtures and fittings		11	15	5
Rent		12	Uncertain	Uncertain

<b>Total floating charge realisations</b>		19	7
<b>Less: professional costs</b>			
Administrators post appointment costs	13	(112)	-
Administrators disbursements	13	(1)	-
Liquidator fee	14	-	(75)
Legal fee & disbursement	15	(20)	(8)
Tax adviser cost	16	(2)	(2)
Corporation tax	17	Uncertain	Uncertain
Other costs provision	18	(10)	(1)
Contingency		(50)	(15)
<b>Surplus / (shortfall) available to preferential creditors</b>	19	<b>(194)</b>	<b>(100)</b>
<b>Primary Preferential Creditors</b>			
Arrears of wages, holiday and pension	20	Uncertain	Uncertain
<b>Surplus available to secondary preferential creditors</b>		<b>(175)</b>	<b>(93)</b>
<b>Less secondary Pref creditors</b>			
HMRC	2,600	21	(2,600)
<b>Funds available to creditors</b>		<b>(2,775)</b>	<b>(2,693)</b>
<b>Prescribed Part</b>			
	22	-	-
<b>Estimated funds/ (deficit) available for floating charge holders</b>		<b>(2,775)</b>	<b>(2,693)</b>
<b>Floating charge holder</b>			
		19,131	15,693
<b>Deficiency to floating charge holder</b>			
		19,131	15,693
<b>Available to unsecured creditors</b>			
		-	-
<b>Unsecured creditors</b>			
		(21,595)	(21,595)
<b>Shortfall to unsecured creditors</b>			
		(21,595)	(21,595)
<b>Total shortfall for creditors</b>		<b>(5,239)</b>	<b>(8,595)</b>

4. Estimated Outcome Statement



- Notes:
- 1) Per offer, amount allocated to motor vehicles and F&F on advice from Christies.
  - 1a) Investment properties considered fixed charge assets per Walker Morris advice.
  - 2) NHS contracts factored into Goodwill. Estimate value attributed to a CVL scenario.
  - 3) Amounts due to RX being remaining January NHS payments and any balance thereafter, deducted from offer. This Assumes that there are no "true ups" in Jan and Feb, and the NHS deducts payments to cover any "true-ups".
  - 4) Estimated termination costs (e.g. legal costs incurred).
  - 5) Deduction to cover pre sale salaries as agreed with Santander.
  - 6) FRP costs for AMA per letter of engagement dated 1 December 2023.
  - 7) Superintendent Pharmacists costs.
  - 8) Legal costs incurred pre-appointment relating to AMA currently unpaid and post appointment costs relating to sale of investment properties.
  - 9) Christies estimated costs based on an agreed 2.5% of realisations.
  - 10) TBC - SAV will be predicated on stock takes being undertaken by Orridge and York.
  - 11) Value attributed from Goodwill and as per valuations provided by Christies.
  - 12) TBC - Approx. rent values from the investment freehold properties are currently uncertain.
  - 13) Estimated Administrators for costs dealing with the Administration including the LTO matters.
  - 14) Estimated Liquidators' costs.
  - 15) Estimated post appointment legal costs. Cost are expected to be incurred in primarily dealing with LTO.
  - 16) Where tax advice is required in regards to the corporation tax position. A tax advisor will be instructed, these costs are estimated.
  - 17) TBC - any potential corporation tax liability is currently unknown.
  - 18) Provision for other Administration costs
  - 19) The shortfall to creditors shown is exclusive of any rent and stock realisations, the realisable value of both are currently uncertain. It is expected that any shortfall will be covered by rent and stock realisations.
  - 20) Under the offer scenario, it is expected that there will be arrears in the Company's pension, these are currently uncertain. The preferential claims (redundancy etc.) are only applicable in CVL where redundancies will occur, again these amounts are uncertain.
  - 21) HMRC will be a secondary preferential creditor in these proceedings. The figure provided is the estimated VAT liability. It is expected that further claims from HMRC will be received in respect of PAYE arrears.
  - 22) Prescribed part n/a due to no net property.

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### The Administrators' remuneration, expenses and costs information

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#### Schedule of work

The table below sets out a detailed summary of the work undertaken by the Administrators to date and details of the work it is anticipated will be undertaken by the Administrators throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below. Where work undertaken results in the realisation of funds (from the sale of assets; recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK
<ul style="list-style-type: none"><li>• The records received are complete and up to date</li><li>• There are no matters to investigate or pursue and no significant legal work or litigation is required</li><li>• The work that may be undertaken by any subsequently appointed Liquidator has been excluded</li><li>• No work is to be undertaken adjudicating creditor claims</li><li>• No financial irregularities are identified</li><li>• A committee of creditors is not appointed</li><li>• There are no exceptional queries from stakeholders</li><li>• Full co-operation of the directors and other relevant parties is received as required by legislation</li><li>• The case will be closed within one year</li><li>• A sale of assets is completed within nine months of appointment</li><li>• Licence fees are paid in accordance with the LTO, without further recourse</li></ul>

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Note	Category	
<b>1</b>	<b>ADMINISTRATION AND PLANNING</b>	<b>ADMINISTRATION AND PLANNING</b>
	<b>Work undertaken to date</b>	<b>Future work to be undertaken</b>
	<b>General matters</b>	<b>General matters</b>
	<p>Necessary administrative and strategic work undertaken at the outset of the Administration.</p> <p>Issuing information requests to the Directors and other relevant parties.</p> <p>Discussions with the directors to locate the books and records, including electronic records.</p>	<p>Regularly reviewing the conduct of the case and the case strategy and updating as required by the insolvency practitioners' regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing. This aids efficient case management.</p> <p>Continue progressing the case in accordance with internal and external procedures.</p> <p>Collation of relevant information and records to ensure the objective of Administration is achieved and storage thereof, as applicable, for the relevant required periods.</p>
	<b>Regulatory Requirements</b>	<b>Regulatory Requirements</b>
	<p>Completion of money laundering risk assessment procedures and Know Your Client checks in accordance with the Money Laundering Regulations.</p> <p>Completion of take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act 2010, Data Protection Act 2018.</p> <p>Preparation of post appointment documentation as dictated by the Insolvency Act 1986, the Insolvency Rules and FRP's own internal protocols.</p>	<p>Regularly reviewing the case as to ensure all statutory matters are adhered to and that the case is being progressed in a timely manner.</p> <p>Ongoing adherence to Money Laundering Regulations and any other regulations specific to Medipharma.</p>

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<b><i>Ethical Requirements</i></b>	<b><i>Ethical Requirements</i></b>
Prior to the Administrators' appointment, a review of ethical issues was undertaken, and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment.	Continual review of ethical requirements as in line with the Administrators' statutory and regulatory duties.
<b><i>Case Management Requirements</i></b>	<b><i>Case Management Requirements</i></b>
<p>Determine case strategy and to document this.</p> <p>Set up and management of the case on the Insolvency Practitioners System ("IPS"). Maintaining both hard and electronic copy files.</p> <p>Opening insolvent estate bank accounts.</p> <p>Advising the Administrators' insurers of the appointment and requesting initial 30-day open cover to be put in place.</p> <p>Ongoing liaison with the Administrators insurance brokers regards appropriate policies required. Arranging for the insurers to visit each of the trading sites to undertake a review of the sites.</p> <p>Writing to the Bank to request copies of the pre-appointment account statements.</p> <p>Correspondence with the Company's accountants to request further information to assist in general enquiries.</p> <p>Compiling a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulating this to creditors together with other such documentation as required.</p> <p>Collection of Company books and records for investigation purposes.</p>	<p>Continue to monitor and document any proposed changes of strategy and implementation thereof.</p> <p>Regularly reviewing the case as required by the RPBs to ensure all statutory matters are adhered to and the case is progressing.</p> <p>Maintaining and developing the case specific paper and electronic files on behalf of the Administrators.</p> <p>Continued adherence to internal procedures and external requirements.</p> <p>Administering bank accounts for the purposes of the Administration.</p> <p>Ensuring accounts are regularly reconciled to produce accurate reports to all creditors when required. Processing and recording all receipts and payments through the case management system.</p> <p>Continuing to correspond with accountants/auditors, insurers, solicitors and other advisors to the Company to request further information to assist in general enquiries and ongoing investigations, as required.</p>

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2	<b>ASSET REALISATION</b> <b>Work undertaken to date</b>	<b>ASSET REALISATION</b> <b>Future work to be undertaken</b>
	<p>Creditors should refer to <b>Appendix B</b> for details of the assets realised on appointment.</p> <p>Conducting an initial review of the Company's records to determine whether there are any other assets which may be realisable for the benefit of the creditors.</p>	<p>Ongoing engagement with Newco regards completion, and subsequent settlement of remaining consideration.</p> <p>The Administrators identified other properties which can be sold to the benefit of the estate. These properties were excluded from the sale of the business and assets detailed in <b>Appendix B</b>.</p> <p>The stock will also be realised for the benefit of the estate however this will be subject to valuations.</p>
3	<b>STATUTORY COMPLIANCE AND REPORTING</b> <b>Work undertaken to date</b>	<b>STATUTORY COMPLIANCE AND REPORTING</b> <b>Future work to be undertaken</b>
	<p>Dealing with appointment formalities including notification to the relevant parties, filings with the Court, the Registrar of Companies and statutory advertising.</p> <p>Notifying all stakeholders that all future correspondence will be uploaded directly to the creditors' portal in accordance with R1.50 of the Insolvency Rules.</p> <p>The Administrators are required to establish the existence of any pension schemes and staging dates for auto-enrolment and take appropriate action to notify all relevant parties and appoint independent trustees if required.</p> <p>Notifying HMRC of the appointment and requesting confirmation of the pre-appointment position in respect of tax and VAT.</p> <p>In accordance with SIP 16, the Administrators have written to all known creditors, providing copies of Proposals outlining the conduct of the Administration. The Administrators have sought approval of the Proposals by creditors in accordance with legislation.</p>	<p>To provide statutory reports to various stakeholders at regular intervals and manage any queries arising therefrom. Copies of these reports are required to be filed at Registrar of Companies.</p> <p>Provide hard copy reports to creditors where requested.</p> <p>File the relevant deemed approval documentation as required.</p> <p>Circulate the relevant documentation in order to enable the appropriate body of creditors to approve, amongst other things, the Administrators' remuneration and discharge from liability.</p> <p>To place legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims.</p> <p>To deal with the statutory requirements in order to bring the case to a close and for the office holders to obtain their release from office; this includes preparing</p>



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	<p>Dealing with any matters in connection with the Administrators' statutory obligations, included but not limited to, those contained within SIP 16 (see <b>Appendix B</b>, in order to affect a sale of the business of the Company shortly following the appointment of the Administrators.</p> <p>To calculate and protect the value of assets that are not subject to a charge by obtaining a bond to the correct level.</p> <p>Advertising notice of the office holders' appointment as required by statute.</p>	<p>final reports for stakeholders, convening final meetings, statutory advertising and filing the relevant documentation with the Registrar of Companies.</p> <p>If required the formal setting up of a creditors' committee and regular reporting to them as necessary.</p> <p>If required seek a decision from creditors to extend the Administration.</p> <p>Ongoing liaison with HMRC to crystallise the Company's pre-appointment tax position and to achieve tax clearance for the period of the Administration. Submission of ongoing returns as required.</p> <p>To receive final unsecured claims from HMRC and consider if any VAT bad debt relief claim need to be made or any other ancillary reliefs are available to the Company.</p> <p>Dealing with post-appointment VAT and other tax returns as required, as well as ensuring all other VAT matters are brought up to date.</p> <p>To deal with the statutory requirements to bring the conduct of the Administration to a close when all matters are complete in accordance with the relevant requirements. This will include but will not be limited to, preparing final reports for stakeholders, statutory advertising and filing the relevant documentation with the Court and/or Registrar of Companies.</p>
<b>4</b>	<b>INVESTIGATIONS</b> <b>Work undertaken to date</b>	<b>INVESTIGATIONS</b> <b>Future work to be undertaken</b>
	<p>The Administrators have a duty to review the books and records and other information available to identify the assets that may be available to realise for the benefit of the Administration.</p>	<p>Requesting all directors of the Company, both current and those holding office within three years of the appointment, will be requested to complete a questionnaire to assist in preparing the statutory return to the Department for Business and Trade (DBT) in accordance with the Company Directors Disqualification Act 1986.</p>

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	<p>Furthermore, there may be other antecedent or voidable transactions that are identified which if pursued could swell the funds available for the insolvency case.</p> <p>Contacted the Company's pre-appointment bankers and requested bank statements.</p> <p>Invited creditors to provide any information they have which may result on recoveries for the administration estate.</p> <p>Conducting initial enquires into the conduct of the Company, its officers and if appropriate associated parties through the interrogation of electronic and paper records.</p>	<p>Information provided to DBT is confidential but can be used to assist DBT in identifying conduct that should be investigated further and could result in individuals being disqualified from action as a director.</p> <p>Consideration of whether any matters have come to light which require notification to the Secretary of State or National Crime Agency.</p> <p>To review any information provided by creditors or other stakeholders that might identify further assets or lines of enquiry against the officers of the Company and progressing those to a conclusion.</p> <p>The collation and review of all information received along with the preparation and submission of the conduct report to DBT under Company Directors Disqualification Act 1986 – the content of this report is confidential.</p> <p>If creditors come forward identifying any cause for concern or if, during our investigation, transactions are identified which may require further investigation, it may be necessary for the Administrator to spend additional time investigating, reviewing and pursuing claims.</p>
<b>5</b>	<b>CREDITORS Work undertaken to date</b>	<b>CREDITORS Future work to be undertaken</b>
	<p>Contacting all creditors and advising them of the appointment of the Administrators.</p> <p>Circulating a proof of debt form to all creditors and inviting them to submit their claims along with relevant documents.</p> <p>The Administrators have dealt with any ad-hoc queries as they have arisen.</p>	<p>Updating case management system with creditor details and amounts.</p> <p>Arranging for a distribution to be paid to different classes of creditor as and when appropriate.</p> <p>Providing updates / engaging with the secured creditors as appropriate.</p> <p>Establishing the position with regards to the employee pensions scheme and notifying scheme trustees in accordance with relevant legislation.</p>

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	<p>Inviting creditors to sign up to the creditors portal where relevant documents will be uploaded as notice has been provided that certain documents will not be sent via post under Rule 1.50 of the Insolvency Rules.</p>	<p>If preferential claims arise and there are sufficient funds available to make a distribution to the preferential creditors, the office holders will agree claims, pay a distribution after making such deductions as necessary to settle any tax liabilities on the distribution.</p> <p>Liaising with HMRC to establish their claim and seeking tax advice to minimise claims and maximise returns to creditors where appropriate.</p> <p>It is not anticipated there will be sufficient asset realisations to enable a distribution to the unsecured creditors to be made, however, if this position materially changes, the office holder will write to all known creditors to advise on the possibility of a distribution and request submission of claims.</p> <p>Continued assistance will be provided to creditors as required with regards to queries raised, the submission of claims and any other matters arising throughout the remainder of the administration.</p> <p>Confirming receipt of proof of debts received and adding them to IPS.</p>
<b>6</b>	<p><b>LEGAL AND LITIGATION</b> <b>Work undertaken to date</b></p>	<p><b>LEGAL AND LITIGATION</b> <b>Future work to be undertaken</b></p>
	<p>Obtaining legal advice as and when required regarding the strategy and the conduct of the case, this may include but not limited to:</p> <ul style="list-style-type: none"> <li>Lease assignments;</li> <li>Sale of other properties, excluded from the sale detailed in <b>Appendix B</b>;</li> <li>Arranging for security to be released upon completion.</li> </ul> <p>Instructing solicitors to carry out a review of the validity of the Administrators' appointment and Santander's security.</p> <p>Any other legal advice taken to ensure the validity of the Administrators appointment.</p>	<p>Taking legal advice as and when required regarding any aspect of the case that may arise during the course of the administration.</p>

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

Statement of Affairs £	From 18/01/2024 To 24/01/2024 £	From 18/01/2024 To 24/01/2024 £
	NIL	NIL
REPRESENTED BY		NIL

## Appendix E

### Details of the financial Position of the Company

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As noted previously, the directors are responsible for providing the Company's SOA, given the short time frame between the appointment of the Administrators, the Administrators' request for the completion of the Company's SOA and the delivery of these proposals, a copy of the completed SOA cannot be provided with this report. In order to assist the creditors' understanding of the Company's financial position, and EOS has been provided in the previous section of this report showing potential recoveries for the estate and provided below are details of the expected creditors' claims as per the Company's records, as at the latest practicable date which can be found below. Please note the schedule of creditors does not reflect actual claims received since the appointment of the Administrators.

#### Preferential and Unsecured Creditors

<b>Class of Creditor</b>	<b>Amount Owed</b>
Secured Creditor (Santander)	£12,550,00
Secured Creditor (RX)	Uncertain
Second Ranking Preferential (HMRC)	Uncertain
Trade/Unsecured	£21,600,000
Preferential (Pension)	Uncertain
<b>Total</b>	<b>Uncertain</b>

## Appendix E

### Details of the financial Position of the Company

**FRP**

#### Creditor Listing

Name	Class	Amount Owed £	Creditor Address				
5G Communications	Unsecured	76	Phoenix House			High Wycombe	HP12 3BQ
A.R.C Office Systems Ltd (Smart Office	Unsecured	3,485	Units 2&3 Nepicar ParkLondon Road	Wrotham	Sevenoaks	Kent	TN16 7AF
AA AA AS & NA Dhillon	Unsecured	12,346	Dhillons Chartered Accountants	First Floor Suite	139 Blendon Road	Kent	DA6 1BT
AAH Pharmaceuticals Ltd	Unsecured	15,248	Sapphire Court		Walsgrave Triangle	Coventry	CV2 2TX
AAH Trident/Enterprise	Unsecured	63,044	AAH Pharmaceuticals LtdT/A Enterprise/Trident	Accounts Receivable	P.O. Box 1310	Coventry	CV2 2ZG
Abbott Laboratories Ltd	Unsecured	54,096	Abbott House Vanwall Business Park	Vanwall Road	Maidenhead	Berkshire	SL6 4XE
Abdul Raman Bah	Unsecured	635	Awaiting address				
Abiola O Akinsanya	Unsecured	532	Awaiting address				
Abraham Haile	Unsecured	3,595	Awaiting address				
Adams & Remers LLP	Unsecured	6,628	Trinity House	School Hill	Lewes	East Sussex	BN7 2NN
Ademola Adesina	Unsecured	741	Awaiting address				
Advansys Technologies Ltd	Unsecured	12,090	14 Cumberland Avenue, Dephna Impex	1st Floor 304-306	Park Royal	London	NW10 7QL
Adwoa Frimpong	Unsecured	238	Awaiting address				
Adwoa Frimpong	Unsecured	238	Awaiting address				
Ahmed Said Bile	Unsecured	1,360	Awaiting address				
Aisha Mohammed	Unsecured	496	Awaiting address				
Akua Konadu - Yladom	Unsecured	243	Awaiting address				
Alliance Healthcare (new)	Unsecured	11,525	Avonbridge House	Bath Road	Chippenham	Wiltshire	SN15 2BB
Alliance Wholesale	Unsecured	6,734,651	117-119 Denmark Road		London		SE5 6LB
Altaf Hussain	Unsecured	1,912	Awaiting address				
Amal Tazeen Malik	Unsecured	180	Awaiting address				
Andrew McCoig - Wickham Road Rent	Unsecured	7,625	Fairways	15 Shirley Avenue	South Cheam	Sutton Surrey	SM2 7QS
Anesha Biju	Unsecured	256	Awaiting address				
Anthony Rozario (Rises and Shines Limited)	Unsecured	260	Awaiting address				
Asad Ali	Unsecured	106	Awaiting address				
Ashish Jari	Unsecured	61	63 Beddington Gardens		Carshalton	Surrey	SM5 3HL
Assura Medical Centres Limited	Unsecured	28,097	3 Barnington Road		Atrincham	United Kingdom	WA14 1GY
Atuar Rahman	Unsecured	234	Awaiting address				
B.A Muncer & Co	Unsecured	382	Wayside/Trout Lane	Bams Green	Horsham	Sussex	RH13 0QD
Bahare Kheirabadian	Unsecured	936	Awaiting address				
Bahareh Darabi	Unsecured	120	Awaiting address				
Belis Heating	Unsecured	2,360	104 Shirley Avenue		Croydon	England	CR0 8SH
Bencroft Holding Corporation	Unsecured	12,078	1 Commonsides West/Mitcham	Surrey	London	United Kingdom	CR4 4HA
Benedicta Ezekwe	Unsecured	150	Awaiting address				
Bestway Medhub	Unsecured	117,353	Enterprise Way		Meir Park	Stoke-on-Trent	ST3 7UN
Beta Pharmaceuticals	Unsecured	10,332	Unit 7 & 8 Swanbridge Industrial Park	Black Croft Road	Witham	Essex	CM8 3YN
Bhagesh Katechia - Rent (SSBJ Prop.)	Unsecured	3,554	Bhagesh KATECHIA		Landford	Essex	E12 5JR
Biffa Waste Services Ltd	Unsecured	1,540	Coronation Road	Cressex	High Wycombe	Bucks	HP12 3TZ
Bilal Choudhry	Unsecured	705	Awaiting address				

## Appendix E

### Details of the financial Position of the Company

**FRP**

Bilal Choudhry	Unsecured	705 Awaiting address					
Brol Aygun (Xoixel Pharma Ltd)	Unsecured	256 Awaiting address					
Bright HR Limited	Unsecured	884 The Peninsula					
British Gas	Unsecured	1,685 Millstream	Maidenhead Road	Victoria Place	Manchester	M4 4FB	
BSN Medical Ltd (ESSITY)	Unsecured	365 Willeby Business Park	Willeby	Windsor	Berkshire	SL4 5GD	
Business Stream	Unsecured	322 1-3 Locksley Crescent		Hull	East Riding Of Yorkshire	HU10 6FE	
Camille Aragon	Unsecured	247 Locum - Ashburton		Edinburgh	United Kingdom	EH12 6SE	
Caremeds Ltd	Unsecured	2,178 Unit 5 Brickfield Trading Estate, Brickfield Lane	Chandrie Eastleigh	Hampshire	England	SO53 4DR	
Carolyn Namutebi	Unsecured	1,170 Awaiting address					
Castle Water	Unsecured	794 1 Boat Brae	Rattray	Blargowie	Scotland	PH10 7BH	
Centred Solutions Limited	Unsecured	2,588 Unit 1 Christleton Court	Manor Park Industrial Estate	Runcom	Cheshire	WA7 1ST	
Chandni Dhania	Unsecured	560 Awaiting address					
Christopher Duah - Yentum	Unsecured	2,006 Awaiting address					
Chubb Fire & Security Ltd	Unsecured	335 Chubb House Shadsworth Road	Blackburn	Lancashire	United Kingdom	BB1 2PR	
Clarity Locums	Unsecured	192 2 St. Macartans Close	Loughrisland	Downpatrick	United Kingdom	BT30 5QY	
Clarity Pharma Ltd	Unsecured	3,637 Unit 3 Mead Way	Great Hallingbury	Bishop's Stortford	England	CM22 7FD	
Claudia Astrid Schulz	Unsecured	247 Awaiting address					
Claudia Balungi - Abigaba	Unsecured	261 Awaiting address					
Claudia Manni	Unsecured	3,666 Awaiting address					
Claudia Tony - Awusaku	Unsecured	375 Awaiting address					
Credentia Limited	Unsecured	934 Unit 5 Solomon Road	Cossall Industrial Estate	Ilkeston	England	DE7 5UD	
Croner Group Limited	Unsecured	7,663 Croner House Wheatfield Way	Hnckley	Leicestershire	England	LE10 1YG	
Crown Gas and Power Limited	Unsecured	103 The Oil Centre Bury New Road Heap Bridge	Bury	Lancashire	England	BL9 7HY	
Croydon Council	Unsecured	5,625 8 Mint Walk		Croydon	England	CR0 1EA	
Crystalix Limited	Unsecured	1,234 Unit 6 Loughton Business Centre Langston Road	Loughton	Essex	United Kingdom	IG10 3SD	
DAC Beachcroft Claims Limited	Unsecured	45 Portwall Place		Portwall Lane	Bristol	BS1 8HS	
Dafina Hot	Unsecured	1,145 Awaiting address					
Damilola Ige	Unsecured	234 Awaiting address					
DCS Group UK Ltd	Unsecured	263 Oceans House	Noral Way	Banbury	England	OX18 2AA	
Denward Supporting Pharmacy	Unsecured	1,975 Denward Manufacturing Ltd Denward House	50 Wintle Road	CHELMSFORD	Essex	CM1 3BU	
Devi Ram Ghale	Unsecured	285 Awaiting address					
Dickson Akah	Unsecured	2,867 Awaiting address					
Dmitina Shortridge	Unsecured	234 Awaiting address					
Dr Ram Dasgupta	Unsecured	12,725 Awaiting address					
DRD Communications Ltd (QUDO)	Unsecured	801 No 1 Croydon	12-16 Addiscombe Road	Croydon	Surrey	CR0 0XT	
Eamonn Mcardle	Unsecured	350 Awaiting address					
EDF Energy	Unsecured	2,440 90 Whitfield Street		London	England	W1T 4EZ	
Elvis Rahamu	Unsecured	332 Awaiting address					
Emily Wolfe	Unsecured	162 Awaiting address					
EMT Healthcare Ltd	Unsecured	3,795 Boulevard Industrial Park	Padge Road	Beeston	Nottingham	NG9 2JR	
Erfath Jahan Haque	Unsecured	256 Awaiting address					

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### Details of the financial Position of the Company

**FRP**

Ernest Ford	Unsecured	102 Awaiting address				
Faith Ikechukwu	Unsecured	256 Awaiting address				
Fard	Unsecured	988 Awaiting address				
Farma Pahlavan Yali	Unsecured	120 Awaiting address				
Fargana Begum	Unsecured	112 Awaiting address				
Fathima Amna Kottavalappil	Unsecured	4,470 Awaiting address				
Federal Capital	Unsecured	144,086 14A Old Marsh Farm Barns Welsh Road		Deeside		CH45 2LY
Federica Sansone	Unsecured	182 Awaiting address				
Fiomax Finance Limited	Unsecured	5,175 42 Fieldway		Chalfont St Peter	Buckinghamshire	SL9 9SH
Fortuna Healthcare Ltd	Unsecured	1,073 Units 3/4 Northgate Business Centre	Crown Road	Enfield	England	EN1 1TG
Frank Dario	Unsecured	2,772 Awaiting address				
Frank G May & Son Limited	Unsecured	14,000 43 Taswell Road	Ranham	GEingham	England	ME8 8HG
Gabriella Antonia Cook	Unsecured	510 Awaiting address				
Gani & Co Limited	Unsecured	530 1 Commonside West		Mitcham	Surrey	CR4 4HA
Garrett Gordon	Unsecured	663 Awaiting address				
Gerard A Gracias	Unsecured	258 Awaiting address				
Gella O Gelaga	Unsecured	741 Awaiting address				
Global 4 Communications	Unsecured	662 Global House	60b Queen Street	Horsham	West Sussex	RH13 5AD
GPhC Pharmacists Registration	Unsecured	514 Awaiting address				
Green Footprint Services / Canary Wharf Office	Unsecured	5,201 Canary Wharf Office Supplies, One Canada Square	Floor 37	Suite 37, 15C	London	E14 5AA
Grenke Leasing Limited	Unsecured	9,585 Ground Floor 2 London Square	Cross Lanes	Guilford	England	GU1 1UN
H M Revenue & Customs	Secondary Preferential	Uncertain Debt Management & Insolvency, Durrington Bridge	Barrington Road	Worthing	West Sussex	BN12 4SE
H M Revenue and Customs	Unsecured	Uncertain Central Insolvency Sift Team	3NW Queens Dock	Liverpool	L74 4AA	
Hampden Supply Ltd	Unsecured	6,330 Unit 1 Fitzroy Business Park	Sandy Lane	Sidcup	United Kingdom	DA14 5NL
Hannah Akintola	Unsecured	228 Awaiting address				
Hassan Al-Azazi	Unsecured	1,440 Awaiting address				
Hatefa Begum	Unsecured	336 Awaiting address				
Hennetta Nwanlwo	Unsecured	1,782 Awaiting address				
Het Patel	Unsecured	1,404 Awaiting address				
Hwot Koane	Unsecured	1,007 Awaiting address				
Ho Yuen Chan	Unsecured	247 Awaiting address				
Hoda Auda	Unsecured	140 Awaiting address				
Hodges & Hodges Limited	Unsecured	5,585 Littlehaven House	24-26 Littlehaven Lane	Horsham	United Kingdom	RH12 4HT
Horsham District Council	Unsecured	2,710 Parkside Chart Way		Horsham	West Sussex	RH12 1RL
Humayra Begum	Unsecured	520 Awaiting address				
Ibrahim Malik	Unsecured	182 Awaiting address				
Imane Ben Bih	Unsecured	112 Awaiting address				
Instant Glass & Glazing Limited	Unsecured	294 Unit 4 Raleigh Court	Priestley Way	Crawley	England	RH10 9PD
Investec - Symmed	Unsecured	329,410 30 Gresham Street		London	EC2V 7QN	
ISH Properties Limited	Unsecured	13,731 9 The Mount		Wembley	Middlesex	HA9 9EE



## Appendix E

### Details of the financial Position of the Company

**FRP**

IWOCA	Unsecured	336,000 Thames Exchange	10 Queen Street Place	Moorgate	EC4R 1AG
Izuchukwu Ibe	Unsecured	243 Awaiting address			
James Davis	Unsecured	125 Awaiting address			
Jamie Goldswain	Unsecured	1,624 Awaiting address			
Janssen-Cilag Limited	Unsecured	1,195 50-100 Holmers Farm Way	High Wycombe	Buckinghamshire	HP12 4EG
Jemma Nzekwe	Unsecured	296 Awaiting address			
Jenna E Morrison	Unsecured	243 Awaiting address			
Jennings & Barrett Limited	Unsecured	7,556 Unit 2 Vogans Mill Wharf	17 Mill Street	London	England
Joanna M Zdzebio	Unsecured	255 Awaiting address			
Joanna M Zdzebio	Unsecured	510 Awaiting address			
Joel Boateng	Unsecured	787 Awaiting address			
Joy E Ehihon	Unsecured	461 Awaiting address			
Julius Chukwura	Unsecured	447 Awaiting address			
Kam Pok Wong	Unsecured	112 Awaiting address			
LCC Communications Limited	Unsecured	274 Pragnell House Sopwith Close	Preston Farm Industrial Estate	Stockton-On-Tees	Cleveland
LDF	Unsecured	320,196 40 Lime St		London	TS18 3TT
LDF	Unsecured	26,106 40 Lime St		London	EC3M 7AW
Libens	Unsecured	343,407 58 Wood Lane		London	EC3M 7AW
Locumprime Ltd	Unsecured	1,176 41 Albion road		Hounslow	W12 7RZ
London Borough of Bexley	Unsecured	Uncertain 2 Watling St		London	TW3 3RS
London Borough of Ealing	Unsecured	1,594 Ealing Council Perceval House		London	DA8 7AT
London Borough of Lambeth	Unsecured	192 Lambeth Town Hall Brixton H3	14/16 Uxbridge Road	Ealing W5 2HL	
London Borough of Merton Council	Unsecured	2,405 London Borough of Merton	Civic Centre	Heme Hill	SW2 1RW
London Borough of Newham	Unsecured	385 London Borough of Newham	Newham Docks de	London Road	SM4 6DX
London Borough of Sutton	Unsecured	3,225 Civic Offices St Nicholas Way		1000 Dockside Road	E16 2QU
M & N Traders Ltd	Unsecured	2,265 3 Eloan Way		Sutton	SM1 1EA
Madstone Borough Council	Unsecured	760 Oakwood Rd		London	NW10 7QY
Maplespring Ltd	Unsecured	14,437 Accountancy House		Tonbridge Rd	ME16
MAPPP Ltd	Unsecured	15,877 Second Floor	1 Cambridge Street	90 Walworth Road	SE1 6SW
Mana Fisher	Unsecured	376 Awaiting address		Aylesbury	HP20 1RP
Mariana Kamara	Unsecured	120 Awaiting address			
Marianne Nour	Unsecured	1,144 Awaiting address			
Maryam Bashir	Unsecured	923 Awaiting address			
Mark & Tracey Shelldrake	Unsecured	124 Mark & Tracey Shelldrake		12 Downsway	Sanderstead
Mark Obom	Unsecured	3,056 Awaiting address			CR2 0JA
Martindales Limited	Unsecured	241 Martindale House	Un on Road	Boton	Lancashire
Marva Slight	Unsecured	1,145 Awaiting address			BL2 2HF
Mawdsley-Brooks & Co. Ltd	Unsecured	72 Number Three			
MCM UK Media Ltd	Unsecured	1,794 Strawberry Fields Digital Hub	South Langworthy Road	PO BOX 15	Salford
Meanwood Wholesale	Unsecured	3,756 26 Roundhay Road	Euxton Lane	Chorley	England
			Unit 5 & 10	Leeds	West Yorkshire

## Appendix E

### Details of the financial Position of the Company

**FRP**

Medi UK Ltd	Unsecured	63 Medi UK		Plough Lane	Hereford	HR4 0EL
Medihealth (Northern) Ltd	Unsecured	43,486 Lynstock House	Lynstock Way	Lostock	Bolton	BL6 4SA
Medinat Musa Saka	Unsecured	486 Awaiting address				
Medipost (UK) Ltd	Unsecured	126 4 Oxford Court	Cambridge Road	Granby Industrial Estate	Weymouth	DT4 8GH
Medhamshire Ltd	Unsecured	475 35 Mitchell Arcade		Lanarkshire	Rutherglen	G73 2LS
Michael McBill	Unsecured	1,170 Awaiting address				
Mid Sussex District Council	Unsecured	5,916 Mid Sussex District Council	Oaklands Road	Haywards Heath	West Sussex	RH16 1SS
Mikolaj Nowak	Unsecured	1,170 Flat 1	40 Koderminster Road	Croydon	Surrey	CR0 2UE
Misbahullah Amin Waziri	Unsecured	702 Awaiting address				
Mofokwake Ajala	Unsecured	247 Awaiting address				
Mohammad Halling	Unsecured	1,079 Awaiting address				
Mohammed Imadhi Uddin	Unsecured	451 Awaiting address				
Mohammed Rashid Khan	Unsecured	1,032 Awaiting address				
Moushmi Valland	Unsecured	315 Awaiting address				
Murdeen Adewale	Unsecured	1,022 Awaiting address				
Murtaza Sheikh	Unsecured	941 Awaiting address				
MXF Properties V Ltd	Unsecured	20,431 Oak House	Hzzel Street	St Peter Port	Guernsey	GY1 2NP
N Karthasaroopan	Unsecured	83 Awaiting address				
Naf Alam	Unsecured	83 Awaiting address				
Naveed Habib	Unsecured	260 Awaiting address				
Nazim Davidan	Unsecured	234 Awaiting address				
Neighbourhood Direct Ltd	Unsecured	907 15 Olympic Court Boardmans Way, Whitehills	Blackpool	Lancashire	England	FY4 5GU
Nelson Tebuseke	Unsecured	189 Awaiting address				
Nicole Abrolwah	Unsecured	286 Awaiting address				
Nina Rubick	Unsecured	112 Awaiting address				
North West Ostomy Suppliers (NWOS)	Unsecured	14,756 Leigh Service Centre Green Fold Way		Leigh		WN7 3XJ
Nouman Nazar	Unsecured	39,855 94 Greenford Avenue	Middlesex	UB1 2AG		W12 7FQ
Novartis Pharmaceuticals UK Limited	Unsecured	14 195 Wood Lane		London		AL1 3NP
NPA Insurance	Unsecured	Un Certain Mallinson House	40-42 St Peters St	St Albans	Herts	WA7 3DU
Numark Ltd	Unsecured	Whitby House Industrial Estate	Runcorn	Cheshire	England	BN99 3HH
O2 UK Ltd	Unsecured	156 Highdown House, Yeoman Way	Worthing	West Sussex	United Kingdom	CR3 5JY
On Onalhi	Unsecured	261 Awaiting address		20 Stanley Street	Caterham	
P & R Brown Cleaning Services	Unsecured	280 P Brown Cleaning Services				
Pak Keung Mok	Unsecured	140 Awaiting address				
Parasto Solemani Nour	Unsecured	3,872 Awaiting address				
Paul Pappasios (Tower Pension Trustees)	Unsecured	410 Tower Pension Trustees Limited	153 Princes Street	Ipswich	Suffolk	IP1 1QJ
Paul Titus	Unsecured	1,875 Awaiting address		239 Regents Park Road	London	N8 3LF
Perfection Jewellery Ltd	Unsecured	782 Gable House				
Peter Vgail	Unsecured	853 Awaiting address				
Peter Vgail	Unsecured	177 Awaiting address				

## Appendix E

### Details of the financial Position of the Company

**FRP**

Phenox (new)	Unsecured	335,000 Phoenix Medical Supplies Ltd, Rvington Road	Runcom	Cheshire	England	WA7 3DU
Plus Net	Unsecured	Whitehouse Industrial Estate				
Pura (UK) Ltd	Unsecured	182 Plusnet plc	The Balance	2 Pinfold Street	Sheffield	S1 2GU
Quantum Specials	Unsecured	22,586 59 Morris Road		Leicester		LE2 8BR
Rawinder Ra	Unsecured	1,320 Quantum Pharmaceutical, Quantum House, Hobson	Co. Durham	NE16 6EA	United Kingdom	
Rhys Yates	Unsecured	Industrial Estate				
Rowan Choudhury	Unsecured	165 Awaiting address				
Roy Philip	Unsecured	424 Awaiting address		Wallington	Surrey	SM6 9JS
Rukshana Khan	Unsecured	240 33 Douglas Close				
Ruweyta Mao	Unsecured	225 Awaiting address				
RX Bridge	Secured	1,074 Awaiting address				
RX Systems Ltd (EMIS)	Unsecured	285 Awaiting address				
Sadaf Mukhtar	Unsecured	1,356,117 PO BOX 1107	Micklefield Lane	Dublin		OH 43017
Sadaf Mukhtar	Unsecured	3,764 EMS Group Head Office, Fuford Grange		Rawdon	Leeds	LS19 6BA
Sadun n Mithani	Unsecured	2,040 Awaiting address				
Sage Software Ltd	Unsecured	510 Awaiting address				
Sajid Halling	Unsecured	234 Awaiting address	The Shard	32 London Bridge Street	London	SE1 1SG
Sandhya Sumeshkumar	Unsecured	905 Sage (UK) Limited				
Sandra Okoh	Unsecured	1,332 Awaiting address				
Santander UK Plc	Secured	112 Awaiting address	Regent's Place	London		NW1 3AN
Santander UK	Unsecured	120 Awaiting address	Commercial and Business	301 St Vincent Street	Glasgow	G2 5HN
Sara Rodriguez Collado	Unsecured	15 Santander Corporate				
Sarah Garrett	Unsecured	494 Awaiting address				
Sarah Hobbs	Unsecured	112 Awaiting address				
Sarah Joseph	Unsecured	505 Awaiting address				
Saruga Karunakaran	Unsecured	2,290 Awaiting address				
SECOM Plc	Unsecured	280 Awaiting address	Peregine Road	Hainault	Essex	IG6 3SZ
Selin Acar	Unsecured	791 Beech Lodge				
Segrus UK Ltd	Unsecured	256 Awaiting address				
Service Retirement Benefits Scheme Limited	Unsecured	49,909 Point 29 Market Street	East Grinstead	Maidenhead	West Sussex	SL6 8AD
Shahreen Mah	Unsecured	9,275 Duans House, Imberhome Way			England	RH19 1RL
Shire A	Unsecured	185 Awaiting address				
Shire B	Unsecured	81,126 1 Calcoo Business Park		Sandy Way	Tamworth	B77 4BF
Shire C	Unsecured	44,011 1 Calcoo Business Park		Sandy Way	Tamworth	B77 4BF
Shire D	Unsecured	35,296 1 Calcoo Business Park		Sandy Way	Tamworth	B77 4BF
Shire E	Unsecured	23,182 1 Calcoo Business Park		Sandy Way	Tamworth	B77 4BF
Shire F	Unsecured	19,896 1 Calcoo Business Park		Sandy Way	Tamworth	B77 4BF
Shire G	Unsecured	17,961 1 Calcoo Business Park		Sandy Way	Tamworth	B77 4BF
Shire H	Unsecured	10,117 1 Calcoo Business Park		Sandy Way	Tamworth	B77 4BF
Shire Leasing (CBIL)	Unsecured	6,419 1 Calcoo Business Park	Sandy Way	Amington	Tamworth	B77 4BF
		104,413 1 Calcoo Business Park				

## Appendix E

### Details of the financial Position of the Company

**FRP**

Shireen Al-Kemakchi	Unsecured	116 Awaiting address			
Sidra Bilal	Unsecured	1,417 Awaiting address			
Siemens	Unsecured	6,465 30 Eastbourne Terrace			
Sigma Pharmaceuticals Ltd	Unsecured	44,631 Fifth Floor Watson House	London		W2 6LA
Signature Shopfitter Ltd	Unsecured	3,240 44 Portland Gardens	54-60 Baker Street	Marylebone	W1U 7BU
Silver Levene Audit Ltd	Unsecured	36,030 4th Floor Allan House	Romford	England	RM8 5UJ
Simona Pagliaro	Unsecured	182 Awaiting address	10 John Princes Street	London	W1G 0AH
Simon Hussain	Unsecured	532 Awaiting address			
Sofia Djabelia	Unsecured	532 Awaiting address			
Sohaib Frukhi	Unsecured	442 Awaiting address			
Sonia Bhachu	Unsecured	112 Awaiting address			
Southwark Council	Unsecured	3,613 PO BOX 64526	London		SE1P 5LX
Stephen Borrell	Unsecured	662 Awaiting address			
Stencycle (SRCL Ltd)	Unsecured	25 SRCL Ltd	Indigo House		
Stevens & Bolton LLP	Unsecured	15,284 Wey House	Sussex Avenue	Leeds	LS10 2LF
SURREY BANNERS & SIGNS-DISPLAY	Unsecured	365 151 Mead Way	Farnham Road	Guildford	GU1 4YD
SUTTON & EAST SURREY WATER PLC	Unsecured	33 66-74 London Road	Coulsdon		CR5 1PR
Swarna Siperambuduru	Unsecured	780 Awaiting address	Redhill	Surrey	RH1 1LJ
Swetaben Rathod	Unsecured	70 Awaiting address			
SYNERGY MEDICAL BRG (BD Dispensing UK	Unsecured	7,121 222 Bishopsgate			
Tairo Imedi	Unsecured	247 Awaiting address	London		EC2M 4QD
Tamali Basu Das	Unsecured	112 Awaiting address			
Tapwa Bwanali	Unsecured	780 Awaiting address			
Tawfik Aberaa	Unsecured	285 Awaiting address			
Teeba Khalid	Unsecured	962 Awaiting address			
Temiayo Adengunwa	Unsecured	112 Awaiting address			
Testimony Ogunrin	Unsecured	195 Awaiting address			
Thames Water Utilities Limited	Unsecured	615 Thames Water Utilities Limited	Clearwater Court	Vastern Road	Reading
Trishala Nursiah	Unsecured	256 Awaiting address			RG1 8DB
Tympa Health Technologies Ltd	Unsecured	419 Landmark			
Tynechem Wholesale Distributors	Unsecured	2,713 43-45 Coutts Road	33 Cavendish Square	London	W1G 0PW
Uju Nwosu - Damian	Unsecured	112 Awaiting address	Newcastle Upon Tyne		NE8 4RA
UKFAST CAMPUS (ANS Group Limited)	Unsecured	383 10 Fenchurch Avenue			
Valley Solutions (Life Healthcare)	Unsecured	1,784 20 Upland Road	London		EC3M 6BM
VENALINK - BRINGHIGH LTD	Unsecured	12,602 46 First Avenue	Bexleyheath		DA7 4NR
VERIFONE SERVICES UK & IRELAND LTD	Unsecured	808 3 Roundwood Avenue	Deeside		CH5 2NU
Vijay Bansal	Unsecured	3,818 Awaiting address	Unbridge	United Kingdom	UB11 1 1AF
Vineth Suchak	Unsecured	112 Awaiting address			
Vryeni Fylaktou	Unsecured	266 Awaiting address			
Waheeda Kabir	Unsecured	238 Awaiting address			

Appendix E

Details of the financial Position of the Company



Wai Tong Cheong	Unsecured	252 Awaiting address				
Walker Morris LLP	Unsecured	20,239 33 Wellington Street		Leeds		LS1 4DL
Wandsworth Borough Council	Unsecured	559 Wandsworth Borough Council		Wandsworth High St	London	SW18 2PU
Waseem Razzak	Unsecured	223 Awaiting address				
Wesleyan - Centred	Unsecured	271,356 80 Finchchurh Street		London		EC3M 4BY
Womble Bond Dickinson (UK) LLP	Unsecured	10,845 4 More London Riverside		London		SE1 2AU
Wren Laboratories Optibac (Medipharma Ltd)	Unsecured	1,150 Wren Laboratories Ltd., 21 & 22 Mayfield Avenue	Andover	Hampshire	United Kingdom	SP11 8HU
Yusuf Nauthoa	Unsecured	255 Awaiting address				
Zen Locum	Unsecured	11,700 Canterbury Court		1-3 Brixton Road	London	SW2 6DE
Zna Chemist Limited	Unsecured	8,170 76-75 Gosstone Road		Kenley		CR8 5AA
Total		23,622,733				

## Appendix F

### Schedule of pre-administration costs

**FRP**

Provider	Service	Fee charged £	Expenses incurred £	Total £	Amount paid £	Amount unpaid £	Who payments made by	Basis of fees charged	Date of letter of engagement under which fees charged	Parties to the agreement under which fees charged
FRP Advisory Trading Limited	Proposed Administrator	99,575*	Nil	99,575	Nil	99,575	-	Time cost	21 September 2023	Company
Walker Morris LLP	Legal services	64,330*	119	64,449	Nil	64,449	-	Time cost	3 January 2024	Proposed Administrators
Christie Owen & Davies Limited	Agents/ Valuers	Nil	Nil	Nil	Nil	Nil	-	Percentage of realisations	8 December 2023	Proposed Administrators
<b>TOTAL</b>		<b>163,905</b>	<b>119</b>	<b>164,024</b>	<b>Nil</b>	<b>164,024</b>				

\*Fees shown exclusive of Santander Panel rates discount.

The pre-administration costs set out above are the fees charged and the expenses incurred by the Administrator before the Company entered administration but with a view to it doing so. We set out on the schedule of pre appointment work a summary of the work undertaken during this period together with an explanation as to why these costs were incurred in order that the objective of the Administration to achieve a better result for the company's creditors as a whole than would be likely if the company were wound up.

FRP were engaged under the terms of an engagement letter dated 5 December 2023, to undertake an acerated marketing process with a view to completing a sale of the Company's assets by way of pre-packaged sale. Extensive details on the work undertaken by FRP are included at **Appendix B** of this report. FRP's fees were calculated on a time costs basis and a total of 175.60 hours were spent on this engagement by the FRP team. These costs represent a fair and reasonable reflections of the work undertaken prior to the appointment of the Administrators.

WM were instructed by the proposed Administrators and acted as the Administrators' solicitors and assisted with both drafting and reviewing the sale and purchase agreements and other ancillary transaction documentation. In addition, WM also assisted with the following:

- Assisting with the meeting of the board of directors to propose and pass the necessary resolutions to place the Company into Administration;
- Obtaining two Notice of Intention to appoint administrators and assisting the Company in circulating these to relevant creditors;
- Preparation of the requisite notices to place the Company into administration; and
- Filing appointment documents with the Court.

Christies were instructed to undertake an independent review of the Company's assets and provide their professional recommendation on the valuation of the assets reviewed.

## Appendix F

### Schedule of pre-administration costs

**FRP**

The Administrators will be seeking creditor approval for the payment of the pre-appointment expenses detailed in the above schedule at a later stage. The payment of these unpaid costs as an expense of the administration is subject to approval in accordance with the Insolvency Rules and is not part of the proposals subject to approval in accordance with Paragraph 53 of Schedule B1 to the Insolvency Act 1986.