



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

### 1 Company details

Company number 0 7 7 2 3 8 1 9

Company name in full Rentify Ltd

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) David

Surname Rubin

### 3 Administrator's address

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town Finchley

County/Region London

Postcode N 1 2 8 L Y

Country

### 4 Administrator's name ①

Full forename(s) Stephen

Surname Katz

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town Finchley

County/Region London

Postcode N 1 2 8 L Y

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
To date	<sup>d</sup> 2	<sup>d</sup> 6	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3
----------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

**Presenter information**

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

Contact name **Matthew Hull**

Company name **Begbies Traynor (London) LLP**

Address **Pearl Assurance House**

**319 Ballards Lane**

Post town **Finchley**

County/Region **London**

Postcode **N 1 2 8 L Y**

Country

DX

Telephone **020 8343 5900**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

**Important information**

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

**Where to send**

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

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

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](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)**

David Rubin and Stephen Katz were appointed joint administrators on 27 January 2022

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability.

---

## Rentify Ltd (In Administration)

---

### Progress report of the Joint Administrators

Period: 27 July 2022 to 26 January 2023

## Important Notice

This progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

---

## Contents

- ❑ Interpretation
- ❑ Statutory information
- ❑ Details of appointment of administrators
- ❑ Progress during the period
- ❑ Estimated outcome for creditors
- ❑ Pre-administration costs
- ❑ Remuneration and expenses
- ❑ Expenses
- ❑ Assets that remain to be realised and work that remains to be done
- ❑ Other relevant information
- ❑ Creditors' rights
- ❑ Conclusion
- ❑ Appendices
  - 1. Account of receipts and payments
  - 2. Time costs information
  - 3. Statement of administrators' expenses

# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Rentify Ltd (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 27 January 2022
"the administrators" "we" "our" and "us"	David Rubin of Begbies Traynor (London) LLP, Pearl Assurance House, 319 Ballards Lane, Finchley, London, N12 8LY and Stephen Katz of Begbies Traynor (London) LLP, Pearl Assurance House, 319 Ballards Lane, Finchley, London, N12 8LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986

# 2. STATUTORY INFORMATION

Name of Company	Rentify Ltd
Date of Incorporation:	1 August 2011
Company registered number:	07723819
Company registered office:	Pearl Assurance House, 319 Ballards Lane, London, N12 8LY

### 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators:	David Rubin, a Licensed Insolvency Practitioner of Begbies Traynor (London) LLP, Pearl Assurance House, 319 Ballards Lane, Finchley, London, N12 8LY and Stephen Katz, a Licensed Insolvency Practitioner of Begbies Traynor (London) LLP, Pearl Assurance House, 319 Ballards Lane, Finchley, London, N12 8LY
Date of administrators' appointment:	27 January 2022
Court:	High Court of Justice - Business and Property Courts
Court Case Number:	CR-2022-000206
Person making appointment:	The Directors
Acts of the administrators:	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
Type of Proceedings:	The proceedings will be COMI proceedings, as defined by the Insolvency (England and Wales) Rules 2016 (as amended).
Extensions of the administration period	The administration period was extended via the consent of creditors for a period of 8 months to 26 September 2023.

### 4. PROGRESS DURING THE PERIOD

#### Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 27 July 2022 to 26 January 2023 and cumulative receipts and payments account from 27 January 2022 to 26 January 2023.

#### 1. Receipts

##### 1.1 Recovery of Sale Completion Funds

The amount of £70,000 was received in respect of the settlement detailed within our last progress report.

##### 1.2 Book Debts

Recoveries made from the Company's receivables ledger during the course of the period in review amount to £5,412.87.

##### 1.3 Bank Interest

The funds in hand are held in an interest-bearing account with a High Street bank in the Office Holder's name as a Liquidator of the Company.

Interest earned on the funds in hand amounts to £46.38. Of which, £39.96 was received during the period under review.

## 2. Payments

### 2.1 Software Demonstration and Tech Support

The amount of £2,078.36 was paid to Flat Peak Ltd in respect of work undertaken in transferring the Company's software and data platform from Amazon Web Services ("AWS") to an alternative host.

### 2.2 Software and Systems

The amount of £21,066.10 has been paid to AWS for its services in hosting the Company's software platform and associated data which this service was required by the Joint Administrators, in respect of the period occurring prior to the eventual transfer to a more cost-effective hosting platform.

Additionally, the sum £219.33 has been paid in order to maintain access to the Company's software code repository account with Github.

### 2.3 Bank Charges

Bank charges incurred during the period amount to £129.

### 2.4 Sundry Expenses

The amount of £267.83 has been paid in respect of various travel costs associated with the case along with the costs of various electronic searches conducted during the appointment.

### 2.5 **Agent's Fees**

The amount of £5,000 plus VAT was paid to Rabbow & Co LLP ("Rabbow") as a fixed fee for the work conducted in assessing the Company's software platform, conducting a full marketing exercise in order to identify potential purchasers, and in engaging with interested parties, including the facilitation of individual software demonstrations where required.

Rabbow are an independent firm of professional valuers and agents and were selected on the basis of their experience in dealing with assets realisations in insolvency situations.

The amount of £811.95 was paid to Marks Recoveries and Legal Services ("Marks") in respect of its instruction to assist in the recovery of the Company's book debts. Marks charge a fee equivalent to 15% of the gross sums recovered for the estate. Marks' work on this matter is ongoing at this time.

### 2.6 Legal Fees & Disbursements

The amount of £15,061.50 plus VAT was paid to Sheridans Solicitors LLP ("Sheridans") on account of legal fees and expenses incurred during the course of the administration.

### 2.7 Joint Administrators' Remuneration

Remuneration drawn during the period under review amounts to £95,000 plus VAT.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we



have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment.

The details below relate to the work undertaken in the period of the report only. Our previous report contains details of the work undertaken since our appointment.

#### General case administration and planning

Periodic internal reviews have been carried out in order to ensure satisfactory progression of the case and that all statutory and regulatory obligations have been complied with.

Generally, it is necessary to maintain records to demonstrate how the case has been administered and to ensure reasons for decisions that materially affect the case are adequately documented. Meetings with the case manager and team have accordingly been held regularly to assess case status and ensure adherence to these requirements. Standard case reviews have also been conducted and documented periodically.

Whilst work undertaken in this category does not provide a direct financial benefit to creditors, it is a necessary part of the general control of all formal insolvency appointments.

#### Compliance with the Insolvency Act, Rules and best practice

Included in the work undertaken during the period under this heading is the following:

- Preparation and circulation of the Administrators first 6 monthly progress report in August 2022;
- Period reviews of the Joint Administrator's bond, as required by the Insolvency Practitioners Regulations 2005;
- General accounting, banking and cashiering including the processing of payments, maintenance of estate cash book postings and carrying out regular bank account reconciliations.

This work does not provide a direct financial benefit to creditors, however, is required in accordance with relevant insolvency legislation and best practice guidelines.

#### Investigations

As mentioned in our previous progress report, further investigations into certain transactions were considered to be appropriate following out initial assessment. The various investigations included:

##### Dexters Sale Completion Funds

Creditors will recall from my previous progress report that investigations had been carried out into the completion payment of £100k received into the client account of the solicitors who had acted for the Company in respect of the pre-administration sale of its managed portfolio to Dexters had initially been applied against outstanding legal costs associated with the transaction and also other work conducted for and on behalf of the Company.

I am pleased to report that, after further discussions with relevant parties, the amount of £70k was transferred to the Company's estate in settlement of any potential claims arising in respect of the application of the sale completion funds.

## Directors Remuneration & Expenses

Shortly after our appointment we conducted an initial review of the Company's bank statements and financial records, with specific focus on the payments made to the Company's officers in respect of remuneration and expenses. This initial review revealed that certain bank accounts contained a large number of payments for sundry items which it was considered could be constitute directors loan account ("DLA") drawings attributable to the Company's managing director.

As a consequence, further information was sought and obtained from the Company's bankers, and a more detailed review into the accounts and transactions in question has been undertaken, with the objective of establishing whether there may be claims in respect of any overdrawn DLA that could result in further recoveries for the estate.

Further information will be required from various suppliers to assist with the exercise of separating business and personal expenditure, in order to establish the actual level of the DLA, as this information cannot be derived from the Company's accounting records in certain cases. Work on this matter is currently on hold pending the circulation of the proposed CVA, as it is considered that the contingent third-party contribution arranged by the directors and to be introduced in the event that a CVA is approved will significantly exceed any eventual claim made in respect of the managing director's overdrawn DLA.

## Realisation of assets

### Software Platform

Subsequent to the update provided within my last report, no serious expressions of interest in the Company's software platform have been received. Based on current information, and in view of the substantial work undertaken by ourselves and our agents to generate interest in this asset since our appointment, it is considered that the Company's software platform will not be of material value to the estate and therefore further work on its realisation will only be undertaken if a serious interested party comes forward.

Continued access to the data held on the software platform has been required in order to deal with enquiries of former landlord clients and tenants of managed properties, and will be required going forward in the adjudication and agreement of claims for distribution purposes. In this regard, during discussions with the Company's former technical team, it was established that the data could be moved from AWS to an alternative hosting platform to achieve a significant reduction in the ongoing monthly costs to the estate. In this regard, the Company's former technical manager was instructed to arrange for the requisite data migration process, with this task completed in December 2022.

### Book Debts

Creditors will recall from our previous progress report that we had instructed a third-party debt collection agency, Marks, to assist with realisation of the Company's outstanding receivables ledger.

A collection exercise has been ongoing during the period in review, with recoveries totalling £5,413 during the period. Work has also been conducted in locating and providing further information on certain properties to Marks as and when required where sums have been subject to dispute by debtors, in order to maximise recovery prospects.

## Dealing with all creditors' claims (including employees), correspondence and distributions

### Primary Preferential Creditors

Correspondence with the Redundancy Payments Service in order to obtain details of its final preferential claim in the estate.

## Secondary Preferential Creditors

Correspondence with HM Revenue & Customs regarding the lodgement of its final claim within the estate.

## Trade & Expense Creditors

The unsecured claims of the Company's trade and expense creditors, many of whom are former landlord clients of the Company, have been lodged on our internal case management system when received. Ongoing work has been required in acknowledging claims, answering telephone and email enquiries from creditors and dealing with correspondence.

Other matters which includes seeking decisions of creditors via deemed consent procedure and/or decision procedures, tax, litigation, pensions and travel

VAT – Completing and submitting VAT returns periodically in order to ensure that VAT on estate transactions is administered correctly.

## Potential Company Voluntary Arrangement ("CVA") and Extension of the Administration

As explained to creditors within our letter dated 21 December 2022, during the Autumn of 2022 we were contacted by the Company's directors, who informed us that they wished to explore the option of making available a sum of £250,000 in order to facilitate the Company exiting administration by way of a Company Voluntary Arrangement ("CVA") and increasing the pot of funds available to unsecured creditors, rather than the currently planned exit into Creditors' Voluntary Liquidation ("CVL") and thereafter dissolution. The directors later confirmed they wished to proceed with this course of action and subsequently transferred the sum of £250,000 to one of our firm's client accounts, with these funds only to be made available to the Company's creditors as a third-party contribution in the event that a CVA is approved.

As it was apparent that a CVA, if approved, would provide a significantly greater return to the Company's creditors than the currently planned exit to CVL, a Notice of a Decision via Deemed Consent was circulated to creditors in December 2022, in order to obtain consent from creditors to an extension of the administration period for an additional 8 months. The extension was required in order to allow sufficient time for the preparation of the CVA proposal, convening a decision of creditors for consideration of the CVA and for the CVA (if approved by creditors) to become unconditional. No objections to the proposed decision were received. Consequently, the relevant documentation confirming the extension was filed with Companies House and the Court and made available to creditors.

Subsequent to the receipt into our client account of the contingent third-party contribution detailed above, work on formulating a CVA Proposal has commenced and discussions with the Company's largest creditor over the terms of the proposed CVA are ongoing. We hope to be able to circulate a CVA Proposal to creditors and members shortly.

# 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals and are summarised as follows:

## Secured creditor

There are no known secured creditors.

### Preferential creditors

Potential preferential claims of employees for arrears of wages and accrued holiday pay as at 27 January 2022 were estimated at £1,905 within the directors' Statement of Affairs. Following payments by the Redundancy Payments Service ("RPS"), the majority of these claims have been subrogated to the Secretary of State. I have received a preferential claims from the RPS in the sum of £5,762.

Based on current information, it is considered that there will be sufficient realisations in the estate to facilitate payment in full to primary preferential creditors.

### Secondary preferential creditors

HM Revenue & Customs hold secondary preferential status in respect of certain claims in insolvent estates. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student Loan deductions and Construction Industry Scheme deductions fall under this secondary preferential status.

HM Revenue & Customs is yet to lodge a secondary preferential claim in the estate; however, this was estimated at £56,938 within the directors' Statement of Affairs. Based on current information, realisations are expected to be sufficient to facilitate a substantial distribution to secondary preferential creditors.

### Unsecured creditors

Claims of unsecured non-preferential creditors were estimated at circa £554,355 in the directors' Statement of Affairs. To date, claims totalling £1,465,513 have been lodged by 39 creditors.

Based upon realisations to date and estimated future realisations it is expected that there will be sufficient funds available to enable a small general dividend to be paid to the unsecured creditors, however, the rate of the eventual dividend is uncertain.

### Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ❑ 50% of the first £10,000 of net property;
- ❑ 20% of net property thereafter;
- ❑ Up to a maximum amount to be made available of £800,000

An administrator will not be required to set aside the prescribed part of net property if:

- ❑ the net property is less than £10,000 and the administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ❑ the administrator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of the our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, Section 176A will not apply.

## Effect of administration on limitation periods under the Limitation Act 1980

As we have previously confirmed, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

## 6. PRE-ADMINISTRATION COSTS

On 6 April 2022 the following amounts in respect of unpaid pre-administration costs were approved by decision of creditors sought via a Decision Procedure by Correspondence:

Description	Name of receipt	Net amount £	VAT £	Gross amount £
Fees in relation to pre-appointment work.	Begbies Traynor	10,255	2,051	12,306
Legal fees & disbursements associated	Sylvester Amiel Lewin & Horne LLP	1,764.40	350	2,114.40
TOTAL PRE-ADMINISTRATION COSTS		12,019.40	2,401	14,420.40

## 7. REMUNERATION & EXPENSES

Our remuneration has been fixed by reference to the time properly given by us (as administrators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (London) LLP in attending to matters as set out in the fees estimate. The initial fees estimate provided to creditors at the time of approval of our remuneration was £169,825. The original level of remuneration approved by creditors was increased by £81,620 via further approval from the same body on 24 August 2022. This makes the total amount of our approved fees estimate £241,445.

We are also authorised to draw expenses for services provided by our firm and/or entities within the Begbies Traynor group, expenses, including expenses for services provided by our firm (defined as category 2 expenses in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 27 July 2022 to 26 January 2023 amount to £72,620.50 which represents 186 hours and 48 minutes at an average rate of £388.76 per hour. I have also reviewed my cumulative time costs for the period from 27 January 2022 to 26 January 2023 and would report that my total time costs are £243,640.50 for 595 hours and 30 minutes which equated to an average cost of £409.14 per hour.

The following further information in relation to our time costs and expenses is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 27 July 2022 to 26 January 2023
- ☐ Cumulative Costs Analysis for the period from 27 January 2022 to 26 January 2023
- ☐ Begbies Traynor (London) LLP's charging policy

To 26 January 2023, we have drawn the total sum of £165,000 on account of our remuneration, against total time costs of £243,640.50 incurred since the date of our appointment.

## Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the administration. Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only. Although it is apparent that time costs will exceed the currently approved level of our fees estimate, we are not proposing to seek creditor approval for an increase at this time.

## Category 1 Expenses

Category 1 expenses are set out in detail at section 4 and Appendix 3 to this report.

## Category 2 Expenses

To date, no category 2 expenses have been incurred or charged to the estate.

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

# 8. ADMINISTRATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement of expenses also appears at Appendix 3 which details the expenses incurred since the date of our appointment.

# 9. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

## General case administration and planning

Periodic internal reviews in order to ensure satisfactory progression of the case and that all statutory and regulatory obligations have been complied with.

Continuing to maintain records to demonstrate how the case has been administered and to ensure reasons for decisions that materially affect the case are adequately documented. Meetings with the case manager and team to assess case status and ensure adherence to these requirements. Standard case reviews will continue to be conducted and documented periodically.

Whilst work undertaken in this category does not provide a direct financial benefit to creditors, it is a necessary part of the general control of all formal insolvency appointments.

## Compliance with the Insolvency Act, Rules and best practice

Included in the work undertaken during the period under this heading is the following:

- Preparation and circulation of progress reports on a six monthly basis;

- Periodic reviews of the Administrators' bond, as required by the Insolvency Practitioners Regulations 2005;
- General accounting, banking and cashiering including the processing of payments, maintenance of estate cash book postings and carrying out regular bank account reconciliations;
- Preparation of the final account and relevant forms in order to close the administration and move the Company to dissolution;

This work does not provide a direct financial benefit to creditors, however, is required in accordance with relevant insolvency legislation and best practice guidelines.

#### Investigations

As recorded above, investigations have been conducted into the drawings from the business of one of the directors in order to determine whether there is any overdrawn Directors Loan Account.

Work on this matter has been paused pending a decision on approval of the proposed CVA.

#### Realisation of assets

##### Software Platform

As detailed at Section 4, it is now considered that the Company's software platform will not be of material value to the estate and therefore further work on its realisation will only be undertaken in the event that a serious interested party is identified. Should the proposed CVA be approved and the Company exits administration, the software platform will return to the control of the directors who may then deal with it as they see fit.

##### Books Debts

We will continue to engage with Marks in relation to the ongoing collect out of the Company's receivables ledger, in order to maximise realisations for the estate. In the event that the proposed CVA is approved, the collections achieved during the administration and prior to circulation of the CVA proposal will form part of the assets available to the CVA creditors.

#### Dealing with all creditors' claims (including employees), correspondence and distributions

##### Primary Preferential Creditors

As a distribution to the primary preferential creditors is anticipated, the following future work will be required:

- Establishing which of the Company's former employees retain residual preferential claims directly in the Company's estate and assisting with the calculation of these claims;
- Writing to applicable employees to seek confirmation of final residual preferential claims and adjudicating and agreeing each claim;
- Formal declaration of the dividend and processing relevant payments via Bacs or cheque;
- Dealing with all enquiries from former employees in respect of the dividend.

##### Secondary Preferential Creditors

As realisations in the estate will be of a sufficient level to facilitate a distribution to HM Revenue & Customs in respect of its secondary preferential claim the following work will be required:

- Adjudication and agreement of HMRC's final secondary preferential claim;
- Formal declaration of the dividend and processing of relevant payment;
- Liaising with HMRC in respect of any additional information required or discrepancies with the Company's records.

#### Unsecured non-preferential creditors

It is anticipated that funds will be available for a small distribution to the Company's unsecured non-preferential creditors during the pending Creditors Voluntary Liquidation process in the event that a CVA is not approved. In this regard, the following future work will be required:

- Circular letters to those creditors yet to lodge formal claims in order to request prompt submission in preparation for the dividend;
- Preparation, circulation and advertisement in the London Gazette of a formal Notice of Intended Dividend;
- Adjudication and formal agreement of unsecured non-preferential claims received as required by the Insolvency Rules, including dealing with any claims subject to dispute over validity or quantum;
- Assisting the Company's former employees with calculation of residual unsecured claims over and above sums received from the RPS, as well as residual claims for any enhanced contractual redundancy and notice pay entitlements;
- Establishment of final sum for distribution and calculation of individual dividend payments to each proving creditor in this regard;
- Formal declaration of the dividend and processing of relevant payments via Bacs and cheque;
- Dealing with all enquiries from creditors in respect of the dividend.

This work is necessary in order to distribute funds in the estate, and therefore has a direct financial benefit to creditors.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

VAT – Completing and submitting VAT returns periodically in order to ensure that VAT on estate outputs and inputs is accounted for in a timely fashion.

Corporation Tax – Completion and submission of relevant Corporation Tax returns for the administration period and liquidation periods and obtaining requisite tax clearance to close the case from HMRC at the relevant time.

Decision Procedures – In the event that a CVA is approved, it will be necessary to convene a decision to creditors in order to change the statutory purpose of the administration to that detailed at point (a) of Paragraph 3(1)1 of Schedule B1 to the Act, namely, rescuing the company as a going concern.

How much will this further work cost?

Much of the 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been completed and the time costs associated with the further work are currently uncertain. As you know, this work is necessary in order that I may complete the administration as envisaged. We are not proposing to seek creditor approval for an increase in the approved level of our remuneration at this time.

What is the anticipated payment for administering the case in full?

We most recently estimated that the cost of administering the case would be in the region of £241,445, and subsequently you have provided approval for us to draw our remuneration up to that level. At this stage in the administration, I can estimate that total remuneration drawn during the administration and subsequent CVL will be in the region of £241,445.



## 10. OTHER RELEVANT INFORMATION

### Extension of administration

The administration has been extended for a period of 8 months with the consent of creditors obtained via deemed consent on 9 January 2023.

### Proposed exit route from administration

Creditors will recall from our previous report that it was envisaged that realisations in the estate would amount to a sum sufficient to facilitate a general distribution to unsecured creditors, and consequently that the proposed exit route from administration was a move to Creditors Voluntary Liquidation (“CVL”) pursuant to Paragraph 83 of Schedule B1 to the Act.

However, should a CVA proposed by the administrators be approved by creditors and become unconditional, the appropriate exit route will be that set out at Paragraph 80 of Schedule B1, which will bring the administration to an end and hand control back to the directors, who we understand will then seek to have the Company solvently struck off.

### Use of personal information

Please note that in the course of discharging our statutory duties as s, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

## 11. CREDITORS' RIGHTS

### Right to request further information

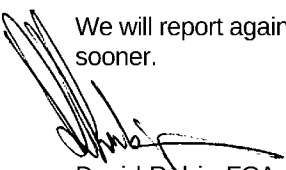
Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses (other than pre-administration costs) which have been incurred during the period of this progress report.

### Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

## 12. CONCLUSION

We will report again in approximately six months' time or at the conclusion of the administration, whichever is the sooner.



David Rubin FCA  
Joint Administrator  
Dated: 23 February 2023

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 27 July 2022 to 26 January 2023

RENTIFY LTD - IN ADMINISTRATIONJOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNTFOR THE PERIOD FROM 27 JULY 2022 TO 26 JANUARY 2023

	<u>Realised</u> <u>to-date</u> £	<u>P/E</u> <u>26-Jan-23</u> £
<u>Balance brought forward</u>		204,925.67
<u>Receipts</u>		
Cash Held on Appointment	6,000.00	0.00
Recovery of Sale Completion Funds	70,000.00	70,000.00
Book Debts	5,412.87	5,412.87
Cash at Bank	292,851.78	0.00
Client Accounts	3,456.19	0.00
Bank Interest Received	46.38	39.96
	<u>377,767.22</u>	<u>280,378.50</u>
<u>Payments</u>		
Joint Administrators' Pre-appointment Remuneration	10,255.00	0.00
Specific Bond	252.00	0.00
Statutory Advertising	103.50	0.00
Software Demonstrations and Tech Support	2,628.36	2,078.36
Software and Systems	30,043.25	21,285.43
Professional Fees	370.00	0.00
Bank Charges	165.00	129.00
Sundry	267.83	267.83
Agent's Fees	5,811.95	5,811.95
Pre-appointment Legal Fees	1,764.40	0.00
Legal Fees & Disbursements	20,361.50	15,061.50
Joint Administrators' Remuneration	165,000.00	95,000.00
	<u>237,022.79</u>	<u>139,634.07</u>
<u>Receipts less Payments</u>	<u>140,744.43</u>	<u>140,744.43</u>
<u>Represented by:-</u>		
Balance at Bank	125,841.48	
VAT Recoverable	14,902.95	
	<u>140,744.43</u>	

## COSTS AND EXPENSES

- a. Begbies Traynor (London) LLP's charging policy;
- b. Time Costs Analysis for the period from 27 July 2022 to 26 January 2023;
- c. Cumulative Time Costs Analysis for the period from 27 January 2022 to 26 January 2023.

## BEGBIES TRAYNOR CHARGING POLICY

### INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding on a time cost basis. Best practice guidance\* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fees estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or expenses to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance<sup>1</sup> indicates that such charges should be disclosed to how those charges are calculated.

### OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

### EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 expenses (approval not required) - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 expenses (approval required) - Items of expenditure that are directly related to the case and either:
  - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
  - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

\* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- ☐ Car mileage which is charged at the rate of 45 pence per mile.

General Office Overheads

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

**BEGBIES TRAYNOR CHARGE-OUT RATES**

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) until further notice
Consultant/Partner	690
Director	580
Senior Manager	500
Manager	475
Assistant Manager	385
Senior Administrator	340
Administrator	260
Trainee Administrator	190
Support	175

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

SIP9 Rentify Ltd - Administration - Time Costs Analysis From 27/07/2022 To 26/01/2023

Staff Grade		Consultant/Partner	Snr Mngr	Snr Admin	Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	10.0	7.6		2.7		20.3	11,402.00	561.67
	Administration	0.3	7.6	17.8	15.8		41.5	14,167.00	341.37
	Total for General Case Administration and Planning:	10.3	15.2	17.8	18.5		61.8	25,569.00	413.74
Compliance with the Insolvency Act, Rules and best practice	Appointment				3.1		3.1	806.00	260.00
	Banking and Bonding		0.3	4.9	3.4	11.5	20.1	4,712.50	234.45
	Case Closure								0.00
	Statutory reporting and statement of affairs	1.7	7.0		6.2		14.9	6,285.00	421.81
	Total for Compliance with the Insolvency Act, Rules and best practice:	1.7	7.3	4.9	12.7	11.5	38.1	11,803.50	309.80
Investigations	CDDA and investigations	7.3	9.1		16.4		32.8	13,851.00	422.29
	Total for Investigations:	7.3	9.1		16.4		32.8	13,851.00	422.29
Realisation of assets	Debt collection	0.6	1.8		5.7		8.1	2,796.00	345.19
	Property, business and asset sales	0.6	2.4		2.1		5.1	2,160.00	423.53
	Retention of Title/Third party assets								0.00
	Total for Realisation of assets:	1.2	4.2		7.8		13.2	4,956.00	375.45
Trading	Trading								0.00
	Total for Trading:								0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured								0.00
	Others	0.5	14.1	4.1	8.1		26.8	10,895.00	406.53
	Creditors committee								0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.5	14.1	4.1	8.1		26.8	10,895.00	406.53
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors		6.9		2.9		9.8	4,204.00	428.98
	Meetings				1.5		1.5	390.00	260.00
	Other								0.00
	Tax			2.8			2.8	952.00	340.00
	Litigation								0.00
	Total for Other matters:		6.9	2.8	4.4		14.1	5,546.00	393.33
	Total hours by staff grade:	21.0	56.8	29.6	67.9	11.5	186.8		
	Total time cost by staff grade £:	14,490.00	28,400.00	10,064.00	17,654.00	2,012.50		72,620.50	
	Average hourly rate £:	690.00	500.00	340.00	260.00	175.00			388.76
	Total fees drawn to date £:							165,000.00	



# SIP9 Rentify Ltd - Administration - Time Costs Analysis From 27/01/2022 To 26/01/2023

Staff Grade		Consultant/Partner	Snr Mngr	Snr Admin	Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	41.2	14.7		2.7		58.6	36,480.00	622.53
	Administration	0.3	13.8	41.2	33.3		88.6	29,773.00	336.04
	Total for General Case Administration and Planning:	41.5	28.5	41.2	36.0		147.2	66,253.00	450.09
Compliance with the Insolvency Act, Rules and best practice	Appointment		4.0	5.5	10.1		19.6	6,496.00	331.43
	Banking and Bonding		0.9	5.3	3.9	15.5	25.6	5,978.50	233.54
	Case Closure								0.00
	Statutory reporting and statement of affairs	3.0	29.4		22.3		54.7	22,568.00	412.58
	Total for Compliance with the Insolvency Act, Rules and best practice:	3.0	34.3	10.8	36.3	15.5	99.9	35,042.50	350.78
Investigations	CDDA and investigations	27.0	25.6	4.7	49.2		106.5	45,820.00	430.23
	Total for investigations:	27.0	25.6	4.7	49.2		106.5	45,820.00	430.23
Realisation of assets	Debt collection	3.2	6.7	9.5	14.3		33.7	12,506.00	371.10
	Property, business and asset sales	10.9	17.0		7.7		35.6	18,023.00	506.26
	Retention of Title/Third party assets		0.5				0.5	250.00	500.00
	Total for Realisation of assets:	14.1	24.2	9.5	22.0		69.8	30,779.00	440.96
Trading	Trading								0.00
	Total for Trading:								0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured								0.00
	Others	14.4	44.9	16.8	51.7		127.8	51,540.00	403.29
	Creditors committee								0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	14.4	44.9	16.8	51.7		127.8	51,540.00	403.29
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors		7.6		2.9		10.5	4,554.00	433.71
	Meetings				18.3		18.3	4,758.00	260.00
	Other		2.3	0.4	9.3		12.0	3,704.00	308.67
	Tax			3.5			3.5	1,190.00	340.00
	Litigation								0.00
	Total for Other matters:		9.9	3.9	30.5		44.3	14,206.00	320.68
	Total hours by staff grade:	100.0	167.4	86.9	225.7	15.5	596.5		
	Total time cost by staff grade £:	69,000.00	83,700.00	29,546.00	58,682.00	2,712.50		243,640.50	
	Average hourly rate £:	690.00	500.00	340.00	260.00	175.00			409.14
	Total fees drawn to date £:							165,000.00	

## STATEMENT OF ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Legal fees	Sheridans Solicitors LLP	18,551.50	18,551.50	-
Agents Fees	Rabbow & Peak Ltd	5,000	5,000	-
Software Demonstration & Tech Support and IT Consultancy Fees	Flat Peak Ltd	2,628.36	2,628.36	-
Software and Systems	Amazon Web Services	21,066.10	21,066.10	-
Software and Systems	Github	398.19	219.33	178.86
Sundry search fees	Travel and Various	267.83	267.83	-

## CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Legal fees	Sheridans Solicitors LLP	18,551.50	18,551.50	-
Legal fees	Sylvester Amiel Lewin & Horne LLP	2,200	2,200	-
Agents Fees	Rabbow & Co LLP	5,000	5,000	-
Statutory advertising	Courts Advertising	103.50	103.50	-
Software Demonstration & Tech Support and IT Consultancy Fees	Flat Peak Ltd	2,628.36	2,628.36	-
Software and Systems	Amazon Web Services	21,066.10	21,066.10	-

Software and Systems	Github	398.19	219.33	178.86
Professional fees	Buzzacott LLP	370	370	-
Specific Bond	AUA	252	-	252
Sundry search fees	Travel and Various	267.83	267.83	-