



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

1 Company details

Company number	0	7	7	7	6	6	1	3
Company name in full	Education Umbrella Ltd							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Martin C
Surname	Armstrong

3 Administrator's address

Building name/number	Allen House
Street	1 Westmead Road
Post town	Sutton
County/Region	Surrey
Postcode	S M 1 4 L A
Country	United Kingdom

4 Administrator's name ①

Full forename(s)	Andrew R
Surname	Bailey

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	Allen House
Street	1 Westmead Road
Post town	Sutton
County/Region	Surrey
Postcode	S M 1 4 L A
Country	United Kingdom

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	1	d	9	m	0	m	6	y	2	y	0	y	2	y	1
To date	d	1	d	8	m	1	m	2	y	2	y	0	y	2	y	1

7 Progress report

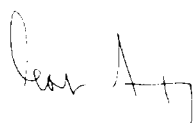
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	1	d	7	m	0	m	1	y	2	y	0	y	2	y	2
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**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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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



turpin barker armstrong

Corporate Recovery and Insolvency

Allen House
1 Westmead Road
Sutton, Surrey SM1 4LA
Tel: 020 8661 7878
Fax: 020 8661 0598

E-mail: tba@turpinba.co.uk
Internet: www.turpinbarkerarmstrong.co.uk
Also at West Byfleet

Private and Confidential

To all known members and creditors

Our ref

PD/RR/MCA/ARB/XE0154

Date

17th January 2022

Dear Sirs

Education Umbrella Ltd ("the Company") – In Administration In the High Court of Justice Number CR-2020-002745

This is my report on the progress of the Administration of the Company for the six-month period from 19th June 2021 to 18th December 2021. The report should be read in conjunction with my previous reports.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available online, they should contact our office by email at bertram@turpinba.co.uk, or by phone on 0208 661 4019.

Finally, please note that the affairs, business and property of the Company are being managed by the Joint Administrators, Martin C Armstrong and Andrew R Bailey. The Joint Administrators act as agents of the Company and contract without personal liability.

Yours faithfully

Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator

Encs.

Partners

M.C. Armstrong FCCA FABRP FIPA MBA FNARA, D.C. Clark FCCA, J.E. Patchett FCCA FABRP, D.A. Payne BA (Hons) FCA,
B.I. Suckling BSc (Hons) FCCA, M.C. Card EFPS Certs CH, MP & ER, A.R. Bailey FABRP MIPA,
S-J. Crean FCCA, R.A. Russell FABRP MIPA, K.M. Drake FABRP MIPA
Consultant - A.W. Payne FFARIPA FETA DipFES CMAIP

Registered as auditors in the United Kingdom by the Association of Chartered Certified Accountants

M. C. Armstrong, J. E. Patchett and A. R. Bailey are licensed to act as Insolvency Practitioners in the United Kingdom
by the Institute of Chartered Accountants in England and Wales.

turpin barker armstrong's privacy policy can be found on our website at <https://www.turpinbarkerarmstrong.co.uk/privacy.html>

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Education Umbrella Limited (“the Company”) – In Administration

JOINT ADMINISTRATORS’ PROGRESS REPORT TO CREDITORS

For the six months period from 19th June 2021 to 18th December 2021

For the purposes of this report, the following abbreviations shall be used:

“AFC”	Aurelius Finance Company Limited
“Aurelius”	The Aurelius Group of asset management companies
“BGL”	Bertram Group Limited (In Liquidation)
“BNP”	BNP Paribas Commercial Finance Limited
“BNP Facility”	The agreement for the Discounting of Debts entered into with BNP
“BTL”	Bertram Trading Limited (In Administration)
“Cerberus”	Cerberus Receivables Management Limited
“CJRS”	Coronavirus Job Retention Scheme
“CRS”	Charles Russell Speechlys LLP
“DBL”	Dawson Books Limited (in Administration)
“Erasmus”	Erasmus Antiquariaaten Boekhandel BV
“EUL” or “the Company”	Education Umbrella Limited (in Administration)
“HMRC”	HM Revenue & Customs
“Houtschild”	Houtschild Internationale Boekhandel BV
“Katten”	Katten Muchin Rosenman UK LLP
“MBV”	Middleton Barton Asset Valuation Limited
“Natwest”	Natwest Bank Plc
“SIP14”	Statement of Insolvency Practice 14
“SOA”	The Directors’ Estimated Statement of Affairs as at 24 th July 2020
“the Act”	The Insolvency Act 1986
“the Court”	The High Court of Justice
“the Group”	The Bertram Group of Companies (as per Group structure appended to Proposals)
“the Joint Administrators”	Martin C Armstrong and Andrew R Bailey of Turpin Barker Armstrong
“the Proposals”	The Joint Administrators’ Proposals delivered to creditors on 2 nd July 2020

APPENDICES

Appendix 1 A description of the routine work undertaken since last progress report

Appendix 2 Joint Administrators' receipts and payments account

EXECUTIVE SUMMARY

Objective of the Administration

- As Joint Administrators of the Company, Andrew Bailey and I are officers of the Court, and must perform our duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation.
- As stated in the Proposals, the purpose of the Administration of the Company is to achieve objective (c), that is to realise property in order to make a distribution to the secured creditor of the Company. This has been achieved as a result of the sale of the Company's assets shortly after appointment and by collecting the sums due to the Company from customers, which have enabled an interim fixed charge distribution to be made to AFC in the reporting period.

Progress of the Administration

- Following appointment, the Company's intangible assets were sold to Heath Books Limited on 24th June 2020 for £36,000.
- I have sought to realise and deal with the Company's remaining assets, including a rent deposit due to the Company, cash held in blocked accounts and book debts.
- The actions taken by the Joint Administrators in the reporting period are detailed later in this report and creditors.

Estimated outcome for creditors

- In the reporting period an interim fixed charge distribution has been paid to AFC, whilst it is also anticipated that a further fixed charge distribution may become payable to AFC.
- It is also anticipated that a dividend will be paid to preferential creditors in due course.
- The Company's financial position means there are insufficient assets to enable a dividend to non-preferential unsecured creditors.

STATUTORY INFORMATION

Company name:	Education Umbrella Limited
Court name and reference:	In the High Court of Justice Number CR-2020-002745
Registered office:	Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA
Former registered office:	1 Broadland Business Park, Norwich Norfolk NR7 0WF
Registered number:	07776613
Joint Administrators' names:	Martin C Armstrong and Andrew R Bailey
Joint Administrators' address:	Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA
Joint Administrators' date of appointment:	19 th June 2020
Actions of Administrators:	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

The secured and preferential creditors agreed to extend the Administration of the Company for a period of 12 months, such that the Administration will now automatically end on 18th June 2022.

JOINT ADMINISTRATORS' ACTIONS SINCE LAST PROGRESS REPORT

AFC

The Company has granted the following charges to AFC:

1. Created: 09/08/2019
Delivered: 13/08/2019
Description: Fixed and floating charge
2. Created: 24/05/2019
Delivered: 29/05/2019
Description: Fixed and floating charge

The following work has been undertaken in respect of AFC's liability/security in the reporting period:

- Providing regular updates and estimated outcome statements to AFC.
- Reviewing AFC's claim and associated documentation.
- Agreeing apportionment of costs with AFC in accordance with SIP14.
- Paying an interim fixed charge distribution to AFC.

Debt Collection

In the reporting period Cerberus continued to pursue the recovery of sums owed to the Company by its customers and it has been necessary to undertake the following work to assist with their efforts:

- Reviewing collections reports from Cerberus.
- Agreeing the conclusion of collection efforts.

Compensation for Late Payment of Invoices

Under the Late Payment of Commercial Debts Act the Company is able to claim interest and penalties for invoices that were paid late by Local Authorities. In the reporting period we instructed DELV Limited to act in this matter on our behalf. DELV Limited have reviewed the Company's electronic records and issued claims on our behalf.

The following work was undertaken in the reporting period in this regard:

- Liaising with and instructing DELV Limited regarding potential claims.
- Extracting and providing electronic records to DELV Limited.
- Reviewing periodic updates from DELV Limited and dealing with queries.

CJRS monies

As reported previously, a total sum of £130,862.16 (plus accrued interest) in respect of both EUL and BTL is currently held in a designated client account, separate to estate funds for PAYE/NIC due for April and May 2020 for furloughed staff which had been refunded to the Companies via the CJRS. Legal advice obtained previously confirmed that the funds are to be treated as an asset of the Company.

It was initially understood that it would be relatively simple to determine the appropriate split between the two estates but despite liaising with HMRC and conducting an extensive review of the Company's payroll records, it had not been possible to accurately calculate the split of funds between both BTL and EUL. As set out in my previous progress report, as no split was capable of being determined, we instructed an independent third party, Kreston Reeves LLP, to assist in this regard.

In the reporting period I have continued to liaise with Kreston Reeves LLP regarding the split of the funds between BTL and EUL, however, their final reconciliation has not yet been provided. Once their final reconciliation has been received the funds will be transferred to the estates of BTL and EUL as appropriate.

HMRC

Whilst the SOA included a VAT refund with a book value of £4,552, this was expected to be offset against the Company's pre-administration PAYE/NIC debt. However, a claim in the sum of £1,427,083 was originally received from HMRC in respect of alleged outstanding VAT. This claim related to a liability allegedly owed by the VAT Group which the Company was a member of. The Company is jointly and severally liable for any VAT Group liability along with all other members. This liability related to an assessment raised by HMRC in the absence of pre-appointment returns filed by the VAT Group. The Company was usually in a VAT repayment situation (as is evident by the VAT refund included in the SOA as an asset of the Company) so it appeared that this liability may not be correct. The Joint Administrators instructed Kreston Reeves LLP in the prior reporting period to review the available records and, where possible, submit the missing pre-Administration VAT returns to (a) extinguish the

alleged VAT liability of the VAT Group and (b) reduce HMRC's claim for dividend purposes. Unfortunately Kreston Reeves LLP advised that the Company's records were not sufficient to enable the outstanding returns to be submitted.

In view of the above, we wrote to HMRC to request that they set out the basis of their assessments and also that they re-assess the pre-Administration VAT assessments previously raised in light of the Company's pre-Administration repayment position. This was done in the hope that they would rescind the assessments and submit a revised, reduced claim. As a result of our letter, HMRC submitted a revised claim in the Administration of BTL on 3rd December 2021 which removed the VAT liability included in their initial claim. We are therefore expecting HMRC to confirm that they have no VAT claim in the Administration of the Company shortly.

The following work has been undertaken in the reporting period in this regard:

- Providing Kreston Reeves LLP with access to available Company records.
- Liaising with Kreston Reeves LLP regarding the pre-Administration tax affairs and the records available.
- Reviewing the Company's prior VAT position and issuing correspondence to HMRC in respect of their initial claim and the associated VAT assessments raised.

Whilst this work will not result in any realisations in the Administration of the Company due to there being an existing PAYE/NIC debt, it may result in realisations being achieved in the Administration of DBL. It has also resulted in the reduction of HMRC's substantial claim in the Administration of the Company for dividend purposes.

Creditors

The following work has been undertaken in order to deal with creditors:

- Maintaining up to date creditor information on the case management system.
- Dealing with creditor correspondence, emails, and telephone conversations regarding their claims.

I had to undertake the work stated in the sections above either as part of my routine administrative functions, to minimise claims in the Administration or in order to protect and realise the assets of the Company.

Routine statutory and compliance work

In addition to the above work, there is certain work that I am required by the insolvency legislation to undertake in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken in the reporting period as Joint Administrator is contained in Appendix 1.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 19th June 2021 to 18th December 2021 is attached at Appendix 2. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

Since the reporting period end date, the following transactions have taken place through the estate:

Date	Receipt	Payment	Details
24/12/2021	£0.19		Gross Bank Interest
07/01/2022		£564.10	Agent's Fees – DELV Ltd (inclusive of VAT)

Where indicated on the attached Receipts and Payments account, funds are held in an interest-bearing estate bank account.

ASSETS

The following assets have been realised or otherwise dealt with in the reporting period. Creditors should refer to my prior progress reports for details of assets realised in prior reporting periods.

Book Debts

According to the SOA, the Company had book debts with a book value of £60,661. The directors anticipated that the book debts would be realised in full.

As detailed in the Proposals and my previous progress reports, with effect from 1st August 2020, Cerberus were instructed by the Joint Administrators to pursue the collection of the remaining debts. The ledger comprised a large number of accounts with relatively small balances.

Cerberus have collected the sum of £18,009.89 between their instruction and 18th December 2021, which was all collected in prior reporting periods (albeit £12.42 was accounted to the Administration in the reporting period). No further realisations are anticipated in this regard.

The Company had entered into the BNP Facility and the book debts subject to this facility were historically paid into "blocked accounts" held by them pursuant to the terms of their security. Whilst the sums owing to BNP were discharged from receipts into these accounts and from the sale of overseas entities, Erasmus and Houtschild, with their charge over the Company being satisfied on 24th April 2020, AFC have a fixed charge over book debts and blocked account monies.

The majority of debtor recoveries have been channelled through the Company's existing bank accounts with Natwest and BNP and are therefore comprised in the sums received in respect of 'cash at bank' and 'cash held in blocked accounts' on the attached Receipts & Payments account.

Intercompany debts

The SOA included an intercompany debt with a book value of £12,045 owing by BGL. BGL originally disputed that any monies are owing to the Company and claimed that any monies owing by them were offset against monies owing to them by EUL prior to Administration. As mentioned in my prior report, BGL entered Liquidation on 4th June 2021 and a claim has been made in the Liquidation on behalf of the Company. Dividend prospects in the liquidation of BGL are unfortunately understood to be relatively nominal.

HMRC VAT refund

As advised earlier in this report, the Joint Administrators instructed accountants, Kreston Reeves LLP, to submit the missing pre-Administration VAT returns to (a) extinguish the alleged VAT liability of the VAT Group and (b) reduce HMRC's claim for dividend purposes. Unfortunately due to insufficient records Kreston Reeves LLP were unable to assist in this regard. The Joint Administrators therefore wrote to HMRC to request that they set out the basis of their assessments and also that they re-assess the pre-Administration VAT assessments previously raised. Whilst no realisations were made, as a result of our letter, HMRC submitted a revised claim in the Administration of BTL on 3rd December 2021 which removed the VAT liability included in their initial claim. We are expecting HMRC to confirm that they have no VAT claim in the Administration of the Company shortly, however, any VAT refund which may be due to the Company is expected to be offset against the existing PAYE/NIC liability.

Compensation for Late Payment of Invoices

As set out previously, DELV Limited are pursuing compensation claims against Local Authorities on our behalf for invoices that were paid late. The sum of £2,350.42 has been recovered in the reporting period in this regard. Further recoveries in this regard are expected to be a maximum of £1,600.

Gross Bank Interest

As previously reported, the principal estate bank account is interest-bearing. Gross bank interest totalling £2.87 has been received in the reporting period.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies shows that the Company has granted the following charges:

Charge Holder: AFC
Created: 09/08/2019
Delivered: 13/08/2019
Description: Fixed and floating charge

Charge Holder: AFC
Created: 24/05/2019
Delivered: 29/05/2019
Description: Fixed and floating charge

Charge Holder: BGL
Created: 17/12/2018
Delivered: 22/12/2018
Description: Fixed and floating charge

AFC previously advised that their indebtedness as at the date of Administration was £7,772,262.47, however, this has since reduced to £6,200,262.47 following receipt of further sums by AFC from other Group entities. An interim fixed charge distribution of £25,000 was paid to AFC in the reporting period. AFC also received interim fixed charge distributions totalling £3,650,000 from the Administrations of

BTL and DBL.

It is understood that there is no indebtedness to BGL. No sums have been paid or are anticipated to be paid to BGL during the Administration. As previously reported, it is understood that the Company has a claim against BGL and a claim has been submitted in BGL's liquidation in this regard.

Preferential Creditors

The statement of affairs anticipated £11,888 would be owed to preferential creditors in respect of employees' accrued holiday pay.

Following appointment, claims were received from former employees and these have been met by the Redundancy Payments Service to the extent required. The Redundancy Payments Service has submitted a preferential claim of £6,741.01 in the Administration. Where necessary, any balancing preferential claims owed to employees will be calculated prior to a dividend being paid.

Crown Creditors

The SOA included £19,595 owing to HMRC. A claim in the sum of £1,450,036.97 was originally received from HMRC in respect of alleged outstanding VAT of £1,427,083 and PAYE/NIC of £22,953.99. As previously reported, we are expecting HMRC to submit a revised claim confirming that there is no VAT liability and that their claim amounts to £22,953.99 (being the outstanding PAYE/NIC).

Non-preferential unsecured Creditors

The statement of affairs included 12 non-preferential unsecured creditors with an estimated total liability of £3,117,570.41 (which includes £3,021,099.21 owing to BTL). Of these creditors, I have received a claim from 1 creditor of £46,078.80. I have also received claims totalling £147,280.17 from 11 creditors who were not included in the statement of affairs (which includes a claim of £104,082.62 from the Redundancy Payments Service in respect of payments made to employees).

I have not received claims from 11 creditors with original estimated claims in the statement of affairs of £3,059,456.61 (which includes the sum owing to BTL of £3,021,099.21). Based on current information, it does not appear as though claims will exceed the estimated total liabilities of non-preferential unsecured creditors as per the Statement of Affairs.

DIVIDEND PROSPECTS (AND ALLOCATION OF COSTS)

To comply with SIP14, costs are required to be apportioned between fixed, floating and uncharged asset realisations. The allocation of costs to fixed charge asset realisations is subject to the approval of AFC as the fixed charge holder. Following receipt of legal advice confirming that AFC hold a valid fixed charge over the "blocked" accounts and book debts received post-administration which were historically subject to BNP's security (regardless which account they were paid into), we submitted a request to AFC to allocate certain costs to fixed charge realisations as considered appropriate. Whilst AFC have provided their agreement to the Joint Administrators' pre and post appointment remuneration being allocated to fixed charge realisations (further details of which are below), AFC are yet to provide their agreement to other appropriate costs being allocated to fixed charge realisations.

The Joint Administrators' pre and post appointment remuneration have been apportioned between fixed and floating charge realisations based on pro-rata asset realisations in line with AFC's agreement as set

out below:

Expense	Total Remuneration Approved by Creditors	Total apportioned to Fixed Charge Realisations	Total apportioned to Floating Charge Realisations
Joint Administrators' Pre-Appointment Remuneration	£12,500	£7,250	£5,250
Joint Administrators' Post-Appointment Remuneration	£60,000	£34,800	£25,200

For the purposes of the Receipts and Payments account we have, however, attributed all debt collection costs (and the BNP bank charge) to fixed charge asset realisations on the basis that AFC hold a fixed charge over book debts and blocked account monies. Further, creditors will recall that one member of staff was retained until 26th June 2020 in order to extract data relating to the Company's book debt ledger and to assist with the provision of data to the purchaser of the assets. For the purpose of the Receipts and Payments account, we have also attributed the associated costs of retaining this staff member to fixed charge asset realisations for the same reason set out above. The allocation of these costs, however, remain subject to AFC's agreement.

A summary of the dividend prospects based on current known information is as follows.

Fixed charge creditors

On 26th August 2021 an interim fixed charge dividend of £25,000 was paid to AFC. This equated to 0.4p in the £ in respect of their agreed claim of £6,200,262.47. It is anticipated that a further fixed charge dividend will be paid to AFC in due course.

Preferential creditors

Based on current information, it is anticipated that a dividend will be paid to preferential creditors. I am unable to confirm the rate of dividend until any employees' balancing preferential claims have been calculated.

Floating charge creditors

Based on current information it is anticipated that there will be insufficient funds to enable a floating charge distribution to AFC.

Unsecured creditors

No dividends have been paid to unsecured creditors to date and there are anticipated to be insufficient funds to enable such a dividend.

As previously advised, the Company gave a floating charge to AFC and the prescribed part provisions will apply. On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs of the Administration to date, the net property of the Company is £nil and therefore the prescribed part of the net property for unsecured creditors is therefore also £nil.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

The areas where I considered that further investigation was required, and which were not concluded in a prior reporting period, are as follows:

Bank Analysis

My previous report set out the work undertaken and to be undertaken in respect of the analysis of the Company's bank accounts (and transactions with various connected and unconnected parties). These analyses were undertaken to establish whether any sums could be recovered for the benefit of creditors.

The review of all Company bank accounts is now complete and our enquiries in respect of all transactions have been finalised. I can confirm that no claims have been identified in respect of the transactions which were investigated further.

My investigations into the Company's affairs are therefore now complete.

Matters requiring further investigation that may have led to potential recovery actions were identified, and the work outlined above was undertaken to further those investigations with a view to making recoveries for the benefit of the creditors.

PRE-ADMINISTRATION COSTS

On 18th February 2021 the following pre-Administration costs were approved by creditors:

Description	Total approved	Paid in total	Paid in reporting period	Balance outstanding
Joint Administrators' Remuneration	£12,500.00	£12,500.00	Nil	Nil
Valuation Agents/Marketing	£6,000.00	£6,000.00	Nil	Nil
Legal Fees and Expenses	£12,710.83	£12,710.83	Nil	Nil
PR Services	£166.50	£166.50	Nil	Nil
ERA Services	£300.00	£300.00	Nil	Nil

These costs have been paid in full, in prior reporting periods, and as detailed in the attached receipts and payments account.

As set out previously, and as agreed with AFC, certain elements of the above costs have been apportioned to, and paid from, fixed charge realisations.

JOINT ADMINISTRATORS' REMUNERATION

My remuneration was approved as a fixed fee of £60,000 for my work in respect of all categories of work in the Administration comprising the following:

- Administration
- Creditors (claims)

- Realisation of Assets
- Creditors (distributions)
- Investigations.

I have drawn £34,800 to 18th December 2021 in respect of work done for which my fees were approved as a fixed fee (all of which was drawn in the previous reporting period).

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.turpinbainsolvency.co.uk/fees-and-links>. There are different versions of these Guidance Notes, and you should refer to the most recent version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which can be found at <https://www.turpinbainsolvency.co.uk/fees-and-links>.

JOINT ADMINISTRATORS' EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

A summary of the expenses I estimated I would incur when my remuneration was authorised by the Creditors' Committee, in addition to the actual expenses incurred and paid up to 18th December 2021 (and since 19th June 2021), are as follows:

<u>Type of expense</u>	<u>Estimated expense</u>	<u>Incurred in reporting period</u>	<u>Paid in reporting period</u>	<u>Incurred to 18/12/2021</u>	<u>Paid to 18/12/2021</u>
	£	£	£	£	£
Specific bond	80.00*	-	-	80.00	80.00
Statutory advertising	75.00	-	-	167.60	167.60
Conference call costs	25.00	-	-	5.55	5.55
Legal fees**	3,412.08	Nil	-	3,412.08	3,412.08
IT fees	1,000.00	-	-	-	-
Valuation Agents	6,000.00	-	-	4,345.68	4,345.68
Debt collection agents	5,000.00	430.98***	57.80	1,350.74	919.77
Document management	500.00	-	-	-	-

PR services	203.50	-	-	203.50	203.50
Pension Services	495.00	-	-	-	-
ERA Services	425.00	-	-	575.00	575.00
Postage Costs	-	-	-	28.78	28.78
Insurance	-	-	-	366.24	366.24
Agents' Fees – DELV Ltd	-	587.61	-	587.61	-
Total	17,215.58	1,018.59	57.80	11,122.78	10,104.20

**As a result of human error, this was incorrectly estimated at £7,186 when I sought approval of my remuneration and was included as such in my prior progress reports. The estimate should have been for £80 as this expense had already been incurred when I sought approval of my remuneration. This error has been corrected in the above table to accurately reflect the position.*

***As previously reported, it should be noted that this does not include legal fees incurred in respect of providing advice on the treatment of furlough monies received and in relation to specific aspects of the security and treatment of blocked accounts (and liaising with counsel regarding the same). Such costs have been attributed directly to BTL at present, however, it is anticipated that a reconciliation will be undertaken in due course and a proportion of such fees will be directly attributable to EUL.*

****Incurred in respect of the increased rate applied to collections in the prior reporting periods (further details of which are set out later in this report).*

The costs included in the above table all relate to category 1 expenses. No category 2 expenses have been incurred or paid during the Administration.

Further, the costs included in the above table represent the accrued costs in the Administration (and reporting period), notwithstanding that they may not yet have been invoiced as certain work is ongoing.

I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

I have used the following professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Cerberus	Debt collection	Percentage of realisations
Kreston Reeves LLP	Tax advice / Accountancy Services	N/A – see comments below
DELV Ltd	Recovery of compensation for late payments	Percentage of realisations

Cerberus

Cerberus were engaged to pursue recovery of the Company's debtor ledger with effect from 1st August 2020. The work undertaken by Cerberus in the reporting period includes the following:

- Liaising with the Joint Administrators' office regarding the collectability of the ledger.
- Corresponding with debtors.
- Reporting to the Joint Administrators.

Cerberus were initially remunerated at a rate of 5% of collections received on or after 1st August 2020. As they have been required to undertake more work than they originally envisaged, and as set out in my last progress report, Cerberus previously proposed an increase in their collection fee based on 5% of collections up to 31st December 2020, 7.5% of collections from 1st January 2021 to 6th June 2021 and 10% of collections from 7th June 2021 onwards. This increase request was subsequently withdrawn and a new increased rate of 7.5% of all collections was proposed. On the basis these costs were to be paid from fixed charge debtor realisations, we sought agreement from AFC in respect of the proposed increase, and this was duly provided by AFC.

Kreston Reeves LLP

Kreston Reeves LLP were instructed in the reporting period to assist the Joint Administrators with the following:

- Reviewing the Company's pre-appointment VAT and Corporation Tax position.
- Preparing and filing outstanding VAT and Corporation Tax returns.

Unfortunately due to the lack of available records they were unable assist with resolving the pre-Administration tax position. No charges will be invoiced for their preliminary work on the basis they were unable to assist due to insufficient records.

DELV Limited

DELV Limited were engaged in the reporting period to pursue compensation claims for late payments from Local Authorities and are being remunerated at a rate of 25% of collections. The work undertaken by DELV Limited in the reporting period comprises the following:

- Liaising with the Joint Administrators regarding potential claims.
- Reviewing the Company's electronic records in respect of invoices issued to, and payments received from, Local Authorities.
- Issuing claims to Local Authorities and subsequent correspondence in this regard.
- Providing updates on claims to the Joint Administrators.

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I also confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case.

I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Joint Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Administrators' fees and the amount of any proposed expenses or expenses

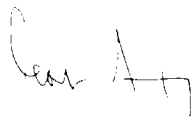
already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Turpin Barker Armstrong can be found in our Provision of Services Regulation Summary Sheet which can be found at <https://www.turpinbainsolvency.co.uk/fees-and-links>.

SUMMARY

The Administration will remain open until the matters mentioned in this report have been finalised. Once these matters have been finalised, the Administration will cease and my files will be closed.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available online, they should contact our office by email at bertram@turpinba.co.uk, or by phone on 0208 661 4019.



Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Martin Armstrong and Andrew Bailey. The Joint Administrators act as agents of the Company and contract without personal liability.

Appendix 1

1. Administration

This represents the work involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the office holders (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Regular internal video calls/meetings with staff.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holders' estate bank accounts.
- Maintaining and managing the office holders' cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing 6 monthly progress reports to creditors and members.
- Filing returns at Companies House.
- Reviewing the Company's pre and post-administration VAT and Corporation Tax position.
- Liaising with accountants regarding the Company's pre-Administration VAT and Corporation Tax records.

2. Creditors

Employees - The office holders need to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Service. The office holders are required to undertake this work as part of their statutory functions.

Claims of creditors - the office holders need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holders also need to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holders are required to undertake this work as part of his statutory functions.

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

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

Statement of Affairs £		From 19/06/2021 To 18/12/2021 £	From 19/06/2020 To 18/12/2021 £
	FIXED CHARGE ASSETS		
NIL	Goodwill and Development Costs	NIL	NIL
25,000.00	Customer Database	NIL	NIL
10,000.00	Intellectual Property	NIL	NIL
1,000.00	Domain Name	NIL	NIL
23,132.00	Cash Held in Blocked Bank Account	NIL	69,011.53
60,661.00	Book Debts (ledger)	12.42	7,899.59
		12.42	76,911.12
	FIXED CHARGE COSTS		
	Joint Administrators' Fees - Pre Appt	NIL	7,250.00
	Joint Administrators' Remuneration	NIL	34,800.00
	Debt Collection Costs	57.80	919.77
	Wages/Salaries (inc pension)	NIL	881.80
	Rent, Rates & Utilities	NIL	1,133.56
	PAYE/NIC	NIL	519.83
		(57.80)	(45,504.96)
(7,772,262.00)	FIXED CHARGE CREDITORS		
	AFC (Group Liability)	25,000.00	25,000.00
		(25,000.00)	(25,000.00)
	ASSET REALISATIONS		
28,219.00	Cash at Bank	NIL	27,353.21
	Customer Database	NIL	25,000.00
	Domain Name	NIL	1,000.00
	Gross Bank Interest	2.87	26.01
	Intellectual Property	NIL	10,000.00
NIL	Intercompany Receivable	NIL	NIL
	Late Payment Compensation	2,350.42	2,350.42
3,464.00	Prepayments and Other Receivables	NIL	NIL
NIL	Property, Plant & Equipment	NIL	NIL
NIL	VAT Refund	NIL	NIL
		2,353.29	65,729.64
	COST OF REALISATIONS		
	Agents'/Valuers' Fees	NIL	4,345.68
	Valuation Agent Fees - Pre Appt	NIL	6,000.00
		NIL	(10,345.68)
	COST OF ADMINISTRATION		
	Agents' Fees - ERA Services - Post Ap	NIL	575.00
	Agents' Fees - ERA Services - Pre Ap	NIL	300.00
	Conference call	NIL	5.55
	Insurance	NIL	366.24
	Joint Administrators' Fees - Pre Appt	NIL	5,250.00
	Legal Fees - Post	NIL	3,412.08
	Legal Fees - Pre	NIL	12,710.83
	PR Agency Fees - Post-App	NIL	203.50
	PR Agency Fees - Pre Appt	NIL	166.50
	Specific Bond	NIL	80.00
	Stationery & Postage	NIL	28.78
	Statutory Advertising	NIL	167.60
		NIL	(23,266.08)
(11,888.00)	PREFERENTIAL CREDITORS		
	Employees' Accrued Holiday	NIL	NIL
		NIL	NIL

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

Statement of Affairs £		From 19/06/2021 To 18/12/2021 £	From 19/06/2020 To 18/12/2021 £
	UNSECURED CREDITORS		
(150,707.00)	Employees - PILON and Redundancy	NIL	NIL
(19,595.00)	HM Revenue & Customs	NIL	NIL
(3,025,665.00)	Intercompany	NIL	NIL
(51,689.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(720.00)	Ordinary A Shares	NIL	NIL
(197.00)	Ordinary B Shares	NIL	NIL
(49,860.00)	Share Premium	NIL	NIL
		NIL	NIL
(10,931,107.00)		(22,692.09)	38,524.04
	REPRESENTED BY		
	Bank - Interest Bearing		23,440.86
	Bank -Current a/c:Non-Interest Bearin		6,859.77
	Input VAT		15,423.41
	Output VAT		(7,200.00)
			38,524.04

Note:

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT.

