

AM10

Notice of administrator's progress report



Companies House

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

1	Company details
Company number	0 8 6 2 4 5 7 2
Company name in full	Push Dr Limited

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

2	Administrator's name
Full forename(s)	Kerry
Surname	Bailey

3	Administrator's address
Building name/number	3 Hardman Street
Street	Spinningfields
Post town	Manchester
County/Region	
Postcode	M 3 3 A T
Country	

4	Administrator's name ^①
Full forename(s)	Christopher
Surname	Marsden

① Other administrator
Use this section to tell us about
another administrator.

5	Administrator's address ^②
Building name/number	Bridgewater House
Street	Finzels Reach
Post town	Counterslip
County/Region	Bristol
Postcode	B S 1 6 B X
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	^d 0	^d 3	^m 1	^m 2	^y 2	^y 0	^y 2	^y 1
To date	^d 0	^d 2	^m 0	^m 6	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 2	^d 7	^m 0	^m 6	^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 **Kerry Bailey**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **+44 (0) 1512 374 500**

**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

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

Statement of Affairs £	From 03/12/2021 To 02/06/2022 £	From 03/12/2021 To 02/06/2022 £
	ASSET REALISATIONS	
	The Business Information	1.00
	The benefit of the contracts	1.00
100,000.00	Fixtures and Fittings and Equipment	99,992.00
	Goodwill	1.00
100,000.00	Intellectual Property	100,000.00
	IT Systems	1.00
	Prepayments	1.00
	Pods	1.00
	Partly Completed Work in Progress	1.00
	Seller's Records	1.00
813,000.00	Cash at Bank	746,888.66
	Rent	226,934.16
482,000.00	Debtors	368,521.61
275,000.00	Prepayments & Other Debtors	NIL
	Interest Gross	252.93
	R&D Tax refund	274,439.67
	Suspense	2,280.00
		<u>1,819,317.03</u>
	COST OF REALISATIONS	
	Rent	132,041.96
	Insurance & Service Charge	29,758.50
	Administrators Fees - Pre Appointment	91,632.40
	Agents' Fees & Expenses	14,600.00
	Legal Fees & Expenses	59,354.00
	Square Health Commission	44,373.70
	Printing & Postage	671.43
	Statutory Advertising	92.00
	Insurance	2,354.20
	Bank Charges	91.80
		<u>(374,969.99)</u>
	PREFERENTIAL CREDITORS	
(339,000.00)	Preferential HMRC	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(11,407,000.00)	Trade & Expense Creditors	NIL
		<u>NIL</u>
<u>(9,976,000.00)</u>		<u>1,444,347.04</u>
	REPRESENTED BY	
	Input VAT	71,574.82
	Floating Current Account	1,448,718.47
	Trade Creditors	(45,688.37)
	Output VAT	(30,257.88)
		<u>1,444,347.04</u>



Push Dr Limited In Administration

Joint Administrators' progress report from
3 December 2021 to 2 June 2022

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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'Act'	Insolvency Act 1986
'HMRC'	HM Revenue & Customs
'Joint Administrators' or 'we'	Kerry Bailey and Christopher Marsden
'net property'	Floating charge realisations after costs and payment of preferential and secondary preferential creditors in full
'Period'	3 December 2021 to 2 June 2022
'preferential creditors'	Claims for unpaid wages earned in the four months prior to Administration up to £800, holiday pay and unpaid pension contributions in certain circumstances. Where a decision is being sought from preferential creditors these will include secondary preferential creditors
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'Proposals'	The Joint Administrators' statement of proposals for achieving the purpose of the Administration
'QFCH'	Qualifying Floating Charge Holder
'RBS'	Royal Bank of Scotland
'Rules'	Insolvency (England and Wales) Rules 2016
'Sch.B1 to the Act'	Schedule B1 to the Act
'secondary preferential creditors'	Where a company enters into Administration on or after 1 December 2020, claims for unpaid VAT, PAYE deductions, Employee National Insurance Contributions (NICs) deductions, student loan repayment deductions and amounts withheld under the construction industry scheme
'secured creditors'	Creditors whose debt is secured, in accordance with Section 248 of the Act
'SVB'	Silicone Valley Bank
'the Company'	Push Dr Limited
'the Report'	Prepared in accordance with Rules 18.3 and 18.6 of the Rules
'the Purchaser'	Square Health Limited
'unsecured creditors'	Creditors who are neither secured nor preferential

KEY INFORMATION

Background

Kerry Bailey and Christopher Marsden were appointed Joint Administrators of the Company on 3 December 2021.

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company and without personal liability.

Purpose of the Report

This is the six month Report for the period from 3 December 2021 to 2 June 2022.

The main purpose of the Report is to provide you with an update on the progress of the Administration during the Period and to update you on the pursuit of the statutory purpose of the Administration.

The Report can be reviewed in conjunction with all other reports regarding this Administration, on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the anticipated outcome for creditors, based on our current understanding of the case. Please note these figures may be subject to change.

Class of creditor	Current estimate	Previous estimate
Secured creditors	N/A	N/A
Preferential creditors	100p in the £	100p in the £
Secondary preferential creditors	100p in the £	100p in the £
Unsecured creditors	3p in the £	3p in the £

What creditors need to do

The purpose of the Report is to provide you with an update only and the creditors of the Company do not need to take any actions at this time.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Teddy Blankson
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: +44 (0)151 237 4421
Email: BRCMTNorthandScotland@bdo.co.uk
Reference: 00408536

PROGRESS IN THE PERIOD

Asset realisations

The receipts and payments account attached at Appendix C details the asset realisations during the Period.

Sale of business

As previously reported, a sale of the business and certain assets completed to the Purchaser shortly after the Administration appointment on 3 December 2021.

The consideration for the sale totalled £200k and was paid in full on completion. The consideration has been apportioned as follows:

Assets sold to Purchaser	Consideration £
Fixtures, Fittings and Equipment	99,992
Goodwill	1
Intellectual Property	100,000
IT Systems	1
Work in Progress	1
PODs	1
Prepayments	1
Sellers Records	1
Benefit of Contracts	1
Business Information	1
Total	200,000

Cash at Bank - £746,888.66

The Company operated banking facilities with SVB and RBS. The Joint Administrators contacted the Company's bankers immediately upon appointment to arrange for the transfer of funds to the Joint Administrators' bank account.

We previously reported the Company had cash at bank of £743,709 at the date of appointment with SVB. We were subsequently informed that the Company was holding further funds of £561 in a separate account and these funds were remitted to the Joint Administrators on 12 May 2022.

The Company had an outstanding bounce-back loan of £45,803 with RBS, which was set-off against the cash at bank, resulting in the sum of £2,619 being received from RBS.

The total sum of £746,888.66 has been received from SVB and RBS. No further realisations are expected.

Rent - £226,934.16

A licence to occupy was granted to the Purchaser for the leasehold property located at Arkwright House, Parsonage Gardens, Manchester, M3 2LF for a period of up to six months. Rent of £226,934.16 has been received to date in respect of this licence, which has been used to settle the rent due to the landlord under the terms of the lease.

The Purchaser gave notice on 23 May 2022 that it wished to terminate the licence to occupy and the premises were vacated on 1 June 2022. No further realisations are expected in relation to rental income.

The Joint Administrators are currently in discussions with the landlord and its agents in relation to a surrender of the lease for the leasehold property.

Debtors - £368,521.61

The Company had a debtor ledger totalling c. £642,000 at the date of appointment, which after a provision for bad and doubtful debts was estimated to realise c. £482,000.

As previously reported, the Purchaser agreed to assist the Joint Administrators with the collection of the outstanding book debts for a 15% commission fee based on a percentage of debts collected. The Purchaser's fees paid under the debt collection agreement are detailed at Appendix E.

The collection of book debts is still ongoing and realisations of £368,521.61 have been made during the Period.

The Joint Administrators, with assistance from the Purchaser, are dealing with a number of ongoing queries in relation to the remaining debtors and are continuing to review the remaining ledger's recoverability.

We anticipate further recoveries will be made, however the quantum and timing are unknown at this stage.

R&D Tax refund - £274,439.67

Prior to the Administration appointment, the Company submitted a claim for a repayment of tax of £803,000 from HMRC. This claim related to research and development tax credits for the accounting period ended 31 July 2019 ('R&D Tax').

HMRC applied set-off against the R&D Tax claim for outstanding PAYE and VAT liabilities owed by the Company of £528,561. After set-off, the Company received a tax refund of £274,439.67.

Bank Interest - £252.93

A total of £252.93 has been received during the Period in relation to Bank Interest.

Suspense Account - £2,280

The Joint Administrators have received £2,280 which were mistakenly paid to the Administrators instead of the Purchaser. The funds relate to services provided by the Purchaser in January 2022, after the sale of the business had completed. The Joint Administrators are in the process of remitting the funds to the Purchaser.

Investigations

The Joint Administrators have a duty to investigate the affairs of the Company and conduct of the directors. With respect to the investigation into the conduct of the directors, the Joint Administrators must submit a confidential statutory report to the disqualification unit of the Department for Business, Energy & Industrial Strategy. We can confirm that this report has been submitted.

The Joint Administrators are undertaking a review of the Company's affairs and assets to determine if there are any actions to be investigated for the benefit of creditors. This review is still ongoing, and any matters identified will be disclosed to creditors in future progress reports.

Distributions to creditors

Secured creditors

There are no known secured creditors in this Administration.

Preferential creditors

All employees were transferred to the Purchaser. As such, there are not expected to be any preferential claims from employees in relation to arrears of wages and holiday pay.

However, we have been made aware that there are outstanding pension contributions of circa £17,000, which will rank as a preferential creditor.

We have written to the Company's pension provider to request details of any outstanding pension contributions and the Administrators are liaising with ERA Solutions Limited, experienced employment specialists, to submit the claim on behalf of the Company's former employees.

As detailed in the return to creditors section of the Report, it is anticipated that preferential creditors will be paid in full once a claim from the pension provider is received and admitted for dividend purposes. Therefore, the timing of a dividend is currently uncertain at this stage.

Secondary preferential creditors

The Company's records indicated HMRC was owed c. £610,000 at the date of appointment in relation to outstanding VAT, PAYE and national insurance contributions. However, as previously reported, set-off has been exercised by HMRC against an accepted R&D tax reclaim in relation to a large proportion of the potential claim (£528,561). We therefore await details of HMRC's final claim in the Administration.

As detailed in the return to creditors section of the Report, it is anticipated that secondary preferential creditors will be paid in full once a claim from HMRC is received and admitted for dividend purposes. Therefore, the timing of a dividend is currently uncertain at this stage.

Prescribed Part

At the date of appointment, the Company had no outstanding floating charge security granted after 15 September 2003 and therefore the Prescribed Part will not apply in this Administration.

Unsecured creditors

The Company's records indicated unsecured creditors' claims totalled circa £13.5m. However, claims of £19,229,464 have been received to date. The increased quantum of creditor claims is largely attributable to the terms of a loan from Future Fund and associated loans from private investors totalling £10m. The Future Fund loan included a repayment clause that adds a 100% premium to the claim upon an insolvency event.

As detailed in the return to creditors section of the Report, it is anticipated that a dividend will be paid to unsecured creditors. However, the timing of any dividend is currently uncertain.

Other matters

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Administrators in this Administration.

Pre-Administration costs

Approval was obtained from the creditors on 30 December 2021 for the payment of the pre-Administration costs of £165,586, as detailed in the Proposals.

Pre-Administration costs of £91,632 in relation to Joint Administrators fees, £59,354 in relation to legal fees and expenses and £14,600 in relation to agents' fees and expenses have been paid in the Period as shown on the enclosed receipts and payments account at Appendix C.

Joint Administrators' remuneration

The Joint Administrators' remuneration was approved by the creditors on 16 May 2022 on a time costs basis in accordance with the fees estimate circulated to creditors on 28 April 2022, which totalled £274,681.70.

During the Period, time costs of £215,993.45 were incurred over 713.15 hours at an average rate of £302.87 per hour. No remuneration was drawn in the Period.

A detailed report of the time incurred by the Joint Administrators and a narrative of the work done during the Period is attached in Appendix D.

Joint Administrators' expenses

Expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

FUTURE ACTIONS

The Administration is due to end on 2 December 2022. If an extension to the Administration is required approval will be sought from the unsecured creditors.

The creditors have previously approved the Proposals and therefore prior to the end of the Administration the Company will move from Administration to Creditors Voluntary Liquidation ('CVL') and Kerry Bailey and Christopher Marsden will be appointed as Joint Liquidators.

The following matters will be undertaken before the Joint Administrators conclude the Administration and move the Company to CVL:

Book debt collection

As previously advised, the collection of the Company's outstanding book debts is still ongoing. Whilst the Joint Administrators don't anticipate that the ongoing debt collection exercise will delay the move to CVL, It is considered that additional time will be spent on this during the remainder of the Administration.

Leasehold property

The Joint Administrators are currently liaising with the respective parties to agree a surrender of the lease and obtain details of the landlord's claim in the Administration.

Investigations

Investigations into the Company's affairs and assets to determine if there are any actions to be further investigated are still ongoing. The outcome of the Joint Administrators investigations is uncertain at this stage, however, creditors will be updated in future progress reports.

Corporation Tax

A review of the Company's tax position is being undertaken to establish whether there are any available claims or reliefs that can be obtained for the benefit of creditors.

In addition, corporation tax returns will be completed for the period of the Administration.

Joint Administrators' discharge from liability

It is proposed that the Joint Administrators be discharged from liability on the registration of the notice to move from Administration to Liquidation and the final progress report with the registrar of companies. Approval will be sought from the creditors prior to the ending of the Administration.

APPENDIX A

STATUTORY INFORMATION

Information

Company name	Push Dr Limited
Company registration number	08624572
Registered office	C/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Court name and reference	High Court of Justice, Business and Property Courts in Manchester - 2021-MAN-000708
Date of appointment	3 December 2021
Appointor	The directors pursuant to Paragraph 22 of Sch.B1 to the Act
Joint Administrators	Kerry Bailey Christopher Marsden <i>Under the provisions of paragraph 100(2) of Sch.B1 to the Act the Joint Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.</i>
Joint Administrators' address	BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT
Data Control and GDPR	Kerry Bailey and Christopher Marsden are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales in the UK. The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Administration of Push Dr Limited. Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notice/insolvencies

APPENDIX B

CREDITORS' RIGHTS

Within 21 days of receipt of the Report (1) a secured creditor, (2) an unsecured creditor with the concurrence of at least 5% in value (including the creditor in question) of the unsecured creditors; or (3) any unsecured creditor with the permission of the court, may request in writing that the Joint Administrators provide further information about their remuneration or expenses which are itemised in the Report.

Within 14 days of receipt of the request, the Joint Administrators must provide all of the information asked for, unless they think that:

- the time or cost in preparing the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the Administration or might reasonably be expected to lead to violence against any person, or
- the Joint Administrators are subject to confidentiality obligations in respect of the information.

The Joint Administrators must give reasons for not providing all of the requested information.

Any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors may, within eight weeks of receipt of the Report, make an application to court that the basis fixed for the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred by the Joint Administrators, as set out in the Report, are excessive.

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Administrators' Fees' and information on the rights, duties and functions of a creditors' committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Administration. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

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

Statement of Affairs £	From 03/12/2021 To 02/06/2022 £	From 03/12/2021 To 02/06/2022 £
	ASSET REALISATIONS	
	The Business Information	1.00
	The benefit of the contracts	1.00
100,000.00	Fixtures and Fittings and Equipment	99,992.00
	Goodwill	1.00
100,000.00	Intellectual Property	100,000.00
	IT Systems	1.00
	Prepayments	1.00
	Pods	1.00
	Partly Completed Work in Progress	1.00
	Seller's Records	1.00
813,000.00	Cash at Bank	746,888.66
	Rent	226,934.16
482,000.00	Debtors	368,521.61
275,000.00	Prepayments & Other Debtors	NIL
	Interest Gross	252.93
	R&D Tax refund	274,439.67
	Suspense	2,280.00
		<u>1,819,317.03</u>
	COST OF REALISATIONS	
	Rent	132,041.96
	Insurance & Service Charge	29,758.50
	Administrators Fees - Pre Appointment	91,632.40
	Agents' Fees & Expenses	14,600.00
	Legal Fees & Expenses	59,354.00
	Square Health Commission	44,373.70
	Printing & Postage	671.43
	Statutory Advertising	92.00
	Insurance	2,354.20
	Bank Charges	91.80
		<u>(374,969.99)</u>
	PREFERENTIAL CREDITORS	
(339,000.00)	Preferential HMRC	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(11,407,000.00)	Trade & Expense Creditors	NIL
		<u>NIL</u>
<u>(9,976,000.00)</u>		<u>1,444,347.04</u>
	REPRESENTED BY	
	Input VAT	71,574.82
	Floating Current Account	1,448,718.47
	Trade Creditors	(45,688.37)
	Output VAT	(30,257.88)
		<u>1,444,347.04</u>

APPENDIX D

JOINT ADMINISTRATORS' REMUNERATION

The Joint Administrators' remuneration has been approved on a time costs basis.

Time costs of £215,993.45 have been incurred during the Period and a breakdown is detailed below together with details of the work undertaken.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs £	Av. Rate £
Steps on appointment	8.90	5.45	4.95	24.75	34.70	5.00	83.75	22,747.50	271.61
Planning and strategy	35.65	2.00	2.80	2.40	21.75		64.60	29,305.75	453.65
Statutory reporting and decisions	1.25	22.40	10.85	19.40	16.80		70.70	24,111.65	341.04
General administration	2.50	3.75	5.15	28.00	56.65	17.30	113.35	25,229.80	222.58
Assets	13.30	40.05	13.65	80.00	78.80		225.80	75,277.55	333.38
Investigations	0.45	6.85		13.65	20.50		41.45	12,176.65	293.77
Employees and pensions		1.25	0.30	3.50	4.20		9.25	2,534.10	273.96
Creditors		8.65	1.20	26.80	34.15	19.05	89.85	20,300.40	225.94
Committee	0.45						0.45	282.15	627.00
Post appointment taxation	1.25	0.20	0.75	7.40	4.35		13.95	4,027.90	288.74
TOTAL	63.75	90.60	39.65	205.90	271.90	41.35	713.15	215,993.45	302.87

Steps on appointment

- Case set up
- Initial statutory notifications and advertisements
- Initial correspondence and discussions with directors
- Information gathering
- Collection of the Company's books and records and any storage requirements
- Liaising with the Company's former professional advisors and bankers
- Taking steps to identify, gather in and protect assets
- Attending the business premises

Planning and strategy

- Case reviews
- Internal meetings and discussions regarding strategy and progression of Administration
- Review of case progression and asset recovery strategy

Statutory reporting and decisions

- Preparation of the Joint Administrators' proposals and SIP16 statement
- Obtaining approval of the Joint Administrators' proposals
- Preparation of the Joint Administrators' remuneration report
- Obtaining remuneration and category 2 expenses approval

General administration

- Setting up and ongoing maintenance and reconciliation of the Company bank account and other cashiering functions
- Dealing with press enquiries and PR matters
- Dealing with general queries

Assets

- Dealing with the sale of the business and certain assets, including post sale matters
- Arranging and monitoring of insurance of the Company's assets
- Dealing with leasehold property matters, including the licence to occupy
- Liasing with the landlord and agents and attendance at leasehold property
- Liaising with solicitors and agents regarding surrender of the lease
- Collection of trade debtors and liaising with collection agents
- Dealing with valuation and realisation of chattel assets
- Dealing with recoveries of cash held in Company bank accounts

Investigations

- Review work pursuant to the Statement of Insolvency Practice 2 including review of the Company's bank statements, books and records and the creditors' and directors' questionnaires
- Submission on the actions of the directors to the disqualification unit of the Department for Business, Energy and Industrial Strategy

Employees and pensions

- Liaising with ERA Solutions Limited regarding ERA matters and collation of information
- Dealing with former employee matters and employee tribunal issues
- Notification to the Pensions Regulator
- Liaising with pension scheme regarding contributions

Creditors

- Processing of creditors' claim forms and entering onto IPS
 - Identifying whether additional supporting evidence is required
 - Dealing with creditor enquiries
 - Dealing with shareholder/investor enquiries
-

Post appointment taxation

- Review of the Company's VAT position
- Review of the Company's CT position
- Preparation of VAT returns
- Review of sale of business and certain assets from a tax perspective

The current charge out rates per hour of staff within the firm who may be involved in working on the Administration are as follows:

Grade	£
Partner	627
Director	351-702
Senior Manager	292-585
Manager	160-427
Senior Executive	128-298
Executive	78-157
BDO LLP Tax department (max)	1,097

Cumulative time incurred to fees estimate comparison

Total time costs £215,993.45 have been incurred over the course of the Administration to 2 June 2022 as detailed below.

Activity	Estimated			Total Incurred		
	Hours	Average rate £	Time costs £	Hours	Average rate £	Time costs £
Steps on appointment	83.75	271.61	22,747.50	83.75	271.61	22,747.50
Planning and strategy	72.85	462.13	33,666.45	64.60	453.65	29,305.75
Statutory reporting and decisions	78.30	340.70	26,676.70	70.70	341.04	24,111.65
General administration	178.05	254.66	45,341.35	113.35	222.58	25,229.80
Assets	232.65	337.22	78,453.70	225.80	333.38	75,277.55
Trading	-	-	-	-	-	-
Investigations	56.45	305.10	17,222.65	41.45	293.77	12,176.65

Employees and pensions	15.75	228.95	3,605.90	9.25	273.96	2,534.10
Creditors	153.95	240.68	35,660.55	89.85	225.94	20,300.40
Committee	-	-	-	0.45	627.00	282.15
Post appointment taxation	10.80	406.00	6,922.10	13.95	288.74	4,027.90
TOTAL	907.35	302.73	274,681.70	713.15	302.87	215,993.45

The Joint Administrators are not seeking approval to draw remuneration in excess of the fees estimate at this time and have not drawn any remuneration in line with the approval given.

APPENDIX E

JOINT ADMINISTRATORS' EXPENSES

The Joint Administrators' expenses incurred and paid are detailed below.

	Estimated £	Incurred in Period 03/12/2021 to 02/06/2022 £	Total Incurred 03/12/2021 to 02/06/2022 £	Total Paid 03/12/2021 to 02/06/2022 £
Category 1				
Rent	132,041.96	132,041.96	132,041.96	132,041.96
Insurance & Service Charge	29,758.50	29,758.50	29,758.50	29,758.50
Agents' Fees & Expenses ¹	14,600.00	14,600.00	14,600.00	14,600.00
Legal Fees & Expenses ²	64,604.00	59,354.00	59,354.00	59,354.00
Square Health Commission	60,000.00	50,769.78	50,769.78	44,373.70
Printing & Postage	671.43	671.43	671.43	671.43
Statutory Advertising	92.00	92.00	92.00	92.00
Insurance	3,500.00	2,354.20	2,354.20	2,354.20
Bank Charges	-	91.80	91.80	91.80
Data Protection Fee	-	40.00	40.00	-
IT Subscription Services	-	119.90	119.90	-
Category 2				
Mileage	-	-	-	-

1. Hilco Appraisal Ltd ('Hilco') was instructed pre-appointment to assist in providing a valuation of the Company's assets in connection with the sale of the business and assets. Hilco have been paid £14,600 in relation to the valuation work undertaken on the Company's assets in connection with the sale of the business and assets. The pre-appointment costs were approved as part of the Joint Administrators Proposals.
2. Hill Dickinson LLP has been paid legal fees of £59,354 during the Period in relation to work undertaken pre-appointment on contractual negotiations, providing advice to achieve the pre-pack sale of the business and certain assets to the Purchaser and obtaining the Administration appointment. The pre-appointment costs were approved as part of the Joint Administrators Proposals.

Additional legal fees are estimated to be incurred for legal advice in relation to dealing with the surrender of the leasehold property and negotiations with the landlord. The Joint Administrators estimate the costs will be £5,250.

The other expenses shown are self-explanatory however we would specifically comment on the following expenses which were incurred and/or paid in the Period:

Rent and Insurance & Service Charge

Savills (UK) Ltd have been paid rent and service charge costs of £132,041.96 and £29,758.50 respectively during the Period in relation to the Purchaser's occupation of the leasehold property. The Purchaser vacated the premises on 1 June 2022 and no further property costs, as an expense of the Administration, are anticipated to be due following this date.

As previously reported, a licence to occupy the leasehold property has been granted to the Purchaser for a period of up to six months and rent has been paid to the Joint Administrators by the Purchaser to settle the property related costs.

The Joint Administrators are currently in discussions with the landlord and its agents in relation to a surrender of the lease for the leasehold property.

Debt Collection Costs - Square Health Commission

As previously reported, the Purchaser agreed to assist the Joint Administrators with the collection of the outstanding book debts for a 15% commission fee based on a percentage of debts collected.

The Purchaser has been paid a fee of £44,374 during the Period and is owed an additional £6,396 in relation to book debt collections during the Period.

The book debt collection exercise remains ongoing, however, we have estimated total debt collection costs of c. £60,000 when considering anticipated future recoveries.

Insurance

European Technology Risk Ltd have been paid a total of £2,354.20 during the Period in relation to medical malpractice insurance for the period 3 December 2022 to 19 April 2022.

The Administrators have not renewed the policy and do not anticipate any further costs in relation to medical malpractice insurance.

