

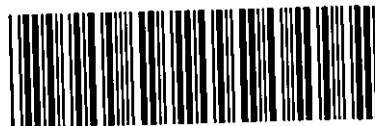
# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House

THURSDAY



\*A9G79ZUY\*

A17

22/10/2020

#242

COMPANIES HOUSE

, please  
at  
house

### 1 Company details

Company number 0 9 2 9 4 5 8 3

Company name in full Brickvest Ltd

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

### 2 Court details

Court name High Court of Justice - Business and Property Courts of England  
and Wales - Insolvency and Companies List (ChD)

Court case number C R - 2 0 1 9 - 0 0 7 3 5 8

### 3 Administrator's name

Full forename(s) Mark

Surname Supperstone

### 4 Administrator's address

Building name/number 22 York Buildings

Street John Adam Street

Post town London

County/Region

Postcode W C 2 N 6 J U

Country



AM22

Notice of move from administration to creditors' voluntary liquidation

**5 Administrator's name <sup>①</sup>**

Full forename(s)	Ben
Surname	Woodthorpe

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

**6 Administrator's address <sup>②</sup>**

Building name/number	22 York Buildings
Street	John Adam Street
Post town	London
County/Region	
Postcode	W C 2 N 6 J U
Country	

**② Other administrator**  
Use this section to tell us about another administrator.

**7 Appointor/applicant's name**

Give the name of the person who made the appointment or the administration application.

Full forename(s)	The
Surname	Court

**8 Proposed liquidator's name**

Full forename(s)	Mark
Surname	Supperstone
Insolvency practitioner number	9 7 3 4

**9 Proposed liquidator's address**

Building name/number	22 York Buildings
Street	John Adam Street
Post town	London
County/Region	
Postcode	W C 2 N 6 J U
Country	



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Notice of move from administration to creditors' voluntary liquidation

**10 Proposed liquidator's name<sup>①</sup>**

Full forename(s)	Ben									
Surname	Woodthorpe									
Insolvency practitioner number	1	8	3	7	0					

**① Other liquidator**  
Use this section to tell us about another liquidator.

**11 Proposed liquidator's address<sup>②</sup>**

Building name/number	22 York Buildings									
Street	John Adam Street									
Post town	London									
County/Region										
Postcode	W	C	2	N		6	J	U		
Country										

**② Other liquidator**  
Use this section to tell us about another liquidator.

**12 Period of progress report**

From date	d	0	d	7	m	1	m	1	y	2	y	0	y	1	y	9
To date	d	0	d	8	m	1	m	0	y	2	y	0	y	2	y	0

**13 Final progress report**

☒ I have attached a copy of the final progress report.

**14 Sign and date**

Administrator's signature

Signature:

X 

X

Signature date	d	0	d	8	m	1	m	0	y	2	y	0	y	2	y	0
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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 Oliver Hickling

Company name ReSolve Advisory Limited

Address 22 York Buildings

John Adam Street

Post town London

County/Region

Postcode W C 2 N 6 J U

Country

DX

Telephone 020 7702 9775

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

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



Our ref: ADMBV001/MS/JT/BO/OH/040

T 020 7702 9775  
F 0845 094 1160

8 October 2020

[www.resolvegroupuk.com](http://www.resolvegroupuk.com)

**TO ALL KNOWN CREDITORS**

Dear Sirs

**BRICKVEST LTD, BVTECH REALISATIONS 2020 LTD & BVSER REALISATIONS 2020 LTD  
– ALL IN ADMINISTRATION (together “the Companies”)**

Please find enclosed the Administrators' final report on the progress of the Administrations of the Companies for the period from 7 November 2019 to 8 October 2020 which should be read in conjunction with the Administrators' proposals and progress report previously sent to creditors.

**Rights of creditors**

An unsecured creditor may, with the permission of the court or with the concurrence of five per cent in value of the unsecured creditors (including the creditor in question) request further details of the 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 ten per cent in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the administrators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Should you have any queries in relation to this matter please do not hesitate to contact Bethany Osmond of this office.

Yours faithfully  
For and on behalf of  
BrickVest Ltd  
BVTECH Realisations 2020 Ltd  
BVSER Realisations 2020 Ltd



**Mark Supperstone  
Joint Administrator**

*For enquiries regarding this correspondence please contact:*

Contact name: *Bethany Osmond*  
Phone number: *020 7702 9775*  
Email: *[Bethany.osmond@resolvegroupuk.com](mailto:Bethany.osmond@resolvegroupuk.com)*

The affairs, business and property of the Company are being managed by the administrator  
Partners and staff acting as administrators, administrative receivers or supervisors act as agents of the company over which they are appointed at all times, and without personal liability  
Cameron Gunn, Mark Supperstone, Lee Manning, Chris Farrington, Ben Woodthorpe and Simon Jagger are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales  
Please refer to the firm's privacy notice setting out your rights and explaining how your data will be used. The notice can be found on our website here [www.resolvegroupuk.com/policies2/](http://www.resolvegroupuk.com/policies2/).



**BrickVest Ltd ("BV")**  
**BVTECH Realisations 2020 Ltd (formerly BrickVest Technologies Ltd) ("BV Tech")**  
**BVSER Realisations 2020 Ltd (formerly BrickVest Services Ltd) ("BV Ser")**

**All in Administration (together "the Companies")**

**Administrators' progress report**  
**For the period 7 November 2019 to 8 October 2020**

## **CONTENTS**

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2. Summary of the Administrators' Proposals
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- II Receipts and payments accounts
- III Administrators' charge out rates, disbursement policy and narrative



## 1. INTRODUCTION

As you may be aware, Mark Supperstone and Ben Woodthorpe were appointed as Joint Administrators of the Companies on 7 November 2019. This report is the Administrators' second and final report on the progress of the Administrations for the period 7 November 2019 to 8 October 2020 (the "Reporting Period"). This report should be read in conjunction with the Administrators' proposals and previous progress report (copies of which are available on request to this office free of charge).

Please find attached the statutory information relating to the Companies at **Appendix I**.

## 2. SUMMARY OF THE ADMINISTRATORS' PROPOSALS

The following proposals were all approved by the creditors via decision procedures held by correspondence on 14 January 2020:

### BV

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
  - (i) complete a sale of the business and certain assets of BVL, BVSL, BVT and BVTAL Realisations 2020 Ltd ("BVTAL") as per the Proposed Sale;
  - (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
  - (iii) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered, or
- (c) the Administration will end by the presentation of a winding up petition to the Court for the compulsory liquidation of the Company, and propose that Mark Supperstone and Ben Woodthorpe are appointed Joint Liquidators of the Company by the Court, or
- (d) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that Mark Supperstone and Ben Woodthorpe are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved.

### BV SER

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
  - (i) complete a sale of the business and certain assets of BVL, BVSL, BVT and BVTAL as per the Proposed Sale;
  - (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
  - (iii) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or





protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals

- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered, or
- (c) the Administration will end by the presentation of a winding up petition to the Court for the compulsory liquidation of the Company, and propose that Mark Supperstone and Ben Woodthorpe are appointed Joint Liquidators of the Company by the Court, or
- (d) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that Mark Supperstone and Ben Woodthorpe are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved.

## **BV TECH**

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
  - (i) complete a sale of the business and certain assets of BVL, BVSL, BVT and BVTAL as per the Proposed Sale;
  - (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
  - (iii) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered, or
- (c) the Administration will end by the presentation of a winding up petition to the Court for the compulsory liquidation of the Company, and propose that Mark Supperstone and Ben Woodthorpe are appointed Joint Liquidators of the Company by the Court, or
- (d) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that Mark Supperstone and Ben Woodthorpe are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved.

## **3. STEPS TAKEN DURING THE ADMINISTRATION**

A summary of the matters dealt with during the course of the Administrations are outlined below:

### **Initial Actions**

- Assessed the viability of continuing to trade the Companies in Administration;
- Approached various key ex-members of staff with a view to negotiating and agreeing fixed short-term consultancy contracts for an initial period to 30 November 2019 (and extended where necessary) to ensure their continued assistance in trading certain subsidiary companies, not subject to formal insolvency procedures, in order to maintain value in the Companies' assets during the sale process;
- Processed payments to the Contractors upon receipt of suitable invoices for their fees;



- Liaised with the Administrators' insurance broker, Aon to review the Companies' Pre-Administration insurance policies and obtain "open cover" insurance immediately following the Administrators' appointments;
- Liaised with the Companies' pre-appointment insurance broker, Protrean Risk;
- Instructed Aon to liaise with the pre-appointment insurance broker regarding the policies in place prior to the Administrations;
- Liaised with the landlord of the Companies' trading premises in London in relation to the ongoing occupation;
- Corresponded with the Companies' pre-appointment accountants, BDO LLP, in relation to the Companies' records and accounts;
- Liaised with the Companies' pre-appointment solicitors, CMS;
- Attended to initial statutory notifications required following the Administrators' appointments;
- Engaged advisers, ReSolve Cyber, to conduct a review of the Companies' data security and intellectual property protection measures;
- Wrote to the Companies' pre-appointment bankers, Barclays Bank Plc, regarding the credit balances;
- Liaised with the Administrators' bankers, HSBC Bank plc, in relation to the opening of new Administration bank accounts for all Companies;

#### **Sale of Business**

- Conducted a thorough marketing campaign, including drafting sales particulars, non-disclosure agreements ("NDAs"), and notifications to interested parties;
- Liaised with interested parties, their advisers and legal representatives;
- Liaised with the Companies' director, Chief Technical Officer and Chief Executive Officer to facilitate the interested parties' various due diligence requirements and meeting requests;
- Conducted an orderly process for interested parties to submit indicative offers by 28 November 2019 followed by final offers by 11 December 2019;
- Formally chose to proceed with the offer for the business and assets of the Companies put forward by Patrizia Acquisition Holding Epsilon GmbH ("the Purchaser");
- Completed a sale to the Purchaser on 3 February 2020 for £9,750,000 ("the Sale"), see section 4 below for further details;
- Instructed solicitors, CMS, to deal with various post-appointment matters, including the provision of general legal advice to the Administrators and preparation of the draft sale contracts, other sales particulars and the exclusivity agreement;
- Provided various stakeholders, including the FCA, with regular updates during the sale process;
- Engaged accountants, Blick Rothenberg, to review the proposed sale structure and provide the Administrators with taxation advice with regards to the Sale;
- Engaged agents, Hilco Appraisal ("Hilco") to provide a valuation of the Companies' business and assets;
- Engaged the Companies' pre-Administration IT provider to ensure services critical to the ongoing trade of the wider business could continue;

## Ongoing Matters

- Liaised with creditors regarding claims and enquiries;
- Drafted the Administrators' proposals and first progress report;
- Dealt with queries from various shareholders and their legal representatives;
- Held a creditors' decision procedure for each of the Companies to approve the Administrators' Proposals and agree the costs of the Administrations;
- Established a creditors' committee for BV ("the Committee") following a request from a creditor;
- Issued reports to the Committee on a monthly basis and held a number of virtual meetings to update the Committee on various matters pertaining to the sale and other potential asset recoveries;
- Requested our agents Hilco advise on a potential assignment of BV's lease to the Purchaser;
- Instructed our solicitors CMS to review the Companies' potential claims against various third parties and provide advice on recoveries;
- Wrote to the Purchaser with respect to an intercompany balance owed to BV from BV Markets Ltd (a subsidiary of BV);
- Liaised with the founder directors with respect to potential asset recoveries;
- Liaised with the landlord and the Purchaser with respect to the agreed license to occupy of the premises and chased the Purchaser for payment of the rent for the same;
- Liaised with the Special Administrators of Reyker Securities Plc (Reyker) in relation to Companies' funds held and associated claims process; and
- Addressed statutory duties associated with these Administrations.

## 4. OUTCOME OF THE ADMINISTRATIONS

Objective (b) has been achieved for each of the Companies by completing the Sale to the Purchaser. The funds realised will be sufficient to allow the Companies to exit Administration by way of a Creditors' Voluntary Liquidation (CVL) to allow distributions to unsecured creditors to be paid.

## 5. RECEIPTS AND PAYMENTS

The Administrators' receipts and payments accounts for each of the Companies for the Reporting Period are attached at **Appendix II**.

## 6. ASSETS

### Sale of the business and assets of the Companies

Further to the information provided in the Proposals, I am able to confirm that the first stage of a sale of the business and assets of the Companies was concluded on 3 February 2020 to Patrizia Acquisition Holding Epsilon GmbH for an initial sum of £9,750,000.

I can confirm the initial sale proceeds have been received in full.

The below table provides a breakdown of the assets sold for each of the Companies:

Asset	BV (£)	BV Tech (£)	BV Ser (£)	BV Tal (£)	Total (£)
IT Equipment	20,000	10,000	20,000	1	50,001
Contracts	1	1	1	1	4
Fixtures & Fittings	1	1	1	1	4



Goodwill	650,000	1	1	1	650,003
Owned IP	7,604,971	1,300,000	1	1	8,904,973
Records	5,000	5,000	1	1	10,002
Stock	1	1	1	1	4
Access to Social Media Accounts	1	1	1	1	4
Transfer Shares*	125,000	-	3	-	125,003
Transferred Data	5,000	5,000	1	1	10,002
<b>Total</b>	<b>8,409,975</b>	<b>1,320,005</b>	<b>20,011</b>	<b>9</b>	<b>9,750,000</b>

\* "Transfer Shares" includes all shares in BrickVest Markets Ltd (a subsidiary of BV), BrickVest MB1 Ltd, BrickVest MB2 Ltd and Acron Invest Ltd (subsidiaries of BV Ser) please refer to the Group Structure included with the Proposals.

A further £250,000 has been received by BV in respect of the sale shares held by BV in two regulated subsidiary companies (BrickVest REIM SAS and BrickVest IM Ltd) following the Purchaser's receipt of regulatory consent to a change of control.

Please note no further realisations are expected from the Sale.

For further information regarding the marketing process conducted following my appointment please refer to the Administrators' Proposals.

### **Assets excluded from the sale of business**

#### **Leasehold property**

The Companies operated from the following leasehold premises:

Property	Leaseholder	Status at the date of these proposals
25 Worship Street, London, England, EC2A 2DX	BV	<p>The Administrators are liaising with the Purchaser with regards to a potential assignment of the lease.</p> <p>The Purchaser is presently trading from the premises under a License to Occupy and has paid the associated rent for the period following the Sale.</p>

Hilco have confirmed the lease itself has no realisable value and as such a premium is not being sought for the assignment. The Administrators are, however, hoping to recover the rent deposit (see below).

#### **Cash at Bank**

BV and BV Ser operated bank accounts with Barclays Bank. The cash at bank position in respect on these accounts on appointment is summarised below.

Company	Amount (£)
BV	45,211
BV Ser	19,707

These sums have now been received in full.

Please note BV Tech did not operate pre-appointment bank accounts.

#### **Other assets**

As noted in the Proposals, there are certain assets that were excluded from the Sale. These assets are discussed below:

#### **BV**



### *Investment in subsidiaries*

The Company's records indicate a total balance of £1,621,663 is due with respect to investments in various group subsidiaries.

At present, realisations in this regard are uncertain, however included as part of the Sale were the shares held by BV in BV Markets, BV REIM and BV IM therefore £375,000 has been realised in this regard thus far. Furthermore, it is anticipated there may be a distribution to BV, in its capacity as a shareholder, out of the assets of BV Tech. The quantum and timing of this is uncertain at this stage.

BV's investment in BV Tal and BV Ser, is unlikely to be realisable due to the limited assets available in the Administration of these companies. The remaining entities in the group are all non-trading and are being wound down by the directors, and therefore we do not anticipate these shares to be of value.

Creditors will be kept apprised of any realisations in this regard.

### *Intercompany balances*

As the ultimate parent of the Group, BV is owed significant sums from various other group entities:

Company	Amount (£)
BV Tech	308,709
BV Tal	232,720
BV Markets	549,095
BV Ser	2,081,587
BV REIM Europe SAS	105
<b>Total</b>	<b>3,172,216</b>

Realisations in this regard are anticipated from BV Tech and BV Ser following the funds received from the Sale.

Realisations are not anticipated, however, with regards to the funds owed by BV Tal as unsecured creditors of this entity are unlikely to receive a distribution.

Demand for payment was served on the Purchaser with respect to the amount owed by BV Markets and BV REIM and negotiations in this regard are ongoing.

### *VAT*

The accounts indicated that BV is owed £31,862 with respect to a pre-administration VAT return. The Administrators, having reviewed the Company's pre-Administration bank statements, can confirm this amount was received by BV prior to the Administration.

### *Unpaid invoice*

The Company's balance sheet shows that BV is owed sum of circa £90,452 with respect to an unpaid invoice. The Administrators understand this debt is disputed and investigations are ongoing in this regard.

### *Reyker Funds*

Reyker Securities Plc entered Special Administration in October 2019 whilst holding Company funds. The Administrators have been liaising with the Special Administrators as well as the directors of the Company in relation to the amounts owed. Details of the funds held are summarised below:

Currency	Amount
GBP	130,071
EUR	6,694
CHF	5,240

The Special Administrators declared a first interim distribution to the Company in August 2020 in the sum of £108,790, being a dividend of 80 pence in the pound. This sum has been received in full. A further distribution



is expected in due course and will be accounted for in the Liquidation.

#### *R&D Tax Credit*

The Company's accounts indicated that a sum of £664,618 is due from HMRC with respect to a Research and Development Tax Credit for work completed in 2018. As previously reported, the Administrators engaged tax accountants Blick Rothenberg to assist with the recovery.

Following their initial review of the documentation and discussions with HMRC, it appears that the credit cannot be repaid and the losses surrender may be utilised to shelter taxable gains in the Administration following the Sale.

Blick Rothenberg have therefore been asked to finalise this matter with HMRC and prepare the relevant Corporation Tax returns for the post-appointment period.

#### *Deposit*

The Company's accounts indicate that a sum of £68,332 is currently being held by the landlord as a deposit for the leasehold premises in London. A return is anticipated if the proposed lease assignment to the Purchaser concludes successfully and discussions are ongoing in this regard.

A proportion of the rent deposit has been utilised to settle certain pre-administration arrears, however, the extent of the deduction has not yet been agreed between the Administrators and the Landlord. This will continue to be addressed in the Liquidation.

#### *Other Assets*

As noted in the Proposals, the director's Statement of Affairs indicated certain other assets that may be realisable during the course of the Administration. These include:

- An unpaid loan to an employee
- A claim against the Company's D&O cover for outstanding contributions to pre-administration costs, and
- Claims for discounted and unpaid shares issued prior to the Administration.

There are various other claims being considered against third parties which may also result in substantial recoveries in the Liquidation in due course.

The Administrators have begun to take steps to review the recoverability of the above but are unable to disclose further detail as some of these claims may become the subject of legal action. Creditors will be updated should recoveries be made.

#### BV Ser

##### *Investment in subsidiary*

As previously reported, the Company's records indicate a balance of £8,635 is due with respect to an investment in a subsidiary known as BrickVest Technology Europe SAS.

This entity was not trading and was not included in the Sale. The director of BrickVest Technology Europe SAS is taking steps towards its dissolution and accordingly no realisations are anticipated in this regard.

##### *Intercompany balances*

BV Ser is owed significant sums from BV Tech and BV Tal:

Company	Amount (£)
BV Tech	830,946
BV Tal	1,112,800
<b>Total</b>	<b>1,943,746</b>

It is envisaged that BV Ser will receive a distribution from BV Tech, with the distribution process to begin shortly after BV Tech enters Liquidation.

It is not anticipated that the unsecured creditors of BV Tal will receive a distribution and therefore the sum of £1.12m owed by BV Tal is not considered recoverable.

#### **VAT**

The accounts indicate that the Company is owed £24,001 with respect to a pre-administration VAT return. The Administrators are presently liaising with HMRC in this regard.

#### **BV Tech**

##### *Unpaid invoices*

From a review of the Company's balance sheet, it appears that BV Tech is owed a substantial sum of circa £2,627,121 with respect to two invoices. The Administrators understand these debts are disputed but their investigations in this regard will continue in the Liquidation.

#### **VAT**

The accounts indicate that the Company is owed £10,575 with respect to a pre-administration VAT return. The Administrators are liaising with HMRC in this regard.

##### *R&D Tax Credit*

The Company's accounts indicate that a sum of circa £500,000 is due from HMRC with respect to a Research and Development Tax Credit for work completed in 2019. Realisations in this regard are unlikely given the timing of the Administration but Blick Rothenberg are in the process of assessing this claim and whether it too can be used to shelter taxable gains in the Administration.

## **7. DIVIDEND PROSPECTS**

### **Secured creditors**

The records at Companies House indicate Companies have not granted any fixed or floating charges and as such there are no known secured creditors.

### **Preferential creditors**

There are no known preferential creditors of the Companies.

### **Non-preferential unsecured creditors**

The Statements of Affairs included unsecured creditors with a total estimated total liability of circa £8,498,882 (all companies combined). To date the Administrators have received claims from creditors totalling circa £6,027,059. A summary of which is provided below.

<b>Company</b>	<b>As per the statement of affairs (£)</b>	<b>Claims received (£)</b>
BV	4,208,730	4,338,994
BV Tech	1,213,174	830,946
BV Ser	3,076,978	857,119
<b>Total</b>	<b>8,498,882</b>	<b>6,027,059</b>

Please note that no adjudication has been completed on creditors' claims at this stage.

Based on the information to date, we anticipate that unsecured creditors of each of the Companies will receive a distribution and notices to this effect will be issued shortly after the Companies have entered Liquidation.

Where a company gives a floating charge over its assets to a lender on or after 15 September 2003, there are provisions in the insolvency legislation that require the Administrators to set aside a percentage of a company's assets for the benefit of the unsecured creditors. As detailed above, this is known as the Prescribed Part of a



company's net property.

As the Companies did not grant any floating charges the prescribed part provisions will not apply.

## 8. INVESTIGATION INTO THE AFFAIRS OF THE COMPANIES

The Administrators' undertook an initial investigation into the Companies' affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation. The Administrators took into account the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

At present the Administrators have not made a decision whether any investigations warrant bringing a claim(s) against the directors or any other third party at this stage. These investigations will continue in the Liquidations.

Within three months of the Administrators' appointment as, they are required to submit a confidential report to the Department for Business, Energy and Industrial Strategy to include any matters which have come to their attention during the course of their work which may indicate that the conduct of any past or present director would make him/her unfit to be concerned with the management of a company. The Administrators confirm that their report has been submitted.

## 9. PRE-ADMINISTRATION COSTS

The Administrators' pre Administration costs to 7 November 2019 are summarised below.

Entity	Advisor name	Description	Fee arrangement	Amount £	Paid £	To be paid £
BV	CMS	Pre-appointment work in relation to placing the Companies into Administration	Time Costs	36,790	36,790	-

As noted in the Proposals, the Administrators do not propose to seek payment for their outstanding time costs for the pre-appointment period. The Committee was therefore only asked to approve the payment of CMS' costs which were approved on 11 May 2020.

## 10. ADMINISTRATORS' REMUNERATION

The Administrators' fees in respect of BV were approved on 11 May 2020 by the Committee on the following basis:

- Fixed fee of £195,000 to be paid from the estate of BV for dealing with statutory matters and administrative requirements of the Companies as a whole (of which £100,000 is to be drawn following a distribution to unsecured creditors)
- Five per cent of the total funds received from the Sale proceeds and any cash at bank realisations, and
- A percentage of realisations for further asset recoveries, to be determined by the Committee on a case by case basis

The Administrators' fees in respect of BV Tech and BV Ser were approved by creditors on 14 January 2020 on the following basis:

- Five per cent of the total funds received from the Sale and any cash at bank realisations in each entity, and
- 15 per cent of the total funds received from any other asset realisations (excluding intercompany balances) arising from the assets not included in the Sale.

I can confirm the Administrators have drawn the following fees during the Reporting Period:



Company	Fixed fee (£)	% recovery fee (£)	Total (£)
BV	95,000	446,906	541,906
BV Tech	-	66,000	66,000
BV Ser	-	1,001	1,001
<b>Total</b>	<b>95,000</b>	<b>514,907</b>	<b>608,907</b>

A schedule of the Administrators' charge out rates, disbursement policy and a narrative description of the work undertaken in the Administration to date is attached as **Appendices III and IV**.

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/>.

The relevant creditor's guide to Administrators' Fees can be found under the heading Creditor Guides on my website at <http://www.resolvegroupuk.com/resources/>. Please note there are different versions of the guides, and in this case you should refer to the version for insolvencies after October 2015. A hard copy can be obtained on request, free of charge, from this office.

## 11. ADMINISTRATORS' EXPENSES

The following expenses have been incurred to date and have been summarised in tables below.

Category 1 disbursements are directly attributable expenses such as travelling (non-mileage), postage, statutory advertising and other expenses of the Administration and do not require approval from creditors.

Category 2 disbursements are indirect charges and require approval from creditors.

Category 1 disbursements do not require creditor approval; however, Category 2 disbursements are subject to creditor approval, please see section ten and **Appendix V** for the opportunity to approve our Category 2 disbursements.

### BV

Description	Category 1 £	Category 2 £	Total £	Paid to date £	To be Paid £	Future £
Travel - Taxi	14.00	-	14.00	14.00	-	-
Travel - Rail	88.80	-	88.80	88.80	-	-
Printing and Stationary	-	137.00	137.00	137.00	-	75.00
Postage	46.71	-	46.71	46.71	-	50.00
Bonding	1,280.00	-	1,280.00	1,280.00	-	-
Entertainment	18.55	-	18.55	18.55	-	-
Subsistence	128.11	-	128.11	128.11	-	-
IT Support	110.00	-	110.00	110.00	-	-
ReSolve Cyber Consultancy	-	2,000.00	2,000.00	2,000.00	-	-
<b>Total</b>	<b>1,686.17</b>	<b>2,137.00</b>	<b>3,823.17</b>	<b>3,823.17</b>	<b>-</b>	<b>125.00</b>

### BV Tech

Description	Category 1 £	Category 2 £	Total £	Paid to date £	To be Paid £	Future £
IT Support	110.00	-	110.00	110.00	-	-
Bonding	775.00	-	775.00	20.00	755.00	-
<b>Total</b>	<b>885.00</b>	<b>-</b>	<b>885.00</b>	<b>130.00</b>	<b>755.00</b>	<b>-</b>

### BV Ser

Description	Category 1 £	Category 2 £	Total £	Paid to date £	To be Paid £	Future £
Printing and Stationary	-	38.40	38.40	38.40	-	20.00
Postage	45.46	-	45.46	45.46	-	30.00
IT Support	135.00	-	135.00	135.00	-	-
Bonding	98.00	-	98.00	98.00	-	-
<b>Total</b>	<b>278.46</b>	<b>38.40</b>	<b>316.86</b>	<b>316.86</b>	<b>-</b>	<b>50.00</b>

## Professional advisors

The following agents or professional advisors have been utilised in this matter:

Professional advisor	Nature of work	Fee arrangement	Accrued £	Paid £	Estimated future fees £
Hilco Global	Agents/valuers	Fixed	10,000	10,000	-
CMS	Solicitors	Time Costs	240,232*	240,232	125,000
Redeker Sellner Dahs	Solicitors	Time Costs	17,416**	14,970	-
Blick Rothenberg	Accountants	Time Costs	7,500	7,500	5,000
ReSolve Cyber	Advisers	Time Costs	2,000	2,000	-

\*Inclusive of pre-appointment costs of £36,790

\*\* Fees noted in Euros

The choice of professionals was based on the Administrators' perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the Administrators' fee arrangement with them. The fees charged have been reviewed and the Administrators are satisfied that they are reasonable in the circumstances of this case.

### Hilco Global

Hilco were engaged to undertake a review and valuation of the assets of the Companies and to provide commentary and a recommendation of acceptance of the offers received.

Hilco have also been engaged to assist with an assignment of BV's leasehold premises in London to the Purchaser. Hilco has confirmed their independence and hold adequate professional indemnity insurance.

### CMS

CMS are engaged to provide legal advice on various matters in the Administrations, including, but not limited to, the following:

- Preparing and negotiating the Exclusivity Agreement and Sale documentation
- Liaising with the Purchaser's solicitors
- Advising the Administrators throughout the contract negotiations
- Dealing with various post completion matters
- Reviewing and quantifying the various claims the Companies have against third parties
- Advising the Administrators on various creditor and shareholder requests, and
- Advising on certain employee related matters.

### Redeker Sellner Dahs

Redeker Sellner Dahs were engaged to provide the Administrators with legal advice on various matters in Germany.

### Blick Rothenberg

Blick Rothenberg were engaged to provide the Administrators' with tax advice relating to the sale of the Group's shares and assets.

They were also further engaged to pursue BV's Research and Development reclaim and to prepare the post-appointment Corporation Tax returns for the Companies

### ReSolve Cyber

ReSolve Cyber were engaged to provide the Administrators' with advice relating to the preservation and protection of the Companies' technology and data assets. ReSolve Cyber are connected to ReSolve and as such approval for their fees has been sought as a Category 2 disbursement.

Whilst not requiring approval (with the exception of ReSolve Cyber), when reporting to creditors during the course of the administration the actual expenses incurred by these professional will be compared with the original estimates provided and the Administrators will explain any material differences. It should be noted that legal fees are anticipated to increase over the above estimates if it protracted legal advice is required when assessing claim(s) and or it becomes necessary to issue proceedings against parties.

## **12. FURTHER INFORMATION AND COMPLAINTS**

An unsecured creditor may, with the permission of the court or with the concurrence of five per cent in value of the unsecured creditors (including the creditor in question) request further details of the 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 ten per cent in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Should you have any comments or complaints regarding this Administration, please contact Mark Supperstone in the first instance. If you consider that we have not dealt with your comment or complaint appropriately, you may request we perform an internal independent review of your complaint. This review would be undertaken by a person within ReSolve not involved in the Administration. A request for a review can be made in writing to the Compliance Manager, ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU or by email to [Cameron.Gunn@resolvegroupuk.com](mailto:Cameron.Gunn@resolvegroupuk.com).

If you still feel that you have not received a satisfactory response then you may be able to make a complaint to the Complaints Gateway operated by the Insolvency Service. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, or you may email [ip.complaints@insolvency.gsi.gov.uk](mailto:ip.complaints@insolvency.gsi.gov.uk), or you may phone 0300 6780015. The Complaints Gateway will in turn determine if such complaint should be addressed by Mr Supperstone's and Mr Woodthorpe's regulatory body. Details of the relevant call charges and opening hours can be found here: <http://www.resolvegroupuk.com/policies2/>.

## **13. SUMMARY**

The Administrations of BV, BV Tech and BV Ser are now complete and the Companies will be placed into Creditors' Voluntary Liquidation as approved in the Proposals.

Should you have any queries in relation to this matter please do not hesitate to contact Bethany Osmond of this office.

Yours faithfully  
For and on behalf of  
BrickVest Ltd  
BVTECH Realisations 2020 Ltd  
BVSER Realisations 2020 Ltd



Mark Supperstone



## Joint Administrator

*For enquiries regarding this correspondence please contact:*

Contact name: *Bethany Osmond*

Phone number: *020 7702 9775*

Email: *[Bethany.osmond@resolvegroupuk.com](mailto:Bethany.osmond@resolvegroupuk.com)*

The affairs, business and property of the Company are being managed by the administrator

Partners and staff acting as administrators, administrative receivers or supervisors act as agents of the company over which they are appointed at all times, and without personal liability

Cameron Gunn, Mark Supperstone, Lee Manning, Chris Farrington, Ben Woodthorpe and Simon Jagger are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales

Please refer to the firm's privacy notice setting out your rights and explaining how your data will be used. The notice can be found on our website here [www.resolvegroupuk.com/policies/](http://www.resolvegroupuk.com/policies/)

## APPENDIX I

Statutory and other information			
	BVL	BVT	BVSL
<b>Court details:</b>	High Court of Justice Business and Property Courts of England and Wales, Insolvency and Companies (ChD)	High Court of Justice Business and Property Courts of England and Wales, Insolvency and Companies (ChD)	High Court of Justice Business and Property Courts of England and Wales, Insolvency and Companies (ChD)
<b>Full name:</b>	BrickVest Ltd.	BrickVest Technology Ltd	BrickVest Services Ltd
<b>Trading name(s):</b>	N/A	N/A	N/A
<b>Registered number:</b>	09294583	11691346	09804141
<b>Registered offices:</b>	c/o ReSolve, 22 York Buildings, London WC2N 6JU	c/o ReSolve, 22 York Buildings, London WC2N 6JU	c/o ReSolve, 22 York Buildings, London WC2N 6JU
<b>Former registered offices:</b>	25 Worship Street, London, England, EC2A 2DX	25 Worship Street, London, England, EC2A 2DX	25 Worship Street, London, England, EC2A 2DX
<b>Appointors:</b>	The Court	The Court	The Court
<b>Company directors (current):</b>	Emmanuel Lumineau	Emmanuel Lumineau	Emmanuel Lumineau
<b>Date of the Administrators' appointments</b>	7 November 2019	7 November 2019	7 November 2019
<b>Division of the Administrators' responsibilities:</b>	For the purpose of paragraph 100(2) of Schedule B1, the Administrators may exercise any of the powers conferred on them by IA86 jointly or individually	For the purpose of paragraph 100(2) of Schedule B1, the Administrators may exercise any of the powers conferred on them by IA86 jointly or individually	For the purpose of paragraph 100(2) of Schedule B1, the Administrators may exercise any of the powers conferred on them by IA86 jointly or individually
<b>Objectives being pursued by the Administrators:</b>	B	B	B
<b>Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on Insolvency Proceedings (recast):</b>	The regulation applies to this administration and these proceedings are main proceedings	The regulation applies to this administration and these proceedings are main proceedings	The regulation applies to this administration and these proceedings are main proceedings

APPENDIX II

RECEIPTS AND PAYMENTS ACCOUNTS

BRICKVEST LTD: 7 NOVEMBER 2019 TO 7 OCTOBER 2020

	Statement of Affairs	07-Nov-19 to 06-May-20	07-May-20 to 08-Oct-20	Total Receipts/ Payments To Date
	£	£	£	£
<b>SALE OF BUSINESS</b>				
Access to Social Media		1	-	1
Contracts		1	-	1
Fixtures & Fittings		1	-	1
Goodwill		650,000	-	650,000
IT Equipment		20,000	-	20,000
Owned IP		7,604,971	-	7,604,971
Records		5,000	-	5,000
Stock		1	-	1
Transfer Shares		125,000	250,000	375,000
Transferred Data		5,000	-	5,000
	Uncertain	8,409,975	250,000	8,659,975
<i>Direct transaction costs</i>				
Advertising		245	-	245
Contribution to costs		132,959	-	132,959
Insurance		15,000	-	15,000
IT Contractors		40,341	-	40,341
Sub-contractors		101,000	69,000	170,000
		8,120,430	69,000	8,301,430
<b>ASSET REALISATIONS</b>				
Sale proceeds net of direct transaction costs	Uncertain	8,120,430	181,000	8,301,430
Funds from Reyker Securities		-	108,790	108,790
Bank Interest Gross		2,280	3,875	6,155
Cash at Bank	18,112	45,211	-	45,211
Other Refunds		21	-	21
	18,112	8,167,942	293,665	8,461,607
<b>PAYMENTS</b>				
Legal Fees		213,721	54,027	267,748
Office Holders' Fees		515,499	25,490	540,988
Office Holders Expenses		918	905	1,823
Rents Payable		-	25,849	25,849
Professional Fees		19,500	14,839	34,339
Statutory Advertising		85	-	85
		749,723	121,110	870,832
<b>Balance (receipts less payments)</b>				<b>7,590,774</b>

Represented by

Administrators' case bank account, floating (non-interest bearing)

7,541,493

Net VAT receivable/(payable)

49,281

**TOTAL CASH IN HAND**

**7,590,774**

Mark Supperstone  
Joint Administrator



**BVTECH REALISATIONS 2020 LTD: 7 NOVEMBER 2019 TO 7 OCTOBER 2020**

	Statement of Affairs	07-Nov-19 to 06-May-20	07-May-20 to 08-Oct-20	Total Receipts/ Payments To Date
	£	£	£	£
<b>SALE OF BUSINESS</b>				
Access to Social Media		1	-	1
Contracts		1	-	1
Fixtures & Fittings		1	-	1
Goodwill		1	-	1
IT Equipment		10,000	-	10,000
Owned IP		1,300,000	-	1,300,000
Records		5,000	-	5,000
Stock		1	-	1
Transferred Data		5,000	-	5,000
	-	1,320,005	-	1,320,005
<i>Direct transaction costs</i>				
IT Contractors		171,873	-	171,873
		1,148,132	-	1,148,132
<b>ASSET REALISATIONS</b>				
Sale proceeds net of direct transaction costs	-	1,148,132	-	1,148,132
Bank Interest		1	9	10
Service charge		10,000	-	10,000
	-	1,158,132	9	1,158,141
<b>PAYMENTS</b>				
Companies House Filing		10	-	10
Legal fees		26,125	30,618	56,743
Office Holders Fees		66,000	-	66,000
Office Holders Expenses		130	-	130
Professional Fees		7,812	-	7,812
Statutory Advertising		85	-	85
Sundry Expenses		83	-	83
		100,245	30,618	130,863
<b>Balance (receipts less payments)</b>				<u>1,027,279</u>

<b>Represented by</b>	
Administrators' case bank account, floating (non-interest bearing)	1,003,906
Net VAT receivable/(payable)	23,373
<b>TOTAL CASH IN HAND</b>	<u>1,027,279</u>

Mark Supperstone  
Joint Administrator



**BVSER REALISATIONS 2020 LTD: 7 NOVEMBER 2019 TO 7 OCTOBER 2020**

	Statement of Affairs	07-Nov-19 to 06-May-20	07-May-20 to 08-Oct-20	Total Receipts/ Payments To Date
	£	£	£	£
<b>SALE OF BUSINESS</b>				
Access to Social Media		1	-	1
Contracts		1	-	1
Fixtures & Fittings		1	-	1
Goodwill		1	-	1
IT Equipment		20,000	-	20,000
Owned IP		1	-	1
Records		1	-	1
Stock		1	-	1
Transfer Shares		3	-	3
Transferred Data		1	-	1
	<b>Uncertain</b>	<b>20,011</b>	<b>-</b>	<b>20,011</b>
<i>Direct transaction costs</i>				
IT Contractors		4,136	-	4,136
		<b>15,875</b>	<b>-</b>	<b>15,875</b>
<b>ASSET REALISATIONS</b>				
Sale proceeds net of direct transaction costs	Uncertain	15,875	-	15,875
Cash at Bank	17,582	18,707	-	18,707
Bank Interest	-	-	37	37
Service charge	-	25,000	-	25,000
	<b>17,582</b>	<b>59,582</b>	<b>37</b>	<b>59,619</b>
<b>PAYMENTS</b>				
Legal fees		386	-	386
Companies House Filing		10	-	10
Office Holders Fees		1,001	-	1,001
Office Holders Expenses		317	-	317
Statutory Advertising		85	-	85
		<b>1,798</b>	<b>-</b>	<b>1,798</b>
<b>Balance (receipts less payments)</b>				<b>57,821</b>

<b>Represented by</b>	
Administrators' case bank account, floating (non-interest bearing)	61,636
Net VAT receivable/(payable)	(3,815)
<b>TOTAL CASH IN HAND</b>	<b>57,821</b>

Mark Supperstone  
Joint Administrator





## APPENDIX III

### ADMINISTRATORS' CHARGE OUT RATES, DISBURSEMENT POLICY AND NARRATIVE

#### Administrators' charge out rates

The Administrators are remunerated on a time cost basis. Charge-out rates used are appropriate to the skills and experience of a member of staff and the work that they perform. Time is recorded in six minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work.

The hourly charge-out rates used on this case are as follows. Please note that the rates increased on 1 January 2020:

Staff grade	Rate per hour from 1 January 2020 (£)	Rate per hour from 30 April 2018 (£)
Principal	625 - 755	550 - 755
Director	515	450
Senior Manager	435	395
Manager	375	350
Assistant Manager	305	305
Senior Administrator	255	255
Administrator	220	220
Junior Administrator	175	175

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of ReSolve Advisory Limited.

#### Disbursement policy

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling (non-mileage), postage, statutory advertising and other expenses made on behalf of the assignment.

Indirect charges (Category 2 disbursements) require separate approval and the basis of charging these is as follows:

- Photocopying 20 pence per sheet
- Mileage 45 pence per mile



## **Narrative of work carried out:**

### **Administration and Planning**

#### **Case planning**

- Preparing the documentation and dealing with the formalities of appointment.
- Review of Companies records.
- Liaising with the directors throughout the appointment process.
- Considering the employee position of the Companies.
- Case planning and administration.

#### **Cashiering**

- Dealing with the day to day management of the internal cash books.
- Making payments and dealing with receipts.
- Reconciling the Companies' bank accounts.

#### **General administration**

- Statutory notifications and advertising.
- Case bordereau.
- Preparing the documentation required.
- Dealing with all routine correspondence.
- Liaising with insurers regarding initial cover.
- Updating the Insurers with respect to the disposal of assets.
- Maintaining physical case files and electronic case details.
- Liaising with the Companies' directors regarding provision of information.

### **Creditors**

#### **Unsecured**

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

### **Investigations**

- General investigation into the Companies' affairs.
- Statutory investigation into the directors' conduct, including preparation and submission of required reports.
- Liaising with Department of Business, Energy and Industrial Strategy
- Liaising with certain creditors regarding commentary regarding the Companies' conduct

### **Realisation of Assets**

#### **Sale of business / assets**

- Liaising with Hilco and ReSolve Cyber regarding the securing, valuation and sale of Company assets.
- Marketing the business and assets for sale.
- Liaising with interested parties.
- Arranging for meetings with management and technological demonstrations.
- Liaising with BDO with respect to the Companies accounts and engaging them to provide updated accounts to assist the Purchaser.
- Correspondence with Hilco regarding recommendations of acceptance on the offers received for the Companies' assets.
- Inviting binding offers for the Companies' assets.
- Considering offers, discussing the same with CMS.
- Instructing CMS to prepare the Exclusivity Agreement
- Review and negotiation with solicitors in respect of sale documentation.
- Providing further information to the interested parties.
- Liaising with solicitors throughout.
- Progressing the Sale through to completion; and
- Internal correspondence and meetings regarding assets.



#### Book debts

- Liaising with the directors in relation to the Companies' book debts.
- Emails and correspondence with existing employees regarding outstanding amounts due to each Companies.
- Preparing correspondence to the Purchaser to seek to recovery of amounts due.

#### Leasehold property

- Liaising with the landlord, Hilco and CMS regarding the ongoing occupation of the premises.
- Dealing with the License to Occupy and invoicing the Purchaser for the associated rent and service charges.
- Liaising with the Purchaser and Hilco with respect to an assignment of the lease.

#### Other assets

- Dealing with the recovery of the excluded assets.
- Liaising with the founder directors and other ex-members of staff with regards to the potential further assets available to the Companies.
- Collating the required information to review the recoverability of these various assets.
- Considering CMS' and Redeker's advice upon review of the same.

#### Statutory

- Preparation and delivery of all statutory documentation.
- Informing Companies House of the Administrations.
- Liaising with solicitors regarding appointment documentation.
- Internal discussions in relation to the timings of the appointment and preparing for the appointment.
- Dealing with statutory issues required under IA86, IR 2016 and the Statements of Insolvency Practice.

### Comments on narrative

Some of the above work (administration and planning, creditors, investigations and statutory matters) do not give direct financial benefit to the creditors, but we have to undertake it in order to meet our requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that we must follow.

### *Prospective disclosure:*

- What work will be done (to finalise the Administrations and subsequent Liquidations):
  - Declare, calculate and pay a distribution to unsecured creditors of the Companies
  - Submit VAT returns to HM Revenue & Customs
  - Submit post appointment corporation tax returns
  - Continue to investigate and pursue (if applicable) the further assets and claims
  - Continue to liaise with the Committee for BV
  - Finalise investigations into Companies' affairs and directors' conduct
  - Continued administration and planning tasks, including, but not limited to, periodic case reviews and internal compliance matters
  - Various cashing matters, including arranging the payment of the Administrators' and subsequent Liquidators' fees
  - Preparing the cases for closure and seeking clearances, where applicable, and
  - Statutory requirements including reporting to creditors and filing documentation with Companies House.
- Why it is necessary
  - Certain of the above matters saw the recovery of funds to the Company's estate or sought to recover sums for the benefit of the estate
  - Ensured good compliance and governance of the case, whilst also complying with the Administrator's statutory obligations.
- How much it will cost (both fees and expenses)
  - It is uncertain what further costs will be incurred as the percentage fee basis is linked to future asset recoveries. Future expenses of £500 are anticipated.
- "Whether it is anticipated that the work will provide a financial benefit to creditors and if so what anticipated benefit (or if the work provides no direct financial benefit, but is required by statute)"
  - Certain of the above matters are considered to result in recovery of funds for the benefit of the Company's estate. However, certain of the tasks (i.e. administration and planning, creditors, investigations and statutory matters) are not considered to result in a financial benefit but are required under statute.

*Retrospective disclosure:*

- What work has been done
  - Drafted letters and notified creditors of the Administration
  - Notified the Court and Companies House
  - Marketed the Companies' businesses and assets for sale
  - Liaised with interested parties
  - Facilitated meetings between interested parties and management
  - Organised technological demonstrations of the software
  - Maintained operations whilst the Companies' businesses and assets were marketed and a sale negotiated
  - Engaged Hilco to provide a valuation of the Companies' assets and recommendation of sale
  - Considered offers for the Companies' business and assets
  - Engaged CMS to draft sale documentation and advice the Administrators in respect of the transaction
  - Completed the Sale
  - Secured the Companies' books and records
  - Drafted and issued the Administrators' proposals
  - Liaised with the Companies' pre-appointment bankers in respect of the cash at bank
  - Recovered cash at bank
  - Established a Creditors' Committee in BV
  - Reported to the Committee
  - Held Committee meetings and responded to ad hoc queries from members
  - Liaised with the directors regarding investigation matters
  - Conducted investigations into the Companies' affairs
  - Reported on the directors conduct to the Department for Business, Energy and Industrial Strategy
  - Reviewed the Companies' books and records to determine the existence of any other assets
  - Liaised with the landlord
  - Met ongoing rental obligations from the license to occupy fee
  - Continued to liaise with the Purchaser with respect to the second stage of the Sale
  - Completed the second stage of the Sale
  - Liaised with the Special Administrators of Reyker Securities plc
  - Liaised with Blick Rothenberg with respect to the recovery of the R&D reclaim and post-appointment Corporation Tax returns
  - Liaised with CMS and Redeker Sellner Dahs with regards to asset recoveries and potential claims
  - Liaised with BDO and the Purchaser with respect to post-sale amendments to the accounts
  - Negotiated with the Purchaser for the recovery of the intercompany debt owed to BV
  - Sought legal advice from CMS with respect to the TUPE process undertaken by BV
  - Submitted VAT returns to HM Revenue & Customs
  - Corresponded with creditors, shareholders and their legal representatives, where necessary
  - Maintained correspondence records
  - Continued administration and planning tasks, including, but not limited to, periodic case reviews and internal compliance matters
  - Cashiering matters, and
  - Statutory requirements including reporting to creditors and filing documentation with Companies House.
- Why it was necessary
  - Certain of the above matters saw the recovery of funds to the Company's estate or sought to recover sums for the benefit of the estate
  - Ensured good compliance and governance of the case, whilst also complying with the Administrators' statutory obligations.
- How much it has cost (both fees and expenses)
  - In accordance with the Administrators' proposed remuneration in this matter it is proposed that these matters be completed under a mixed fees basis of fixed fee and percentage of realisations and therefore the Administrators' time costs analysis has not been included.
- "Whether the work has provided a financial benefit to creditors and if so what benefit (or if the work provided no direct financial benefit, but is required by statute)"



- Certain of the above matters have resulted in or sought to recover funds for the benefit of the Company's estate. Thereby resulting in funds being available for preferential creditors. However, certain of the tasks (i.e. administration and planning, creditors, investigations and statutory matters) are not considered to result in a financial benefit but are required under statute.