

AM25

Notice of court order ending administration



Companies House

SATURDAY



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18/05/2019

#166

COMPANIES HOUSE

1 Company details

Company number 0 9 3 7 5 9 2 0
Company name in full Cambridge Analytica (UK) Limited

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

2 Administrator's name

Full forename(s) Vincent John
Surname Green

3 Administrator's address

Building name/number 4 Mount Ephraim Road
Street Tunbridge Wells
Post town Kent
County/Region
Postcode T N 1 1 E E
Country

4 Administrator's name ①

Full forename(s) Mark
Surname Newman

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

5 Administrator's address ②

Building name/number 4 Mount Ephraim Road
Street Tunbridge Wells
Post town Kent
County/Region
Postcode T N 1 1 E E
Country

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

AM25

Notice of court order ending administration

6 Administration end date

End date

d	1	d	7	m	0	m	4	y	2	y	0	y	1	y	9
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7 Date of court order

Court order date

d	1	d	7	m	0	m	4	y	2	y	0	y	1	y	9
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8 Attachments

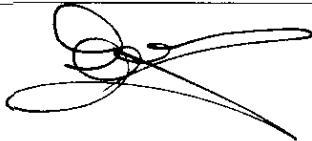
- ☒ I have attached a copy of the court order
- ☒ I have attached a copy of the final progress report

9 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	1	d	6	m	0	m	5	y	2	y	0	y	1	y	9
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IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INSOLVENCY AND COMPANIES LIST (ChD)

CR-2018-006683

IN THE MATTER OF THE INSOLVENCY ACT 1986

AND IN THE MATTER OF **CAMBRIDGE ANALYTICA (UK) LIMITED (IN ADMINISTRATION)**
(CRN 09375920)

Before The Honourable Mr Justice Norris on 17th April 2019

ORDER

UPON the Order of Mr Justice Hildyard appointing Vincent John Green and Mark Newman, of Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE and Riverside House, 40 – 46 High Street Maidstone, Kent ME14 1JH, as joint administrators of CAMBRIDGE ANALYTICA (UK) LIMITED (CRN 09375920) ("**the Company**") with effect from 3.30pm on 3 May 2018 ("**the Administration Order**")

AND UPON THE PETITION of Vincent John Green and Mark Newman, as the Joint Administrators of the Company ("**the Joint Administrators**"), presented to this Court on 13 August 2018 ("**the Petition**")

AND UPON HEARING Catherine Addy QC and Mark Watson-Gandy of counsel on behalf of the Joint Administrators and Andreas Gledhill QC and Eleni Dinenis on behalf of Professor David Carroll, of 29 Tiffany Place, Apartment 1K, Brooklyn, New York NY 11231, United States of America, a person claiming to be a creditor of the Company, in opposition to the Petition

AND UPON THE COURT being satisfied that the EU Regulation on Insolvency Proceedings applies to these proceedings and that these proceedings are main proceedings within the meaning of Article 3 of the Regulation

IT IS ORDERED THAT:

1. The Administration Order appointing the Joint Administrators in respect of the Company do cease to have effect as at 11pm 17th April 2019.
2. The Joint Administrators be released as administrators of the Company and discharged from liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986 28 days after the date of filing of their final progress report to creditors as Joint Administrators.
3. The Company be wound up by this Court under the provisions of the Insolvency Act 1986.
4. Mr Vincent John Green and Mr Mark Newman be appointed as joint liquidators of the Company pursuant to section 140 of the Insolvency Act 1986 with effect from the date of this Order.
5. Pursuant to section 231 of the Insolvency Act 1986, any act required or authorised under any enactment to be done by the liquidator may be done by either or both of the joint liquidators.
6. The Joint Administrators' costs of the Petition be paid as an expense of the liquidation.
7. Subject to any further order of the Court pursuant to paragraph 9 below, the Joint Administrators' costs of the application made by Professor Carroll dated 9th November 2018 ("**the Disclosure Application**") which were reserved pursuant to the order of Deputy Insolvency and Companies Court Judge Barnett dated 7th December 2018 be paid as an expense of the liquidation.
8. The Joint Administrators' costs of dealing with any questions arising on their final report and of complying with the direction for written submissions in paragraph 9 and 10 below shall (subject to further order) be paid as an expense of the liquidation.

9. Without prejudice to paragraphs 6 and 7 above, the issue of whether Professor Carroll should be ordered to pay any of the Joint Administrators' costs of the Petition and the incidence of the reserved costs of the Disclosure Application be determined by reference to written submissions (such submissions in each case to be of no more than 10 pages in length) to be made to Mr Justice Norris as follows (and subject to any direction by the Judge that there should be an oral hearing following receipt the same):
- a. By 4.30pm on 13th May 2019 the Joint Administrators and Professor Carroll shall file and exchange their written submissions;
 - b. By 4.30pm on 27th May 2019 the Joint Administrators and Professor Carroll shall file and exchange their written submissions in reply.
10. Any application to this court for permission to appeal shall be determined on written submissions, unless the court orders otherwise, with the time for doing so to be extended to 4.30pm on 13 May 2019 on the following terms:
- a. Any such application shall be made by separate written submissions which are to be filed and served upon the Joint Administrators by no later than 4.30pm on 13th May 2019;
 - b. The Joint Administrators shall file and serve any written submissions in answer by 4.30pm on 27th May 2019.
11. If permission is refused, pursuant to CPR rule 52.12(2), the time for Professor Carroll to make any application for permission to appeal to the Court of Appeal is extended to 4.30pm on the date 21 days after the determination of the application under paragraph 10 above.

Dated:

Service of this Order:

The Court has provided a sealed copy of this Order for service to the Petitioners' solicitors:

Underwoods Solicitors, 79 Marlowes, Hemel Hempstead, Hertfordshire, HP1 1LR



High Court of Justice - 2018/003695

**Cambridge Analytica (UK) Limited
(In Administration)**

Final Progress Report to 17 April 2019

**Vincent John Green
Mark Newman**

**Crowe U.K. LLP
4 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1EE**

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1. INTRODUCTION

On 3 May 2018, Vincent John Green and Mark Newman of Crowe U.K. LLP were appointed Joint Administrators of Cambridge Analytica (UK) Limited ("the Company") by the High Court. The affairs, business and property of the Company were managed by the Joint Administrators who acted as agents of the Company and contracted without personal liability.

As Joint Administrators of the Company, Vincent John Green and Mark Newman were officers of the Court, and performed their duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which was to achieve one of the three objectives set out in the insolvency legislation, namely to:

- (a) rescue the Company as a going concern; or
- (b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

The Joint Administrators considered the first objective. However, the first objective could not be achieved as no purchaser could be found for the shares of the Company having regard to the adverse publicity, the actions of the Information Commissioner's Office ("the ICO") and the withdrawal or withholding of projects by the Company's clients.

The second objective, this being in accordance with the application for the Administration Order, was that the Joint Administrators explore the opportunity of securing a sale of the business assets of the Company as a going concern so that a better result for the Company's creditors as a whole would be achieved than if the Company was wound up. In a winding-up by the Court, the Secretary of State would apply fees which would become payable by the Company. It was this objective in particular that the Joint Administrators endeavoured to achieve.

The Joint Administrators instructed Lambert Smith Hampton ("LSH or the Agents") as agents and valuers to assist with the marketing of the business assets which was undertaken at short notice. The Agents attended the Company's trading premises and met with the Joint Administrators and the Company's remaining management team with a view to preparing a sales campaign to endeavour to find a buyer for the business assets. This proved difficult due to the absence of credible accounting records to include within a sales prospectus.

The third objective could only be achieved if sufficient value was achieved from asset realisations to make a distribution to the preferential creditors. For the avoidance of doubt, the Company has no secured creditors and this objective was not sought.

The insolvency legislation has a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. As set out in the Joint Administrators' Proposals, with the Administration objective not being achievable, it was proposed that the Company be converted to a Compulsory Liquidation and the making of application to the Court for a winding-up order. On 11 July 2018, the matter was put to a vote of the creditors and the resolution in favour of making this application was passed by a majority.

Following the circulation and approval of the Joint Administrators' Proposals the Joint Administrators presented petitions to the High Court of Justice on 13 August 2018 in respect of the U.K. subsidiaries over which Vincent Green and Mark Newman were appointed Joint Administrators (being, the Company, SCL Group Limited; SCL Elections Limited; SCL Analytics Limited; SCL Social Limited and SCL Commercial Limited ("the U.K. subsidiaries")) for the following relief:

- (i) That the Administration Orders be discharged pursuant to paragraph 79(1) of Schedule B1 to the Insolvency Act 1986 ("Sched B1" and "the Act" respectively) – in circumstances where the Joint Administrators have concluded that the purposes of administration cannot be achieved in relation to the Companies;
- (ii) That the Joint Administrators be released as Administrators of the Companies and discharged from liability pursuant to paragraph 98 of Sched B1;
- (iii) Compulsory winding up orders be made in respect of each of the Companies on the grounds that they are unable to pay their debts; and
- (iv) The Joint Administrators be appointed as Joint Liquidators, pursuant to Section 140 of the Act ("the S.140 appointment").

An application fee cost of £280 plus the payment of Petition costs of £1,680 have been incurred in order to facilitate the petition for winding-up by the Court. These funds were transferred to Underwoods Solicitors, acting on behalf of the Joint Administrators' in this matter, to accompany the submission of the petition.

Following the application, a contingent creditor sought to oppose the S.140 appointment and requested the production of documents put before the Judge at the hearing at which the said Administration Orders were made. The hearing to place the Company in Liquidation was scheduled for 10 October 2018. However, following the applications made by the contingent creditor, the hearing was adjourned by the Court, taking the hearing out of the winding-up list and placed on the general company list. The hearing was subsequently relisted for Friday 7 December 2018.

The Joint Administrators had remained of the view that it was not incumbent upon them to obtain, collate and provide all of those requested materials to the contingent creditor and that it would not be appropriate to deploy the Company's resources in doing so. However, on 6 December 2018, the Joint Administrators received the contingent creditor's third witness statement from which it was considered that the substance of the contingent creditor's objections to the proposed appointment of Vincent John Green and Mark Newman as Joint Liquidators had materially altered. In particular, it became apparent that the Joint Administrators themselves might wish to refer to some of those materials in order to answer particular allegations that had been made.

In those circumstances, at the hearing on 7 December 2018 (which was a hearing initially listed in respect of the Joint Administrators' Petitions), the Joint Administrators consented to the provision of information requested by the contingent creditor and the Judge ordered that the Joint Administrators' petitions be adjourned to a date to be fixed, to be listed to be heard by a High Court Judge.

Consequently the matter was heard by a High Court Judge on 18 March 2019, who subsequently approved the appointment of the Joint Administrators' as Joint Liquidators, pursuant to S.140 of the Act, with effect from the date of the Order, being 17 April 2019. The Judge did not accept the claims made against the Joint Administrators.

It was further ordered that the Administration Order appointing the Joint Administrators in respect of the Company ceases to have effect as at 11pm on 17 April 2019, with the Joint Administrators to be released as administrators of the Company and discharged from liability pursuant to paragraph 98 of Sched B1 to the Act 28 days after the date of filing of their final progress report to creditors as Joint Administrators.

This Progress Report summarises the progress of the Administration since the last report and also the duration of the Administration ("the Review Period").

Statutory information relating to the Company is attached at **Appendix 1**.

2. ADMINISTRATION AND PLANNING

The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progression of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks can be found at **Appendix II**.

Reporting

The Joint Administrators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

- Issuing the Joint Administrators' Proposals, seeking relevant creditors' approval and issuing notice of the outcome;
- Drafting and issuing a six monthly progress report;
- Preparation and submission of three witness statements to support the winding-up petition and the High Court hearings.

Other administrative tasks

During the Review Period, the following material tasks in this category were carried out:

- Informing all relevant persons of the commencement of the Administration, including filing statutory documents at Companies House and meeting statutory advertising requirements;
- Conducting periodic case reviews to ensure that the Administration is progressing efficiently, effectively and in line with statutory requirements;
- Maintaining case files, including documenting decisions made by the Joint Administrators that materially affect the Administration.

The Information Commissioners Office ("the ICO")

Under the terms of a warrant to enter and search premises granted by the High Court on 23 March 2018, representatives of the ICO removed any documents or other material that may have provided evidence of offences under section 55 of the Data Protection Act 1998. The ICO attended the premises at 55 New Oxford Street, London ("the Premises") and the server hosting sites. The U.K. subsidiaries' file servers were removed together with all laptops and electronic data storage devices at the Premises at the time of the ICO's attendance.

At the date of Administration the file servers and laptops were still being held by the ICO and the government department had been communicating with the Company's representatives and appointed solicitors. The ICO were seeking, amongst other information, login scripts and passwords to commence their review.

Immediately upon their appointment the Joint Administrators made contact with the ICO to obtain copies of the notices served on the Company and to obtain a list of the equipment seized. Through Underwoods and also direct communications with the ICO, consents were given where possible and appropriate, for the data held on the electronic equipment to be imaged, this facilitated the return of the computer hardware to the Company. Following agreement with the ICO and the provision of necessary consents, the ICO returned the majority of the laptops on 14 May 2018. However, the file servers are still held by the ICO.

Following further and continuing communications with the ICO, it is now clear to the Joint Administrators that the delay in the file servers being provided relates more to the ICO's investigation lasting longer due to the quantity of data held being far greater than could have anticipated rather than any wish to withhold the servers. It is understood that the devices seized held approximately 700 terabytes of information which is understood to be the equivalent to 52.5 billion pages of data.

In particular and without wishing to prejudice the ICO's investigations, through various endeavours the Joint Administrators have located and provided key information relevant to data platforms, log in scripts, and passwords. The Joint Administrators have had a number of meetings with the ICO and there has been a sharing of relevant information.

No data has been processed by the Joint Administrators, this matter was dealt with in the case of *Smith v The Information Commissioner, re Southern Pacific Loans Ltd* (2014) 2 WLR 1067. In this matter, the Court held that the Liquidators were not Data Controllers within the meaning of the Data Protection Act in respect of data processed by the company prior to its Liquidation. These principles apply to the Joint Administrators and consequently the Joint Liquidators.

The absence of the file servers has contributed to the difficulties encountered by the Joint Administrators in ascertaining credible financial information of the Company.

Correspondence continues to be held with the ICO with regard to their ongoing investigation and the recovery of the Company's file servers.

3. ENQUIRIES AND INVESTIGATIONS

During the Review Period, the Joint Administrators carried out a limited initial review of the Company's affairs in the period prior to and immediately following the Joint Administrators' appointment. This included seeking information and explanations from the director (and senior employees) by means of questionnaires; making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The director provided the books and records and a completed questionnaire as well as a Statement of Affairs.

The information obtained from this process enabled the Joint Administrators to meet their statutory duty to submit a confidential report on the conduct of the directors (past and present) to the Insolvency Service.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have had past dealings with the Company.

This initial assessment revealed matters that the Joint Administrators considered merited further investigation.

The Joint Administrators investigated the accounting and other information of the Company with a view to enhancing the extent of realisations. These investigations will continue in the Liquidation by the Joint Liquidators. So not to prejudice the outcome of any recovery action that may yet be taken by the Joint Liquidators, we are unable to release any additional information.

Following the conversion to Liquidation, the Joint Liquidators will be assisted with their investigation by the Public Interest Official Receiver. The Public Interest Official Receiver is a civil servant in The Insolvency Service. The Insolvency Service itself is part of the Government Agency, The Department for Business, Energy and Industrial Strategy.

4. REALISATION OF ASSETS

The Joint Administrators' Receipts and Payments account is attached at **Appendix III**. There have been no realisations during the Review Period.

Detailed below is key information about asset realisations and the Joint Administrators' strategy, however more details about the work undertaken can be found at **Appendix II**. The Joint Administrators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Valuation and marketing of the business and assets

On 29 May 2018, a valuation of the assets of the Company was received from the Agent, being an independent firm of valuers, qualified by the Royal Institution of Chartered Surveyors ("RICS"), who have confirmed that they hold Professional Indemnity Insurance.

The valuation was prepared in accordance with the RICS Valuation – Global Standards 2017 and the International Valuation Standards 2017 and was prepared on the basis of Market Value, which is defined by RICS Valuation Professional Standards as:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.

The valuation of the assets was completed in contemplation of a sale, both as forming part of the assets of a continuing business and a close down and piecemeal disposal under restricted marketing conditions.

Following the Joint Administrators' instructions, the Agents attended the Company's premises and met with the remaining management team with a view to preparing a sales campaign to try and find a buyer for the business.

The Agents prepared an 'email taster' along with a sales prospectus, albeit this was limited due to the lack of any credible accounting information. The email taster was forwarded to approximately 18,000 parties on the Agent's buyers database. The opportunity was also listed on the Agent's website under their Business for Sale section and social media in the form of Twitter was also used to bring the sale to public attention and it was listed on the Agent's LinkedIn page which resulted in a further 429 views.

The Agent also completed online searches for direct competitors and identified a further 52 companies. These companies were subsequently emailed details of the business opportunity. Where email addresses could not be obtained a 'cold calling' operation was undertaken to try to ascertain their possible interest.

The Company's management team and workforce also provided details of a number of parties they felt could be interested. The Agents made attempts to directly contact each, and sent details of the business opportunity where possible.

A number of parties approached the Joint Administrators directly and their details were sent on to the Agents who subsequently forwarded them the sale prospectus.

All interested parties were required to complete and return a non-disclosure agreement to the Agents before further provision of information, other than that contained within the email taster.

In total 13 completed non-disclosure agreements were returned and sales details were sent out. Following this a number of meetings took place, in the U.K. and via conference calls with interested parties situated abroad.

The final date for offers to be received was at 4:00p.m. on 21 May 2018. However, at 3:30pm on 21 May 2018, an expression of further interest was received and the Joint Administrators therefore provided an extension to the deadline to 22 May 2018. Overnight, the last minute interest expressed fell away.

Four offers were received as follows:

- £1 for the business and IPR
- £10,000 / £15,000 for the assets of the company
- £1 for the name 'Cambridge Analytica'.
- £300 for the name 'Cambridge Analytica'.

The Agents advised that the offers received were all at disappointing levels, this being attributed to the restrictions resulting from the ICO action (their removal of the majority of the IT equipment), and correspondence with various overseas enforcement agencies which prevented the sale of the laptops and servers and data. The sum of the offers were also affected by the lack of any credible accounting information. The Agents recommended that the offers should not be accepted and that the assets still available for sale should be realised by private treaty with all IT equipment scheduled and delivered to the Administrators office pending the release of the various injunctions and notices etc.

The Agents confirmed that they had not previously acted for the Company in respect of its property, plant or machinery and thus were able to confirm their independence. The Agents also confirmed that they carry adequate PI insurance cover.

Assets to be dealt with in the Liquidation

Investments, Bank accounts and Trade debtors

The director included investments, bank accounts and trade debtors in his Statement of Affairs but did not show any book value attributable to these assets and consequently no realisable value.

SCL Elections Limited

According to the director's Statement of Affairs, the book value balance due from SCL Elections Limited is £100, with an estimated to realise value of nil.

Following communications with the director, it is understood that this may relate to unpaid share capital and remains subject to review by the Joint Liquidators.

Recovery of Legal Costs

The Joint Liquidators will endeavour to recover the legal costs incurred as a result of the opposition of the contingent creditor to the Joint Administrators' petition to Court.

The Joint Liquidators are currently pursuing the legal costs incurred. However, so not to prejudice the outcome of any recovery action that may yet be taken by the Joint Liquidators, the Joint Administrators are unable to release any additional information at this stage.

5. CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Administrators have had to carry out key tasks which are detailed at **Appendix II**. The following sections explain the anticipated outcomes to creditors.

Secured Creditors

The Company has not granted any charges over its assets.

Preferential Creditors

The Company had no employees and instead relied upon the resources of staff employed by SCL Elections Limited. Upon receiving confirmation from the Agents that no acceptable offers had been made relating to the sale of the business assets, the Joint Administrators had no alternative but to terminate the employment contracts for all members of staff of SCL Elections Limited

As the Company had no employees, there are therefore no known preferential creditors.

Unsecured Creditors

According to the director's Statement of Affairs, the director has shown no unsecured creditors.

To date claims from 9 unsecured creditors (excluding HMRC) have been received totalling £41,406. All 9 claims totalling £41,406 were received from creditors not included on the director's Statement of Affairs.

Please be advised that proofs of debt may still be received and therefore the total value of unsecured claims is not known at present.

Contingent Claims

Please note that of the 9 claims submitted by creditors not included on the director's Statement of Affairs, 8 were received from 'contingent creditors' each asserting that they had claims for misuse of data (which are at the present time unproven) worth between £5,000 and £20,000.

HMRC

HMRC was not including in the directors statement of affairs. However, a claim has been received from HMRC specifically in the name of the Company in the sum of £141,235.32. However, the Company is part of a group VAT registration. Other than the Company, the VAT Group consists of SCL Elections Limited, SCL Social Limited and SCL Commercial Limited ("the VAT Group").

A claim has been received from HMRC in respect of the VAT Group in the sum of £301,130.03, £141,235.32 of which relates to VAT. It is currently being determined how much relates solely to the Company and not the other members of the VAT Group. A breakdown of the claim submitted is currently awaited.

The remaining £159,894.71 claimed by HMRC relates to direct taxes, being PAYE and Corporation Tax. A breakdown has been requested, but to date the only response has been advised that the majority (no exact sums have been provided) relates to PAYE rather than Corporation Tax. Considering the Company had no employees, it is therefore assumed that the majority of the remaining £159,894.71 claimed by HMRC does not relate to the Company.

Dividend Prospects

The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently the prescribed part provisions do not apply.

Any dividend to the unsecured creditors is dependent upon the recoverability of assets, the costs of Administration and the subsequent Liquidation and the other outstanding matters detailed within the body of this report. Accordingly, it is currently uncertain whether funds will be available to pay a dividend to the unsecured creditors.

6. FEES AND EXPENSES

Pre-Administration Costs

Under the terms of the Administration Order it was ordered that the pre-Administration costs be settled as a cost of the Administration.

All costs were settled by a third party, Emerdata Limited ("Emerdata"), the ultimate parent company, to enable the application for the Administration Order.

The following statement sets out the pre-Administration costs incurred and relates to all the U.K. subsidiaries:

Professional Advisor	Nature of Work	Paid
Tiger Law Ltd	Legal Advice/Administration Application	£27,854.80
Law Abroad Limited t/as Underwoods Solicitors	Legal Advice & Counsel Disbursements	£33,944.76
Total		£61,799.56

Of the £33,944.76 paid to Underwoods, an amount of £12,000.00 relates to Counsel's fees.

As stated above, prior to the commencement of the Administration, Crowe U.K. LLP assisted the director with the preparation of estimated outcome comparison statement to accompany the director's witness statement, as required as part of the application for an Administration Order. Additionally, the options available to the Company and the U.K. subsidiaries were confirmed and advice was given to the director about the financial difficulties and the options available to help determine an appropriate course of action. The agreed fixed fee for the U.K. subsidiaries was £25,000 plus VAT and this has been fully settled by Emerdata.

Crowe U.K. LLP also assisted the Board in taking the appropriate steps to place the Company into Administration. This task, together with some of the other tasks mentioned above, are required by statute or regulatory guidance, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

The Joint Administrators' Fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or partner.

The Joint Administrators' fees were approved by creditors on 11 July 2018 on a fixed fee basis of £25,000 plus VAT.

As previously reported, an amount of £221,792.50 was paid directly by Emerdata to a client account operated by Crowe U.K. LLP. These monies were advanced to partially discharge the Joint Administrators' fees for each of the U.K. subsidiaries. An amount of £9,643.15 has been paid from these funds, relating to the Company.

A further £359,450.00 has been paid directly by Emerdata to a client account operated by Crowe U.K. LLP. From these monies £8,566.87 plus VAT has been paid to partially discharge the Joint Administrators' fees, relating to the Company. £60,000.00 remains held in the client account operated by Crowe U.K. LLP and is due to be discharged to meet further legal and counsel fees incurred in the Review Period.

The balance of these funds was utilised to partially discharge the Joint Administrators fees in relation to the other five Administrations and to discharge legal and Counsel costs incurred. Further information can be found at **Appendix IV**.

Other than the above sum paid by Emerdata, the Joint Administrators have not drawn any funds in respect of their fees agreed on a fixed basis from asset realisations.

The fixed fee balance amounting to £6,789.98 remains due to be paid.

Expenses & Disbursements

The expenses and disbursements incurred and paid in the period since the last report and also since the commencement of the Administration are detailed at **Appendix IV** together with a comparison to the expenses that were estimated at the outset of the Administration.

The category 1 disbursements paid in the in the Review Period total £2,561.10 and represent the reimbursement of actual out of pocket payments made in relation to the Liquidation.

The recovery of Category 2 disbursements was approved by creditors on 11 July 2018. No category 2 expenses have been incurred in the Review Period.

Unpaid Fees & Expenses

Any unpaid fees and expenses of the Joint Administrators are charged on and payable out of the Company's property. As such, the Joint Liquidators will be responsible for discharging these sums from the assets and funds handed over to them by the Joint Administrators.

Guidance in respect of insolvency practitioners' fees is available to download at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

Information about insolvency processes can be found on the R3 website at:

<http://www.creditorinsolvencyguide.co.uk/>

A hard copy of this guidance information will be provided on request.

Crowe U.K. LLP's charge out rate and disbursements policy is attached at **Appendix V**.

7. CREDITORS' RIGHTS

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

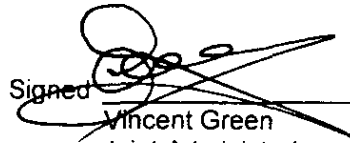
An unsecured creditor may, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to Court to challenge the amount and/or basis of the Joint Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

8. CONCLUSION

Attached at **Appendix VI** is a summary of the Joint Administrators' Proposals as approved. There have been no material deviations from the Proposals.

The Company has now moved from Administration to Compulsory Liquidation. The Joint Liquidators will continue to pursue the remaining assets and progress other matters described in this report. There is currently a nil balance in the Joint Administrators' account. However, should funds be received prior to the opening of the Insolvency Service's Liquidation account, the funds, together with control of the remaining assets yet to be realised and claims to be progressed will be transferred to the Joint Liquidators.

Should you have any queries, please contact Joe Longhurst at this office.

Signed 
Vincent Green
Joint Administrator

Date 16 May 2019

Appendix I**Statutory Information**

Company Name	Cambridge Analytica (UK) Limited
Former Trading Name	SCL USA Limited
Company Number	09375920
Registered Office	4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Former Registered Office	c/o PKF Littlejohn LLP, 1 Westferry Circus, London, W11 4RD
Joint Administrators	Vincent John Green and Mark Newman
Joint Administrators' address	Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Joint Administrators' telephone	01892 700 200
Date of appointment	3 May 2018
Court Name and reference	High Court of Justice No.: 2018-003695

Appendix II

List of Work Undertaken in Review Period

Administration:

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical/electronic case files (as applicable).
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment (as applicable).
- Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
- Preparing, reviewing and issuing proposals to the creditors and members.
- Filing the proposals at Companies House.
- Circulating decisions by correspondence information to all known creditors to consider the Joint Administrators' proposals.
- Reporting on the outcome of the decisions by correspondence and circulating a record of decisions to the creditors, Companies House and the Court.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing progress reports to creditors and members, if appropriate.
- Filing progress reports at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Preparing, reviewing and issuing a final progress report to creditors and members.

Creditors:

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Dealing with a significant volume of email communications from members of the public regarding alleged misuse of data.

Realisation of assets:

- Instructing agents to value known assets.
- Liaising with agents to realise known assets.
- Instructing solicitors to assist in the realisation of assets.

Investigations:

- Recovering the books and records for the case.
- Listing the books and records recovered.
- Submitting an online on the conduct of the directors as required by the Company Directors Disqualification Act.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties.
- Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.

- Seeking information and explanations from the director relating to asset and financial matters.
- Endeavouring to reconcile SAGE and NetSuite accounting records to establish the financial position of the Company.
- Reconciliation of the Company's bank accounts with the Company's accounting records.
- Making enquires of the Company's interim financial accountant regarding financial transactions, employee matters and physical and intangible assets.
- Making enquiries of the Company's accountants and bookkeepers.
- Reviewing information received from creditors.
- Collecting and examining the Company's bank statements, accounts and other records.
- Instructing specialist IT agents to secure and confidentially collect information held on the Company's IT systems and platforms for investigative purposes.
- Liaising with specialist IT agents to interrogate information held on the Company's IT systems and platforms.

Case Specific Matters:

- Communications with U.S. Attorneys, representatives of U.S. subsidiaries (including the US Trustees) and authorities in the U.S.
- Liaising with law enforcement agencies worldwide.
- Dealing, considering and responding to legal matters and enquiries.
- Making enquires of the director regarding various matters including press enquiries, the ICO investigation, financial transactions, employee matters and physical and intangible assets.
- Dealing with substantial media coverage and responses.
- Responding to the significant number of Subject Access Requests received.
- Meeting and liaising with solicitors regarding the winding up petition.
- Meeting and liaising with counsel regarding the winding up petition.
- Preparing and filing witness statements to accompany the winding up petition and in response to various opposing applications made.
- Attendances at Court regarding the winding up petition.
- Dealing with press regarding the winding up petition.

Cambridge Analytica (UK) Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

**Statement
of Affairs
£**

**From 03/11/2018
To 17/04/2019
£**

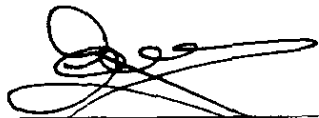
**From 03/05/2018
To 17/04/2019
£**

REPRESENTED BY

NIL

NIL

NIL



Vincent John Green
Joint Administrator

Expenses Information

The Joint Administrators have also used the following agents or professional advisors since their appointment as Joint Administrators:

Professional Advisor	Nature of Work	Basis of Fees	Original Estimate	Amount Accrued	Paid by Third Party	Paid by other U.K. subsidiary	Paid from Asset Realisations	Amount still to be paid
Lambert Smith Hampton Group Ltd	Valuer	Time Costs & Disbursements	£23,205.00	£25,222.12	£21,705.00	£3,517.12	-	-
Back Row IM Limited	Financial Accountancy	Time Costs & Disbursements	£19,423.43	£22,756.76	£22,756.76	-	-	-
Information Protection Solutions Ltd	Storage Costs	Time Costs & Fixed Fee	£750.00	£5,173.50	£877.00	£3,451.50	-	-
US Attorney Legal Costs	Legal Advice	Uncertain	£5,500.00	-	-	-	-	-
GWT Media Limited	IT Specialists	Uncertain	£1,250.00	£3,940.00	£1,440.00	£2,500.00	-	-
Law Abroad Limited t/as Underwoods Solicitors	Legal Advice & Counsel Disbursements	Time Costs & Disbursements	£45,655.70	£285,407.71	£165,394.06	£56,682.10	-	£63,331.55
Total			£95,784.13	£342,500.09	£212,172.82	£66,150.72	£0.00	£63,331.55

The above sums are exclusive of VAT.

The choice of professionals was based on the Joint Administrators' perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. The Joint Administrators also considered that the basis on which they will charge their fees represented value for money. The Joint Administrators have reviewed the charges they have made and are satisfied that they are reasonable in the circumstances of this case.

The agents and professional advisors costs as detailed in the column named "Paid by Third Party" above have to be settled by a third party, namely Emerdata Limited, the group parent company.

The agents and professional advisors costs as detailed in the column named "Paid by other U.K. subsidiary" above have to be settled by other U.K. subsidiaries, in this case all funds within this column have been discharged by SCL Elections Limited. For the avoidance of doubt, the costs discharged by SCL Elections Limited have been of direct benefit to SCL Elections Limited and have only been of benefit to the Company and the other U.K. subsidiaries as a consequence.

The column named "Paid from Asset Realisations" funds have been paid out of asset realisations in respect of these costs.

As previously advised, LSH were instructed as agents and valuers to assist with the marketing of the business assets. Information relating to the work undertaken on the Joint Administrators' behalf is included in the body of this report. Sums accrued by LSH in relation to the exploration of the opportunity to sell the U.K. subsidiaries as a going concern have been paid by a third party, namely Emerdata Limited. The sums paid by other U.K. subsidiary, being SCL Elections Limited, relate to time costs and a 10% realisation fee in the marketing and sale of office furniture & equipment. It is understood that the office furniture & equipment was paid for and owned by SCL Elections Limited.

Back Row IM Limited, being engaged by the U.K. subsidiaries prior to the involvement of the Joint Administrators were retained by the Joint Administrators to complete a financial review of the U.K. subsidiaries. The costs relate solely to work completed post appointment for the period ended 24 May 2018. The sums accrued by Back Row IM Limited relate to the all the U.K. subsidiaries and have been paid by a third party, namely Emerdata Limited.

We are required to take the Company's and the U.K. subsidiaries' books and records under our control. The Joint Administrators engaged Information Protection Solutions Ltd in the collection, archival and listing of boxed records. The remaining sums due were paid by another U.K. subsidiary, being SCL Elections Limited.

Of the aforementioned £359,450.00 paid directly by Emerdata to a client account operated by Crowe U.K. LLP, £877 plus VAT was paid to Information Protection Solutions Ltd.

To date, no US Attorney legal costs have been incurred.

IT Specialists, GWT Media Ltd, were engaged by the Joint Administrators' in association with the secure and confidential collection of the Company's Gmail accounts and its provision in a format intended for further investigation by the Joint Administrators. The sums due were paid by another U.K. subsidiary, being SCL Elections Limited.

Of the aforementioned £359,450.00 paid directly by Emerdata to a client account operated by Crowe U.K. LLP, £1,440 plus VAT was paid to GWT Media Ltd in association with the secure and confidential collection of the Company's Gmail accounts, its provision in a format intended for further investigation and their advice relating to the Company's IT systems. The remaining sums due were paid by another U.K. subsidiary, being SCL Elections Limited.

The Joint Administrators instructed Solicitors, being Underwoods, to assist them during the post Administration period. The work undertaken on the Joint Administrators' behalf is included in the body of this report. However, for the avoidance of doubt, legal advice has been provided to the Joint Administrators in regards to claims made against the Company and the U.K. subsidiaries prior to and also during the Administration mostly relating to the alleged misuse of data, communications with the ICO, clarity on the position of the Joint Administrators not being Data Controllers, on the strategy of the Administrators, general employment advice, legal advice on the Joint Administrators' Proposals, assistance with applications to Court to place the U.K. subsidiaries into Compulsory Liquidation and legal advice on the legal action against the Company in relation to an alleged failure to comply with the Enforcement Notice.

Of the £165,394.06 paid by Emerdata to Underwoods, £70,375.00 relates to Counsel's fees. Of the £56,682.10 paid by another U.K. subsidiary, being SCL Elections Limited, £10,875 relates to Counsel's fees.

Of the aforementioned £359,450.00 paid directly by Emerdata to a client account operated by Crowe U.K. LLP, £153,517.38 plus VAT has been paid to Underwoods Solicitors in respect of legal and counsel fees incurred.

The remaining £85,140.42 plus VAT (of the £359,450.00 paid by Emerdata) has been paid to partially discharge the Joint Administrators' fees and expenses, relating to the other U.K. subsidiaries.

In addition to the sums paid to Underwoods in the Review Period, the Joint Administrators understand further accrued costs in the sum of £63,331.55 plus VAT, for work completed in relation to the Administrations, have been incurred by Underwoods (of which £35,000 relates to Counsel's fees). However, the invoice has not been approved by the Joint Administrators on behalf of any of the U.K. subsidiaries.

Expenses do not have to be approved, but when reporting to creditors during the course of the Administration the actual expenses incurred will be compared with the original estimate provided and we will explain any material differences (e.g. where legal costs rise due to escalated recovery action).

In this case, legal costs have been incurred above those originally estimated, primarily as a result of the application of the contingent creditor as mentioned in the body of this report.

Disbursement Information

The following category 1 expenses have been incurred and paid by the Joint Administrators since their appointment:

Type of expense	Original Estimate	Amount accrued	Amount Paid	Amount Paid by Third Party	Amount still to be paid
Petitioners Deposit	Uncertain	£1,600.00	£0.00	£1,600.00	£0.00
Specific Bond	£20.00	£20.00	£0.00	£20.00	£0.00
Court Fees	Uncertain	£280.00	£0.00	£280.00	£0.00
Redirection of Mail	Uncertain	£507.00	£0.00	£507.00	£0.00
Statutory Advertising	£538.55	£115.65	£0.00	£115.65	£0.00
Postage	£500.00	£24.45	£0.00	£24.45	£0.00
Online Reporting Fee	Uncertain	£14.00	£0.00	£14.00	£0.00
Total	£1,058.55	£2,561.10	£0.00	£2,561.10	£0.00

The postage disbursement as detailed in the column named "Amount Paid by Third Party" above has been settled by a third party, namely Emerdata Limited, the group parent company as part of the £359,450.00 paid directly by Emerdata.

The Joint Administrators are permitted to charge and recover what are known as category 2 expenses. Information about category 2 expenses is set out in our practice fee recovery policy, following approval by creditors on 11 July 2018. No category 2 expenses have been incurred or paid in the Review Period.

CROWE U.K. LLP

RECOVERY SOLUTIONS

CHARGE-OUT RATES AND DISBURSEMENTS

The table below sets out the charge-out rates utilised by Recovery Solutions at Crowe U.K. LLP for charging staff time:-

Partner	£375 per hour
Director	£290 per hour
Senior Manager/Manager	£210 to £250 per hour
Assistant Manager	£180 per hour
Senior Administrator	£165 per hour
Administrator	£125 per hour
Trainee/support staff	£65 per hour

It should be noted that the above rates may increase from time to time over the period of the administration of each insolvency case. The above rates are effective from 1 April 2018. Time is charged in six minute units.

Category 1 disbursements are charged at the actual cost at which they are incurred and are directly attributable to the case. Category 1 disbursements include statutory advertising, specific bond insurance, external records storage and postage. Reimbursement of Category 1 disbursements does not require the approval of creditors.

Category 2 disbursements are those incurred by Crowe U.K. LLP and re-charged to the case and they may include a profit element. Category 2 disbursements are reimbursed from the case only when the basis of the disbursement charge has been approved by creditors in advance.

It is the firm's policy to recover the following disbursements:

Photocopying	Re-charged at 10p per sheet
Internal room hire	Charged at £50 per meeting held in house
Company searches	£15 per corporate case
Mileage	Charged at 45 pence per mile

GUIDES TO FEES AND BEST PRACTICE

Guidance in respect of insolvency practitioners' fees is available to download at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

Information about insolvency processes can be found on the R3 website at:

<http://www.creditorinsolvencyguide.co.uk/>

Appendix VI

Summary of the Joint Administrators' Proposals

- i). That the Administrators' proposals be approved; being
 - 1. Steps are taken to convert the Administration of the Company into a Compulsory Liquidation and that the Joint Administrators be appointed as Joint Liquidators.
 - 2. In respect of proposal 1, Vincent John Green and Mark Newman be authorised to act either jointly or separately in undertaking their duties as Liquidators.
- ii). That the Administrators' fees be approved on a fixed fee basis of £25,000 plus VAT;
- iii). That the Administrators be permitted to recover category 2 disbursements.

AM25

Notice of court order ending administration



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 **Joe Longhurst**

Company name **Crowe U.K. LLP**

Address **4 Mount Ephraim Road**

Tunbridge Wells

Post town **Kent**

Country/Region

Postcode **T N 1 1 E E**

Country

DX

Telephone **01892 700200**



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 all 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