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### 1 Company details

Company number 0 9 4 1 3 2 5 9

Company name in full Wefarm Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Benjamin

Surname Wiles

### 3 Administrator's address

Building name/number Kroll Advisory Ltd.

Street The Shard

32 London Bridge Street

Post town London

County/Region

Postcode S E 1 9 S G

Country United Kingdom

### 4 Administrator's name ①

Full forename(s) Geoffrey

Surname Bouchier

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Kroll Advisory Ltd.

Street The Shard

32 London Bridge Street

Post town London

County/Region

Postcode S E 1 9 S G

Country United Kingdom

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report


### 6 Period of progress report

From date	<div><div>d</div><div>1</div></div>	<div><div>d</div><div>6</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>8</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>2</div></div>	
To date	<div><div>d</div><div>1</div></div>	<div><div>d</div><div>5</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>2</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>3</div></div>	

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's signature	<div>Signature</div> <div><div>X</div></div> <div>X</div>								
Signature date	<div><div>d</div><div>1</div></div>	<div><div>d</div><div>4</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>3</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>3</div></div>	

**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 **Sangeevan Sivathas**

Company name **Kroll Advisory Ltd.**

Address **The Shard**

**32 London Bridge Street**

Post town **London**

County/Region

Postcode 

S	E	1		9	S	G
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Country **United Kingdom**

DX

Telephone **0207 089 4700**

**Checklist**

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

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# Progress Report to Creditors

14 March 2023

## Wefarm Limited (In Administration)

Joint Administrators' Progress Report for the period from 16 August 2022  
to 15 February 2023

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## **1. Introduction**

On 16 August 2022, Benjamin Wiles and Geoffrey Bouchier were appointed as Joint Administrators of the Company by the Directors of the Company.

The appointment was filed in the High Court of Justice, Business and Properties Court in London, Insolvency and Companies Court (ChD) and the court reference number is 2657 of 2022.

The progress report provides an update on the Administration of the Company. It should be read in conjunction with the Joint Administrators' Statement of Proposals.

The Joint Administrators have also explained their future strategy for the Administration and the prospects of any dividend being paid to each class of creditor.

You will find other important information in this progress report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached in Appendix 8.

Please also note that an important legal notice about this progress report is attached at Appendix 9.

## **2. Creditor Summary**

This progress report covers the Reporting Period.

### **Summary of Proposals**

- The Joint Administrators' Proposals for achieving the purpose of the Administration namely achieving a better result for the Company's creditors than would be likely if the Company were wound up (without first being in Administration) were deemed to be approved by creditors on 14 October 2022 without modifications.
- A copy of the Statement of Proposals is available on the Creditors' Portal and the approved Proposals are reproduced at Appendix 2. There have been no major amendments to or deviations from these Proposals.

### **Progress to Date**

- The Joint Administrators have completed the Sale Transaction and received the sale consideration paid in respect of the Wefarm application and software development documentation.
- The Company's cash at bank balances and computer equipment were also realised during the Reporting Period.
- The Joint Administrators continue to liaise with the professional advisors in respect of the compliant closure of the Company's overseas branches in Kenya and Uganda, and the winding up of Tunalima.
- The Joint Administrators have filed their confidential report with BEIS regarding the conduct of the directors who held office in the three years prior to the Appointment Date.

### **Outcome for Creditors**

- As at the Appointment Date, there were no charges registered against the Company and, as such, the Company has no secured creditors.
- The Company has primary preferential creditors in the form of employee claims and secondary preferential creditors in the form of claims from HMRC. It is anticipated that there will be sufficient available funds to enable a distribution to the Company's primary preferential creditors, although the quantum and timing is subject to the costs of the Administration. It is currently uncertain whether there will be sufficient funds to enable a distribution to the secondary preferential creditors.
- Based on present information, it is not anticipated that there will be a dividend available to the non-preferential unsecured creditors.

### 3. Progress of the Administration

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

#### 3.1 Strategy and Progress to Date

- Completing the Sale Transaction and receiving the sale consideration paid in respect of the Wefarm application and software development documentation.
- Realising the Company's remaining assets which were not included in the Sale Transaction, including cash at bank balances, IT hardware and equipment, and shareholding in Tunalima.
- Liaising with advisors in respect of the compliant closure of the Company's overseas branches in Kenya and Uganda.
- Preparing and filing reports with BEIS based upon investigations undertaken.

#### 3.2 Asset Realisations

Realisations during the Reporting Period are set out in the attached Receipts and Payments Account at Appendix 3.

Summaries of the most significant realisations during the Administration are provided below:

##### 3.2.1 Cash at Bank

According to the SOA, the Company's combined total cash at bank balance was £402,326 as at the Appointment Date. The Company operated bank accounts with Barclays, KCB Bank and Wise, and a foreign exchange and global payments account with Corpay.

The Joint Administrators have recovered the balance of the Company's accounts as at the Appointment Date as follows:

Bank	Cash at Bank Recovered (£)
Barclays	316,978
Wise	45,985
KCB Bank	5,532
Corpay	3,727
<b>Total</b>	<b>372,222</b>

During the Reporting Period, the Joint Administrators have also contacted the Company's other former banks for confirmation that there are no further cash balances available for realisation.



There will be no further realisations in respect of cash at bank balances.

### 3.2.2 IT Hardware and Equipment

The Directors' SOA and books and records of the Company discloses the following computer, office and training equipment which the company had acquired:

Asset	Book Value (£)
Computer Equipment - UK	28,635
Computer Equipment - Kenya	14,128
Office Equipment	1,462
<b>Total</b>	<b>44,225</b>

Shortly after the Appointment Date, the Joint Administrators instructed the Agents to assist with realising these assets for the benefit of the Administration estate.

The Agents completed sales for this computer equipment by private sale and online auctions and the total sum of £8,795 was recovered during the Reporting Period, which was in line with the Agents' valuation.

There will be no further realisations in this regard.

### 3.2.3 Intellectual Property Rights and Other Intangible Assets

As stated in the Statement of Proposals, the Joint Administrators accepted an offer from the Purchaser on 27 September 2022 to purchase the application software and certain other intellectual property rights of the Company for a total consideration of £7,000, subject to obtaining approval of the majority of creditors as required in accordance with the Regulations.

The Sale Transaction was subsequently approved by creditors via a decision by correspondence on the decision date, being 14 October 2022, and completed shortly thereafter. The sale consideration was received during the Reporting Period, as shown in the Receipts and Payments Account at Appendix 3.

The Purchaser is Producers Direct (Company Number: 06959165), a company incorporated in England and Wales whose registered office is at International House, 45-55 Commercial Street, London, England, E1 6BD.

SIP 13 covers the disposal of assets to connected parties in an insolvency process and states that an office holder should provide creditors and other interested parties with sufficient information such that a reasonable and informed third party would conclude that the transaction was appropriate, and that the office holder has acted with due regard for the creditors' interests.

The Purchaser is a minority shareholder of the Company. Further, Claire Rhodes, being a director of the Purchaser, was formerly a director of the Company and is also a minority shareholder of the Company.

### 3.2.4 Investments and Shareholdings

As stated in the Statement of Proposals, the Company directly owns 51% of the shareholdings in Tunalima and wholly owns the shares in Wefarm Holdings. Wefarm Holdings owns the remaining 49% of the shareholdings in Tunalima.

Tunalima formerly traded the Tanzanian operations. The Joint Administrators have been required to engage professional advisors in Tanzania in order to ensure that Tunalima is wound up in a statutorily compliant fashion. There are no anticipated realisations from Tunalima.

Wefarm Holdings does not hold any assets other than the investment in Tunalima and, accordingly, there are no asset realisations from Wefarm Holdings either.

In addition to the abovementioned subsidiaries of the Company, it is noted that the Company also has registered overseas branches in both Kenya and Uganda. During the Reporting Period, the Joint Administrators have instructed local professional advisors to assist with deregistering the Company's overseas branches in Kenya and Uganda, to ensure statutory compliance in each relevant jurisdiction.

The Joint Administrators will continue to monitor the progress of the winding up of Tunalima and closure of overseas branches in Kenya and Uganda. An update will be provided in the next progress report to creditors.

### 3.2.5 Book Debts / Prepayments

#### Trade Debtors

The Company's records indicate that it is due £106 from a trade debtor in Kenya.

Given the minimal book debt value, and remoteness of the trade debtor, the Joint Administrators do not anticipate any realisations from the Company's book debts.

#### Intercompany Debtors

The SOA discloses that the Company is owed c£1.39m from intercompany debtors. According to the Company's records, the following sums are due from associated entities:

Entity	Sum Due (£)
Wefarm Holdings	1,384,593
Tunalima	3,317
<b>Total</b>	<b>1,387,910</b>

As noted above, Wefarm Holdings does not hold any assets other than a shareholding in Tunalima, and Tunalima has ceased trading and is in the process of being wound up. Accordingly, there will be no funds recovered from the intercompany debtors.

## **Prepayments**

According to the Company's books and records, there is a balance relating to prepayments of £63,740. Management advised this balance largely comprises pre-paid invoices for third-party software suppliers and insurance.

The Joint Administrators have reviewed the nature and recoverability of the Company's prepayment and have instructed insurance brokers to liaise with the pre-appointment insurers to obtain any refunds available to the Company. There have been no refunds received to date however it is anticipated that a refund from the Company's pre-appointment insurer may be received imminently.

An update will be provided to creditors in the next progress report.

### **3.2.6 VAT Receivable**

According to the books and records of the Company, the sum of £45,722 is due to the Company in respect of a VAT refund. However, as the Company's records show that HMRC is owed £127,349 in respect of unpaid PAYE and National Insurance contributions, it is anticipated that HMRC will seek to apply their right of set-off.

As such, it is not anticipated that any sums will be realisable in this regard.

### **3.2.7 Bank Interest**

During the Reporting Period the Company received £54 of bank interest.

### **3.2.8 Investigations**

The Joint Administrators reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for creditors.

The Joint Administrators have a statutory obligation to file a report with BEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators' appointment.

During the Reporting Period, the Joint Administrators have filed their confidential report with the BEIS regarding the conduct of such directors. The content of this report is confidential and has been submitted to the Insolvency Practitioners Service.

There are no outstanding lines of enquiry.

## **3.3 Costs**

Payments made in the Reporting Period are set out in the attached Receipts and Payments Account at Appendix 3.

## **3.4 Schedule of Expenses**

The Joint Administrators have detailed the costs incurred during the Reporting Period, whether paid or unpaid, in the schedule of Expenses attached at Appendix 4.

## 4. Outcome for Creditors

### 4.1 Secured Creditors

As at the Appointment Date, there were no charges registered against the Company and, as such the Company has no secured creditors.

### 4.2 Preferential Creditors

The Company employed staff in UK and Kenya which had all been given notice of termination on 30 June 2022, being prior to the commencement of the Administration. Following legal advice obtained by the Company in Kenya, the Company paid all outstanding employee entitlements to the staff situated in Kenya.

Primary preferential creditor claims against the Company are therefore expected to be received from the Company's former employees in UK and will comprise holiday pay and outstanding pension contributions, the majority of which are likely to be subrogated to the BEIS following payment to the employees by the RPS. As was disclosed in the SOA, it is estimated that the total amount owed to primary preferential creditors is £93,849. The Joint Administrators have received an interim Proof of Debt from the RPS with preferential claims totalling £25,606.

It is currently anticipated that there will be sufficient funds to enable a distribution to be made to the primary preferential creditors in due course.

In addition, as was detailed in the SOA, the Company has a net estimated secondary preferential claims from HMRC totalling £127,349 in respect of unpaid PAYE income tax and employee National Insurance contributions. The Joint Administrators have received an interim Proof of Debt from HMRC with secondary preferential claims totalling £264,845. However, it is noted that HMRC's secondary preferential claim may be set-off against the pre-appointment VAT receivable detailed above at section 3.2.6.

It is currently uncertain whether there will be sufficient funds available to enable a distribution to secondary preferential creditors. An update will be provided in the next progress report to creditors.

### 4.3 Unsecured Creditors

According to the SOA and books and records of the Company, non-preferential unsecured creditors are comprised as follows:

Category	(£)
Trade & Expense Creditors	101,216
Employee Creditors	425,145
HMRC – Employer NI Contributions	49,716
<b>Total</b>	<b>576,077</b>

The Joint Administrators have received to date claims totalling £128,980 from the Company's non-preferential unsecured creditors.

Based on the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential unsecured creditors.

#### **4.4 Prescribed Part**

As previously reported, the Company is not subject to any floating charges and, therefore, the Prescribed Part provisions do not apply.

### **5. Other Matters**

#### **5.1 Creditors' Committee**

A Creditors' Committee was not established in the Administration.

#### **5.2 Joint Administrators' Receipts and Payments Account**

A detailed Receipts and Payments Account for the Reporting Period is shown in Appendix 3.

#### **5.3 Statement of Creditors' Rights**

Further information regarding the remuneration and expenses of the Joint Administrators, including creditors' rights to challenge such costs is provided in the Statement of Creditors' Rights at Appendix 7.

### **6. Fees, Expenses and Pre-Administration Costs**

#### **6.1 Fees and Expenses**

##### **6.1.1 Time Costs**

Time has been charged in six-minute units. Details of the time charged for the reporting period are attached at Appendix 5.

Time costs incurred in the Reporting Period total £150,675 which represents 438 hours at an average hourly rate of £344.

These costs are within the estimate provided in the Statement of Proposals. The Joint Administrators expect their further time costs to conclusion of this case will be within their estimate.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

##### **6.1.2 Fees**

The Joint Administrators' remuneration was approved by creditors via a decision by correspondence on 14 October 2022, on the basis of time properly charged by them and their staff. A fee estimate totalling

£174,960 plus VAT was also approved by creditors on this date, together with authority to pay Category 2 Expenses.

In the Reporting Period, the Joint Administrators have drawn remuneration of £120,000 in accordance with the fee approval provided by creditors.

Details of the total fees drawn by Joint Administrators are detailed in the Receipts and Payments Account attached at Appendix 3.

### **6.1.3 Expenses**

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1) and those that do (Category 2).

Category 1 Expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 Expenses are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

Category 1 Expenses of £56,726 were incurred in the Reporting Period, of which £48,723 have been paid. In the same period, Category 2 Expenses of £280 were incurred and paid in full in accordance with creditor approval obtained on 14 October 2022.

The Joint Administrators provided in the Statement of Proposals an estimate of expenses for the Administration, totalling £46,035. The Statement of Proposals provided a caveat for this estimate, stating that this was for information purposes only, and could possibly change over the course of the Administration.

Appendix 4 details the current update of the expenses estimate, including details of expenses incurred and paid during the Reporting Period.

As at the end of the Reporting Period, the expenses estimate provided in the Statement of Proposals has been exceeded by £10,972. Reasons for this adverse variance are as follows:

- The Solicitors have been paid more £13,434 more than had originally been estimated. This is due to additional work required in respect of completing the Sale Transaction.
- The Joint Administrators incurred £8,003 payable to Grant Thornton Uganda in respect of deregistering the Company's overseas branch in Uganda. This cost had not previously been factored as it was previously understood that professional advisors had already been instructed and paid in this regard.

#### 6.1.4 Additional Information

Also attached at Appendix 6 is a narrative summary of the work carried out to assist creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to creditors.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out in Appendix 7.

#### 6.2 Pre-Administration Costs

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so.

Details of the pre-Administration costs were reported in the Statement of Proposals.

On 14 October 2022, the unpaid pre-Administration costs were approved to be paid as an expense of the Administration by the creditors via a decision by correspondence, in accordance with Rule 3.52 of the Rules.

A breakdown of the pre-Administration costs is provided below.

Pre-Administration Costs	Total (£)	Paid pre- appointment (£)	Outstanding costs for which approval was sought (£)	Paid post appointment (£)	Unpaid (£)
Kroll Advisory Ltd. fees	59,218	30,000	29,218	29,116	102
Charles Russell Speechlys LLP & NautaDutilh N.V	4,669	-	4,669	3,924	745
Goodwin Procter (UK) LLP	12,756	-	12,756	12,756	-
Ansarada	299	-	299	299	-
<b>Total</b>	<b>76,942</b>	<b>30,000</b>	<b>46,942</b>	<b>46,095</b>	<b>847</b>

Although the above table shows that costs totalling £847 remain outstanding as at the date of this report, it is anticipated that there will be no further invoices incurred in this regard.

### 7. Future Strategy

#### 7.1 Future Conduct of The Administration

The Joint Administrators will continue to manage the affairs, the business, and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- Monitoring the winding up of Tunalima and closure of the Company's overseas branches in Kenya and Uganda;
- Settle all costs associated with the Administration;
- Declaring a distribution to the primary and secondary preferential creditors, subject to sufficient available funds;
- Finalising the tax returns for the Administration and obtaining VAT refunds where appropriate; and,
- Dealing with other statutory matters and duties, including steps to be taken to close the Administration.

## 7.2 Future Reporting

The Joint Administrators will provide a further progress report within one month of 15 August 2023 or earlier if the Administration has been completed prior to that time.

If you require further information or assistance, please do not hesitate to contact Sangeevan Sivathas.

Yours faithfully  
For and behalf of  
Wefarm Limited



**Benjamin Wiles**  
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Benjamin Wiles and Geoffrey Bouchier, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.



## Appendix 1 – Statutory Information

### Company information

Company and Trading Name	Wefarm Limited	
Date of Incorporation	29 January 2015	
Registered Number	09413259	
Company Director(s)	Kamran Adle, Suzanne Ashman, Kenneth Ewan and Priscilla Tyler	
Registered Office	<b>Current:</b> c/o Kroll Advisory Ltd. The Shard 32 London Bridge Street London SE1 9SG	<b>Former:</b> Level 3 207 Regent Street London United Kingdom W1B 3HH

### Administration information

Administration Appointment	The Administration appointment granted in the High Court of Justice, Business and Property Courts of England and Wales, Company & Insolvency List (ChD), CR-2022-002657
Appointor	Directors
Date of Appointment	16 August 2022
Joint Administrators	Benjamin Wiles and Geoffrey Bouchier
Original Purpose	Achieve a better result for the Company's creditors as a whole than may be achieved than if the Company were wound up without first being in Administration
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
Current Administration Expiry Date	15 August 2023
Prescribed Part	The Prescribed Part is not applicable in this case.

## **Appendix 2 – Approved Proposals**

The following proposals were approved by creditors on 14 October 2022 without modifications:

### **General**

- To continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;
- To do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient in order to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's creditors; and
- Seek an extension to the Administration period if considered necessary.

### **Distributions**

- To make distributions to the Preferential Creditors where funds allow; and
- To make further distributions to the Unsecured Creditors if funds become available and apply to the Court for authority to do so, where applicable.

### **End of Administration**

That the Joint Administrators might use any or a combination of the following exit route strategies in order to bring the Administration to an end:

- Apply to the Court for the Administration order to cease to have effect from a specified time and for the return of control to the Directors;
- Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Benjamin John Wiles and Geoffrey Wayne Bouchier of Kroll would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The Creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Petition the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Benjamin John Wiles and Geoffrey Wayne Bouchier of Kroll would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them; and

- Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies because (1) the Company has no remaining property which might permit a distribution to its creditors, and (2) all outstanding matters have been satisfactorily completed.

Alternatively, the Joint Administrators may allow the Administration to end automatically.

### **Appendix 3 – Receipts and Payments Account**

**Wefarm Limited (In Administration)**  
**Joint Administrators' Receipts and Payments Accounts**

Statement of Affairs		Reporting Period
Estimated to Realise		From 16 August 2022 to
(£)		15 February 2023
		(£)
	<b>Asset Realisations</b>	
Uncertain	Cash at Bank - UK	366,690.21
4,983.00	Computer Equipment	8,794.79
7,000.00	Intellectual Property Rights and Other Intangible Assets	7,000.00
588.00	Cash at Bank - Kenya	5,531.53
	Bank Interest Gross	53.58
Nil	Cash at Bank - Uganda	0.00
Nil	Prepayments	0.00
Nil	Trade Debtors	0.00
Nil	Intercompany Debtors	0.00
Nil	Deposits Paid - Kenya	0.00
Nil	Office Equipment - Kenya	0.00
Nil	Investments and Shareholdings	0.00
Nil	VAT Receivable - UK	0.00
<b>12,571.00</b>		<b>388,070.11</b>
	<b>Cost of Realisations</b>	
	Joint Administrators' Remuneration	(120,000.00)
	Joint Administrators' Disbursements	(280.29)
	Pre-Insolvency Remuneration	(29,115.50)
	Pre-Insolvency Legal Fees	(16,471.61)
	Legal Fees	(37,751.53)
	Agent's Fees	(8,550.65)
	IT Agents	(1,636.00)
	General Consultancy	(299.54)
	Pre-Insolvency Disbursements	(299.00)
	Irrecoverable VAT	(268.75)
	Stationery & Postage	(208.47)
	Pre-Insolvency Legal Disbursements	(207.58)
	Statutory Advertising	(103.50)
	Bank Charges	(69.00)
	Legal Disbursements	(57.19)
	Xero	(47.15)
		<b>(215,365.76)</b>
		<b>172,704.35</b>
	<b>Represented By</b>	
	Main Current Account	133,477.73
	VAT Receivable	39,226.62
		<b>172,704.35</b>

#### **Appendix 4 – Analysis of Expenses Incurred**

Wefarm Limited (In Administration)  
The Joint Administrators' Schedule of Expenses

Notes	Company / Organisation	Type of Expense	Activity	Fee Basis	Reporting Period			
					Original Estimate (£)	Amount Incurred (£)	Amount Paid (£)	Variance (£)
1	Category 1 Expenses							
2	Professional Advisors							
3	Goodwin Procter (UK) LLP	Legal fees plus disbursements	Assisting with appointment formalities, the completion of the sale of assets and other adhoc matters.	Time costs	22,418.50	35,852.50	35,852.50	(13,434.00)
4	Charles Russell Speechlys LLP	Legal fees plus disbursements	Assisting with employee matters.	Time costs	10,079.00	276.50	276.50	9,802.50
5	Martha Mburque & Associates Limited	Legal fees plus disbursements	Legal advice in relation to winding down of the Kenyan branch	Time costs	-	1,152.59	1,152.59	(1,152.59)
6	Kietl Law LLP	Legal fees plus disbursements	Legal advice in relation to winding down of the Kenyan branch	Time costs	-	527.13	527.13	(527.13)
7	SIA Group Asset Integrity Limited	Agents	Assisting with the sale of the Company's computer equipment.	Time costs	5,000.00	8,550.65	8,550.65	(3,550.65)
8	Data City Computers Ltd t/a Redstone IT	Agents	Assisting with archiving the Company's electronic records and transferring intellectual property to the purchasers.	Time costs	2,500.00	1,636.00	1,636.00	864.00
9	AUA Insolvency Risk Services Limited	Insurer brokers	Advising on the Company's insurance requirements.	Cost per unit	500.00	-	-	500.00
10	Griffin Stone Moscop & Co	Professional costs	Assisting with payroll matters for former UK staff	As incurred	585.00	-	-	585.00
11	Proxima Africa Payroll Systems (Pty) Ltd.	Professional costs	Assisting with payroll matters for former Kenyan staff	As incurred	1,000.00	299.54	299.54	700.46
12	Grant Thornton Uganda	Professional costs	Advice in relation to winding down of the Ugandan branch	Fixed fee	-	8,003.20	-	(8,003.20)
13	Tax advisors (To be confirmed)	Professional costs	Completion of post appointment tax returns.	Time costs	2,000.00	-	-	2,000.00
	Other							
14	Accurate Mailing Services Ltd	Stationery & Postage	Postage costs due for the posting of statutory letters.	Cost per unit	437.04	143.52	143.52	293.52
15	Employcos (Various)	Postage	Costs paid to former employees to reimburse reasonable postage costs.	As incurred	279.90	64.95	64.95	214.95
16	Covitis Advertising Limited	Statutory Advertising	Statutory advertising of appointment of Administrators	Fixed fee	310.50	103.50	103.50	207.00
17	Total Data Management Limited	Statutory Compliance	Collection and storage of books and records	Cost per unit	500.00	-	-	500.00
18	Xero	Subscription	Access to Company's cloud-based management accounts	As incurred	-	47.15	47.15	(47.15)
19	Barclays Bank Plc	Bank charges	Bank charges incurred in relation to the insolvency estate's bank account.	Cost per unit	200.00	69.00	69.00	131.00
Total Professional Advisor and Other Costs					45,809.94	56,726.23	48,723.03	(10,916.29)
Total Category 1 Expenses					45,809.94	56,726.23	48,723.03	(10,916.29)
20	Category 2 Expenses							
21	Bordereau	Statutory Compliance	Bond premium	Fixed Fee	225.00	225.00	225.00	-
22	Courier	Statutory Compliance	Courier costs incurred in respect of collecting Company books and records and computer equipment	As incurred	-	55.29	55.29	(55.29)
Total Category 2 Expenses					225.00	280.29	280.29	(55.29)
Total Estimated Expenses					46,034.94	57,006.52	49,003.32	(10,971.58)

- Notes to Expenses Schedule**
- 1 Category 1 Expenses are payments to independent third parties where there is specific expenditure directly referable to the Administration.
- 2 The Joint Administrators' choice of professional advisors is based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fees.
- 3 Legal costs and disbursements incurred after the Appointment Date in completing the sale of certain assets of the Company and potential ad-hoc legal advice.
- 4 Legal costs and disbursements incurred after the Appointment Date in respect of employee matters.
- 5 Legal costs and disbursements incurred after the Appointment Date in respect of winding down the Company's branch in Kenya.
- 6 Legal costs and disbursements incurred after the Appointment Date in respect of winding down the Company's branch in Kenya.
- 7 SIA were engaged to assist with realising the Company's computer equipment assets.
- 8 Redstone IT were instructed to assist with collecting the Company's electronic books and records, and also to assist with transferring the Company's intellectual property assets to the Purchaser.
- 9 Insurance premiums and brokerage fees incurred.
- 10 The Company's pre-appointment payroll administrators in UK have been assisting with providing information to the former employees of the Company.
- 11 The Company's pre-appointment payroll administrators in Kenya have been assisting with providing information to the former employees of the Company.
- 12 Professional costs incurred after the Appointment Date in respect of winding down the Company's branch in Kenya.
- 13 Preparation of Corporation Tax returns in the Administration period, and other general tax advice that may be required.
- 14 Required to print and mail circulars to creditors and members. It is more cost effective to outsource circulars to an external mailing agent.
- 15 The Joint Administrators have reimbursed some former employees their reasonable postage costs for delivering the Company's IT equipment assets to the Joint Administrators and/or the Agents.
- 16 Statutory advertising of the Joint Administrators' appointment in the London Gazette is required under insolvency legislation.
- 17 Books and records of the Company will be stored off site with an external provider for at least the duration of the Administration plus one year. In addition, it is a statutory requirement that the books and records of the Joint Administrators must be kept for six years after the conclusion of the Administration.
- 18 Subscription fees incurred to maintain the Company's cloud based management accounts.
- 19 Fees and charges incurred in respect of the Administration estate bank accounts.
- 20 Category 2 Expenses are costs that are directly referable to the Administration but not to a payment to an independent third party.
- 21 It is a statutory requirement for insolvency practitioners to have a bond on each case to which they are appointed. The cost is based on the value of the assets.
- 22 Courier costs incurred in relation to collecting the Company's books and records and computer equipment assets.

The above costs exclude VAT.

## Appendix 5 – Analysis of Time Charged



**Wefarm Limited (In Administration)**

Analysis of the Joint Administrators' Time Costs for the Reporting Period

	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case Review & Case Diary Management	1.00	2.00	3.70	10.40	0.00	17.10	5,380.00	314.62
Cashiering & Accounting	0.00	5.70	4.10	18.90	0.00	28.70	7,967.00	277.60
Dealings with Directors & Management	0.00	0.00	6.20	2.10	0.00	8.30	2,692.00	324.34
IPS Set up & Maintenance	0.00	0.10	1.60	1.00	0.00	2.70	819.00	303.33
Insurance	0.00	0.30	2.10	1.20	0.00	3.60	1,251.00	347.50
Statement of Affairs	0.00	0.00	7.90	0.00	0.00	7.90	3,002.00	380.00
Statutory Matters (Meetings, Reports & Notices)	3.50	16.10	40.70	27.10	0.00	87.40	31,358.00	358.79
Strategy, Planning and Control	17.00	10.00	11.50	23.10	0.00	61.60	27,848.00	452.08
Tax Compliance / Planning	0.00	0.00	4.00	3.70	0.00	7.70	2,220.00	288.31
						<b>225.00</b>	<b>82,537.00</b>	<b>366.83</b>
<b>Creditors</b>								
Dealings with Creditors & Employees	0.00	8.20	33.30	78.90	0.00	120.40	33,324.00	276.78
Non Pref Creditors / Employee Claims Handling	0.00	0.00	13.10	0.00	0.00	13.10	4,978.00	380.00
Pref Claims Adjudication & Distribution	0.00	0.20	0.00	0.00	0.00	0.20	78.00	390.00
						<b>133.70</b>	<b>38,380.00</b>	<b>287.06</b>
<b>Investigations</b>								
CDDA Reports & Communications	0.00	0.00	4.10	15.00	0.00	19.10	5,218.00	273.19
Financial Review & Investigations (S238/239)	0.00	1.10	9.10	0.00	0.00	10.20	4,019.00	394.02
						<b>29.30</b>	<b>9,237.00</b>	<b>315.26</b>
<b>Realisation of Assets</b>								
Freehold & Leasehold Property	0.00	0.00	0.20	0.00	0.00	0.20	76.00	380.00
Goodwill & Intellectual Property Rights	0.00	0.00	12.60	0.00	0.00	12.60	4,788.00	380.00
Other Intangible Assets	0.00	6.90	0.00	0.00	0.00	6.90	3,519.00	510.00
Other Tangible Assets	0.00	3.30	8.10	1.30	0.00	12.70	5,125.00	403.54
Plant, Machinery, Fixtures & Motor Vehicles	0.00	0.00	7.80	0.00	0.00	7.80	2,964.00	380.00
Pre-Appointment Tax Reclaims	0.00	0.00	0.40	0.00	0.00	0.40	152.00	380.00
Sale of Business	0.00	5.70	2.10	1.20	0.00	9.00	3,897.00	433.00
						<b>49.60</b>	<b>20,521.00</b>	<b>413.73</b>
<b>Total Hours:</b>	<b>21.50</b>	<b>59.60</b>	<b>172.60</b>	<b>183.90</b>	<b>0.00</b>	<b>437.60</b>		<b>344.32</b>
<b>Total Fees Claimed (£):</b>	<b>16,125.00</b>	<b>30,294.00</b>	<b>65,588.00</b>	<b>38,668.00</b>	<b>0.00</b>		<b>150,675.00</b>	

## Appendix 6 – Fee Narrative

The key areas of work have been:

### SIP 9 narrative for the Reporting Period

Administration and Planning	<ul style="list-style-type: none"> <li>• Monitoring and reviewing the Administration strategy;</li> <li>• Briefing staff on the Administration strategy and matters in relation to workstreams;</li> <li>• Regular case management and reviewing of process including regular team update meetings and calls;</li> <li>• Meeting with management to review and update strategy and monitor progress;</li> <li>• Reviewing and authorising junior staff correspondence and other work;</li> <li>• Dealing with queries arising during the appointment;</li> <li>• Reviewing matters affecting the outcome of the Administration;</li> <li>• Allocating and managing staff/ case resourcing and budgeting exercises and reviews;</li> <li>• Dealing with solicitors in Kenya in respect of closure of the Kenyan branch;</li> <li>• Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters; and</li> <li>• Complying with internal filing and information recording practices, including documenting strategy decisions.</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>• Drafting of initial creditor letters and associated documents and issuing to creditors;</li> <li>• Updating the list of unsecured creditors;</li> <li>• Responding to enquiries from creditors regarding the Administration and submission of their claims; and</li> <li>• Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records.</li> </ul>
Investigations	<ul style="list-style-type: none"> <li>• Managing and reviewing the Company books and records;</li> <li>• Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation;</li> <li>• Obtaining records from third parties;</li> <li>• Requesting a completed questionnaire from the directors of the Company;</li> <li>• Reviewing pre-appointment transactions; and</li> <li>• Documenting investigations.</li> </ul>
Statutory and Compliance	<ul style="list-style-type: none"> <li>• Ensuring compliance with all statutory obligations within the relevant timescales;</li> <li>• Advertising the Administration appointment and notifying all relevant stakeholders;</li> <li>• Uploading information to the Creditors' Portal;</li> <li>• Drafting and publishing the Statement of Proposals;</li> </ul>

- |                    |  |
|--------------------|--|
| Cashiering         | <ul style="list-style-type: none"><li>• Running decision procedures;</li><li>• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;</li><li>• Monitoring the fees estimate; and</li><li>• Monitoring the expenses estimate.</li></ul>   |
| Asset Realisations | <ul style="list-style-type: none"><li>• Setting up Administration bank accounts;</li><li>• Processing the Joint Administrators' receipts and payments;</li><li>• Preparing statutory receipts and payments accounts;</li><li>• Renewing bonding and complying with statutory requirements.</li></ul>   |
|                    | <ul style="list-style-type: none"><li>• Collating information from the Company's records regarding assets;</li><li>• Discussions with the Purchaser and liaising with the Solicitors regarding the sale of intellectual property rights and other intangible assets;</li><li>• Liaising with the Agents regarding the sale of IT assets;</li><li>• Liaising with third parties regarding costs incurred;</li><li>• Reviewing costs incurred to ensure recorded accurately; and</li><li>• Arranging payments to agents and solicitors in a timely manner.</li></ul> |
| Tax                | <ul style="list-style-type: none"><li>• Analysing and considering the tax effects of asset sales;</li><li>• Working on tax returns relating to the periods affected by the Joint Administrators;</li><li>• Analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; and</li><li>• Dealing with post appointment tax compliance.</li></ul>  |

## **Appendix 7 – Statement of Creditors' Rights**

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*

*Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Sangeevan Sivathas at [Sangeevan.Sivathas@kroll.com](mailto:Sangeevan.Sivathas@kroll.com).

### **Information for Creditors on Remuneration and Expenses of Administrators**

Information regarding the fees and expenses of Administrators, including details of Kroll's expense policy and hourly charge out rates for each grade of staff that may undertake work on this case, can be viewed and downloaded from Kroll's website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

Click on the document - Creditor Guides (amended for changes introduced by the Insolvency (England & Wales) Rules 2016 from 6 April 2017) – Administrations.

Should you require a copy (at no cost), please contact this office.

### **Creditors' Requests for Further Information**

If you would like to request more information about the Joint Administrators' remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

### **Creditors' Right to Challenge Our Remuneration and Expenses**

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications are by unsecured creditors (including the unsecured creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Sangeevan Sivathas at [Sangeevan.Sivathas@kroll.com](mailto:Sangeevan.Sivathas@kroll.com).

## Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents / SIA	SIA Group Asset Ingenuity Limited, independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	16 August 2022, being the date of appointment of the Joint Administrators
the Banks	Barclays, KCB Bank and Wise
Barclays	Barclays Bank Plc, with whom the Company banked
BEIS	Department for Business, Energy & Industrial Strategy
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by Creditors before payment
the Company	Wefarm Limited (In Administration) (Company Number: 09413259)
Corpay	Cambridge Mercantile Corp. (UK) Limited, with whom the Company operated a foreign exchange and global payments account
the Directors	Kamran Adle, Suzanne Ashman, Kenneth Ewan and Priscilla Tyler, being the directors of the Company at the Appointment Date
EC Regulation	EC Regulation on Insolvency Proceedings 2000
HMRC	HM Revenue and Customs
the Joint Administrators	Benjamin Wiles and Geoffrey Bouchier of Kroll
KCB Bank	KCB Bank Kenya Limited, with whom the Company banked
Kroll	Kroll Advisory Ltd., The Shard, 32 London Bridge Street, London SE1 9SG

Word or Phrase	Definition
Preferential Creditor/s	A creditor with a claim that ranks in priority to other unsecured creditors, to floating charge holders and the Prescribed Part. Preferential debts are either 'primary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full.
the Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to unsecured creditors
the Purchaser	Producers Direct (Company Number 06959165), whose registered office is at International House, 45-55 Commercial Street, London, England, E1 6BD
the Regulations	Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021
the Reporting Period	16 August 2022 to 15 February 2023
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Sale Transaction	The sale of certain assets of the Company to the Purchaser
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the disposal of assets to connected parties in an insolvency process
SOA	Statement of Affairs, documentation supplied by the Directors outlining the Company's financial position as at the Appointment Date
the Solicitors	Goodwin Procter (UK) LLP (Company Number: OC362294), the solicitors instructed by the Joint Administrators, whose registered office address is at 100 Cheapside, London, England, EC2V 6DY
the Statement of Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals dated 29 September 2022

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Word or Phrase	Definition
Tunalima	Tunalima Limited, whose registered office is at PO Box 34738, Dar Es Salaam, Tanzania
Wefarm Holdings	Wefarm International Holdings Limited (Company Number 11761522), whose registered office is at Level 3 207 Regent Street, London, England, W1B 3HH
Wise	Wise Payments Limited, with whom the Company banked

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## **Appendix 9 – Notice About this Report**

This report has been prepared by Benjamin Wiles and Geoffrey Bouchier, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Benjamin Wiles and Geoffrey Bouchier are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Kroll Advisory Ltd does not assume any responsibility and will not accept any liability to any person in respect of this progress report or the conduct of the Administration.