



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

1 Company details

Company number	0	9	8	1	5	6	6	3
Company name in full	Quality Insolvency Services Ltd							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Anthony
Surname	Collier

3 Administrator's address

Building name/number	4th Floor
Street	Abbey House
Post town	Booth Street
County/Region	Manchester
Postcode	M 2 4 A B
Country	

4 Administrator's name ①

Full forename(s)	Simon
Surname	Farr

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	4th Floor
Street	Abbey House
Post town	Booth Street
County/Region	Manchester
Postcode	M 2 4 A B
Country	

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6

Period of progress report

From date

^d 2 ^d 3 ^m 1 ^m 1 ^y 2 ^y 0 ^y 2 ^y 2

To date

^d 2 ^d 2 ^m 0 ^m 5 ^y 2 ^y 0 ^y 2 ^y 3

7

Progress report

☐ I attach a copy of the progress report

8

Sign and date

Administrator's
signature

Signature

X *A. Miller*

X

Signature date

^d 2 ^d 2 ^m 0 ^m 6 ^y 2 ^y 0 ^y 2 ^y 3

**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	Keeley Casey
Company name	FRP Advisory Trading Limited
Address	4th Floor Abbey House
Post town	Booth Street
County/Region	Manchester
Postcode	M 2 4 A B
Country	
DX	cp.manchester@frpadvisory.com
Telephone	0161 833 3344

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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**Where to send**

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

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FRP

QUALITY INSOLVENCY SERVICES LTD (IN ADMINISTRATION) ("THE COMPANY")

The High Court of Justice, Business and Property Courts of England and Wales,
Insolvency and Companies Court NO. CR-2022-004370

The Joint Administrator's Progress Report for the period 23 November 2022 –
22 May 2023 pursuant to Rule 18.3 of the Insolvency (England and Wales)
Rules 2016

22 June 2023

Contents and abbreviations



Section	Content
1.	Progress of the Administration in the Period
2.	Estimated Outcome for the creditors
3.	Joint Administrators’ remuneration, disbursements, expenses and pre-appointment costs
Appendix	Content
A.	Statutory information regarding the Company and the appointment of the Joint Administrators
B.	Form AM10 - formal notice of the progress report
C.	A schedule of work
D.	Details of the Joint Administrators’ time costs and disbursements for the Period
E.	Receipts and payments account for the Period
F.	Statement of expenses incurred in the Period

The following abbreviations may be used in this report:	
Balbec	Balbec Capital V LI SARL, the Company’s ultimate funder
CVL	Creditors’ Voluntary Liquidation
FRP	FRP Advisory Trading Limited
Hilco Global	Hilco Appraisal Limited
HMRC	HM Revenue & Customs
IP	Insolvency Practitioner
IPA	Insolvency Practitioner’s Association
IVA	Individual Voluntary Arrangement, a legally binding agreement between a consumer and their creditors
QFCH	Qualifying Floating Charge Holder
RBS	Royal Bank of Scotland PLC
RPS	The Redundancy Payments Service
SIP	Statement of Insolvency Practice
SIP	Statement of Insolvency Practice
SPV	Special Purpose Vehicle/entity
The Company	Quality Insolvency Services Ltd (In Administration)
The Insolvency Rules	The Insolvency (England and Wales) Rules 2016
The Joint Administrators	Anthony Collier and Simon Farr of FRP Advisory Trading Limited
The Period	The reporting period 23/11/22 – 22/05/23

Contents and abbreviations

FRP

Trading Period	23/11/22 – 16/12/22
Transferee/ Freshstart	Freshstart Insolvency Limited
WIP	Work in Progress

1. Progress of the Administration

Background information regarding the Company

This report should be read in conjunction with the Proposals, which provides background information on the Company and details leading up to the insolvency. A copy can be provided on request.

Work undertaken during the Period

Attached at **Appendix C** is a schedule of work undertaken during the Period together with a summary of work still to be completed.

Attached at **Appendix E** is a receipts and payments account detailing transactions for the Period. The receipts and payments account presents all items net of VAT.

Payments made from the estate are fair and reasonable and proportionate to the insolvency appointment and are directly attributable to this insolvency.

Where payments are to be made to associates of the Joint Administrators or their firm, creditors' approval to such payments must be received prior to payment being remitted. No payments have been made to associates of the Joint Administrators without the prior approval of creditors as required by SIP9.

The Joint Administrators' Trading Period

Balbec is the ultimate funder of the Company and advanced in excess of £23m from November 2019 via an SPV, in consideration for the assignment of supervisory rights from the IVA portfolio.

In order to provide continuity for IVA consumers and to preserve value in the existing IVA book, it was agreed that trading the business in Administration was necessary.

A Funding Agreement was entered into with Balbec to allow the continued trading whilst the options for the business were assessed. This also included converting the Company's WIP, further enhancing the value of the IVA book. The Trading Period also

allowed sufficient time for the IVA book to be transferred to an alternative provider, thereby mitigating consumer detriment and preserving the assets of the Company.

At the date of appointment, the Company employed 60 members of staff, the majority of whom were initially retained to assist with the post appointment Trading Period.

Throughout the Trading Period the supervision of the IVA book, including creditor meetings and the client account cashiering function, was carried out by a third party, Freshstart.

Following a brief period of stabilisation, 45 members of staff were made redundant on 8 December 2022 and a further 14 members of staff were made redundant on 16 December 2022. The Company's sole IP remained employed by the Company until the date of transfer, being 7 February 2023. Further detail regarding the transfer of the IVA book is detailed later in this document.

The Insolvency Practitioners Association were kept apprised of the Joint Administrators' appointment and of progress throughout the Trading Period.

The Company operated from a leasehold premises in Eccles, Manchester. The Joint Administrators vacated the trading premises on 16 December 2022 as it was no longer required for the purpose of the Administration.

Please refer to the schedule of work at **Appendix C** for further details in respect of the work carried out during the Trading period.

Trading Income

Funds totalling £872,788 have been received from Balbec in accordance with the Funding Agreement. These funds do not form part of the Administration estate and have been utilised to meet the costs of trading.

No trading surplus has been generated.

1. Progress of the Administration

FRP

Funds totalling £198,395 have been received in respect of Service Fees payable as part of the Company's agreement with Balbec.

Funds totalling £12,020 have been paid into the Administration estate in this regard and have been utilised to settle disbursements payable from IVA cases throughout the Trading Period, i.e. bond and land registry fees.

Funds generated from the trading income are not an asset of the Administration estate, any surplus funds will be returned to Balbec under the terms of the Funding Agreement.

The Joint Administrators completed a transfer of the IVA Book to Freshstart Insolvency on 7 February 2023.

The Company's IP was employed by Freshstart Insolvency upon completion of the transfer, and therefore a block transfer of IVAs was not required.

Consumers were notified of the transfer by Freshstart, who continue to deal with the day to day management of the IVAs.

As explained previously, the rights to the IVA book are assigned to a third party which is ultimately funded via Balbec, the assignment of the Supervisory Rights to Balbec has been maintained as part of the transfer.

Other Asset Realisations

The Company operated a bank account with Barclays.

There was no cash at bank available for the Administration estate at the date of appointment.

The client monies were held separately in an account with RBS and was operated by the Company's sole IP. The client monies continue to be operated by the IP following the transfer to Freshstart.

The Company had minimal tangible assets such as computer equipment and desks located at the trading premises. The majority of the computer equipment was leased and was collected prior to transfer.

The Joint Administrators obtained in-situ and ex-situ valuations of the remaining desks and chairs; given the minimal value attributed, it was not considered cost effective to uplift the items and attempt to sell.

The Company held certain intellectual property, notably several domain names. The Joint Administrators received an offer of £1k for four of the domains from Clear Path Insolvency Limited. No other offers were received.

The offer from Clear Path Insolvency Limited was independently reviewed by Hilco Global who have adequate professional insurance and experience to carry out such valuations. Hilco Global recommended acceptance of the offer, being in line with their valuation of the websites.

The websites were not marketed for sale given the relatively small value attributed to them and the time costs that would have been incurred to do so. The sale carried out was therefore deemed to be in the best interest for creditors as a whole.

The sum of £1k was received on 23 December 2022, being the date of the transaction.

1. Progress of the Administration

FRP

In accordance with SIP13, it should be noted that Clear Path Insolvency Limited is considered as an associated party by way of the Director of Clear Path Insolvency Limited being related to the Company Director and being an employee of the Company.

The Company purchased a number of IVA leads from various third party introducers. If a potential IVA did not successfully convert, an element of the introducer fee paid could be clawed back.

The Company identified a number of potential clawbacks due. No funds have been received to date, however the Joint Administrators will continue to monitor and an update will be provided in the next report.

Other Matters

The Joint Administrators contacted the Company's pension provider with a view to identifying details of any unpaid pension contributions and processing claims on behalf of employees.

The RPS have processed the claim and the arrears have been settled in full.

Investigations

Part of the Joint Administrators' duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. The Joint Administrators have reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have regarding the way in which the Company's business has been conducted.

Further details of the conduct of my investigations are set out in the schedule of work attached. The Joint Administrators' investigations are ongoing and remain confidential.

Extension to the initial period of appointment

The Administration will end automatically after 12 months from the date of the appointment of the Joint Administrators. This period can be extended with consent of the creditors for up to twelve months or longer by application of the Court, however an extension to the initial 12 month period is not envisaged.

It is anticipated that the Joint Administrators will implement the necessary steps to move the Company into dissolution, before the next six month anniversary of the Administration.

Anticipated exit strategy

It is currently anticipated that there will be insufficient funds to permit a distribution to unsecured creditors, other than via the prescribed part, if applicable. Therefore, it will not be considered appropriate to move the Company into Liquidation.

The Joint Administrators will therefore, once all matters are finalised, send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the Administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved.

2. Estimated Outcome for the creditors

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The estimated outcome for creditors was initially set out in the Proposals and an update is provided below.

Outcome for the secured creditors

There are no secured creditors in this matter.

Outcome for the preferential creditors

Preferential creditors are estimated at £30k, being the employees' unpaid pension contributions and holiday pay as calculated in accordance with legislation. It is anticipated that there will be insufficient funds to distribute to primary preferential creditors.

Outcome for the secondary preferential creditors

From 1 December 2020 HMRC ranks as a secondary preferential creditor in respect of the following:

- VAT;
- PAYE (including student loan repayments);
- Construction Industry Scheme deductions; and
- Employees' NI contributions

It is estimated that the secondary preferential creditors will total £278k. It is anticipated that there will be insufficient funds to distribute to secondary preferential creditors.

Outcome for the unsecured creditors

Unsecured creditor claims totalling £4,595k have been received to date.

It is anticipated that there will not be sufficient funds available to enable a distribution to unsecured creditors.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

A prescribed part is not applicable in this case as there is no QFCH.

3. Joint Administrators’ remuneration, disbursements, expenses and pre-appointment costs



Joint Administrators’ remuneration

A breakdown of time costs incurred during the Period is attached at **Appendix D**.

There are insufficient assets in the Administration estate to meet the Joint Administrators’ remuneration and as such, the Joint Administrators sought a contribution to their costs directly from Balbec.

Payments in respect of the Joint Administrators’ remuneration will not come from the Company’s assets therefore fee approval will not be sought from the general body of creditors.

Balbec have paid directly the Joint Administrators fees and disbursements of £349,116 and £1,301 respectively during the Period. The amount do not appear in the receipts and payments account because the funds were not drawn from assets in the Administration estate, rather a direct contribution to costs.

In the interest of transparency however, certain information in accordance with SIP9 (payment to insolvency office holders and their associates from an insolvent estate) remains in this document.

Joint Administrators’ disbursements

The Administrators’ disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

Joint Administrators’ expenses

An estimate of the Joint Administrators’ expenses was set out in the Joint Administrators’ proposals. Attached at **Appendix F** is a statement of expenses that have been incurred during the Period.

The expenses incurred or anticipated to be incurred exceed the details previously provided due to significantly higher than anticipated trading costs. The trading costs were higher than initially expected due to additional, necessary expenses becoming apparent throughout the Trading Period that the Joint Administrators were not aware of when preparing the trading budget.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Administrators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Administrator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Administrator and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

We have engaged the following agents or professional advisors:

Professional Advisor	Nature of work	Basis of fees
Walker Morris	Legal Advice	Time Costs
Sanderson Wetherall	Asset Valuation	Time Costs
SP Insolvency	Pension Consultancy	Fixed Fee
Hilco Global	Asset Valuation	Time Costs
Deans Accountants	Accountancy Fees – Tax	Time Costs

3. Joint Administrators’ remuneration, disbursements, expenses and pre-appointment costs



Creditors have a right to request further information from the Joint Administrators and further have a right to challenge the Joint Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference, these are the expenses incurred in the Period as set out in **Appendix F** only).

Further details of these rights can be found in the Creditors’ Guide to Fees, which you can access using the following link <https://www.frpadvisor.com/legal-and-regulatory-notice/information-creditors-insolvency-proceedings/> and select the one for Administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Joint Administrators’ pre-appointment costs

The following fees remained unpaid at the date of appointment:

Provider	Outstanding proposed fees to be paid
FRP Advisory	26,570
Walker Morris LLP – legal fees	5,420
Total	31,990

Net of VAT

The pre-appointment costs were met directly by Balbec therefore it is not necessary to seek approval of such costs from creditors.

Appendix A

Statutory Information



QUALITY INSOLVENCY SERVICES LTD (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	QIS
Company number:	09815663
Registered office:	c/o FRP Advisory Limited 4th Floor Abbey House 32 Booth Street Manchester M2 4AB
Previous registered office:	191-195 Chaddock Lane Worsley Manchester M28 1DW
Business address:	Fortunata House 15 Wellington Road Eccles M30 0DR

ADMINISTRATION DETAILS:

Joint Administrators:	Anthony Collier & Simon Farr
Address of Administrator(s):	FRP Advisory Trading Limited 4th Floor Abbey House 32 Booth Street Manchester M2 4AB
Date of appointment of Administrator(s):	23/11/2022
Court in which administration proceedings were brought:	The High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies Court
Court reference number:	CR-2022-004370
Appointor details:	Director
Previous office holders, if any:	None
Extensions to the initial period of appointment:	None
Date of approval of Administrators' proposals:	01 February 2023

Appendix B

CH Form AM10 Formal Notice of the Progress Report

FRP



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refer to our guidance at
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1 Company details

Company number	0	9	8	1	5	6	6	3
Company name in full	Quality Insolvency Services Ltd							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Anthony
Surname	Collier

3 Administrator's address

Building name/number	4th Floor
Street	Abbey House
Post town	Booth Street
County/Region	Manchester
Postcode	M 2 4 A B
Country	

4 Administrator's name ①

Full forename(s)	Simon
Surname	Farr

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	4th Floor
Street	Abbey House
Post town	Booth Street
County/Region	Manchester
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Country	

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another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 2	^d 3	^m 1	^m 1	^y 2	^y 0	^y 2	^y 2
To date	^d 2	^d 2	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3

7 Progress report

☐ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

A. Miller

X

Signature date

^d 2	^d 2	^m 0	^m 6	^y 2	^y 0	^y 2	^y 3
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Keeley Casey
Company name	FRP Advisory Trading Limited
Address	4th Floor Abbey House
Post town	Booth Street
County/Region	Manchester
Postcode	M 2 4 A B
Country	
DX	cp.manchester@frpadvisory.com
Telephone	0161 833 3344

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Quality Insolvency Services Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 23/11/2022 To 22/05/2023 £	From 23/11/2022 To 22/05/2023 £
ASSET REALISATIONS		
Balbec Funding	872,788.00	872,788.00
Bank Interest Gross	174.13	174.13
Domain names	1,000.00	1,000.00
IVA disbursement monies	12,020.52	12,020.52
Service Fee	198,395.08	198,395.08
	<u>1,084,377.73</u>	<u>1,084,377.73</u>
COST OF REALISATIONS		
Agents/Valuers Fees (1)	2,425.00	2,425.00
Bank Charges - Floating	25.00	25.00
Insurance of Assets	654.28	654.28
IVA Registration Fee	12,405.00	12,405.00
Marsh Specific Bond	167,150.00	167,150.00
Misc Trading Expenses	567,938.14	567,938.14
PAYE & NI	71,880.83	71,880.83
Pension	7,193.32	7,193.32
Pension Report	220.00	220.00
PR Costs	140.00	140.00
Re-Direction of Mail	1,038.00	1,038.00
Staff Expenses	218.94	218.94
Statutory Advertising	85.59	85.59
VAT Irrecoverable	7,579.54	7,579.54
Wages & Salaries	226,697.65	226,697.65
	<u>(1,065,651.29)</u>	<u>(1,065,651.29)</u>
	<u>18,726.44</u>	<u>18,726.44</u>
REPRESENTED BY		
Current Fixed Non Int Bearing		9.69
Current Floating Non Int Bearing		18,716.75
		<u>18,726.44</u>

Note:



Anthony Collier
Joint Administrator

Appendix C
A schedule of work

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Quality Insolvency Services Ltd (IN ADMINISTRATION)**Schedule of Work**

The table below sets out a detailed summary of the work undertaken by the office holders during the Period together with an outline of work still to complete. Where work undertaken results in the realisation of funds (from the sale of assets; enhanced recoveries and potentially a reduction in creditor claims if the business has continued to trade and/or is sold following appointment; recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the director, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

Note	Category	
1	ADMINISTRATION AND PLANNING Work undertaken during the Period	ADMINISTRATION AND PLANNING Future work to be undertaken
	Regulatory Requirements	
	Ethical Requirements	
	Prior to my appointment and prior to the period covered by this report a review of ethical issues was undertaken and no ethical threats were identified. During the Review Period, no new threats to compliance with the Code of Ethics have been identified.	Periodic reviews of potential ethical threats will be conducted throughout the course of the Administration.
	Case Management Requirements	
	Liaising with City Press to establish PR requirements. Determined case strategy and documented this.	Review and update the case strategy throughout the course of the Administration.

Quality Insolvency Services Ltd (IN ADMINISTRATION)

Schedule of Work

	<p>Setting up and administering the insolvent estate bank accounts.</p> <p>Completion of bank account reconciliations as appropriate.</p> <p>Compiling a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulating this to creditors together with other such documentation as required to enable the relevant approving creditors to assess.</p> <p>Regularly reviewing the conduct of the case and the case strategy and updating as required as required by the insolvency practitioners' regulatory professional bodies to ensure all statutory matters are attended to and to ensure the case is progressing. This aids efficient case management.</p> <p>Arranged for insurance on the assets in the estate and cancelling when appropriate.</p> <p>Instructed FRP's IT team to complete a back-up of the Company's records.</p> <p>Correspondence with the former advisors to the Company requesting third party information to assist in general enquiries.</p> <p>Setting up and maintaining case files and maintaining case diary.</p> <p>Managing the Company's website and updating following the transfer of the IVA book.</p>	<p>Administering insolvent estate bank accounts throughout the duration of the case.</p> <p>Continue to file important documents to case file.</p> <p>Arrange for the storage of case files / company books and records and destruction when appropriate.</p>
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Quality Insolvency Services Ltd (IN ADMINISTRATION)

Schedule of Work

2	ASSET REALISATION Work undertaken during the Period <p>The Company's primary asset is the ownership of the IVA book. Whilst the Company has legal title of the IVAs, the supervisory rights and beneficial interest of the IVAs is assigned to a third party, ultimately funded by Balbec.</p> <p>Transition of IVA Book</p> <p>A review of information to provide to certain interested parties was carried out and discussions were held with the same.</p> <p>The Joint Administrators, together with the funder Balbec agreed a transfer of the IVA book to Freshstart Insolvency and the transfer completed on 7 February 2023. The new provider continues to service the book and deal with the day to day management of cases.</p> <p>Keeping the IPA appraised of progress throughout the Trading Period and the transfer of the IVA Book.</p> <p>Cash at Bank</p> <p>Liaised with the Company's pre appointment bankers regarding the Company bank account.</p> <p>Reconciled the cash at bank and established that funds held in the account were payable in respect of IVA disbursements.</p> <p>Monitored the daily reconciliation of client funds, held in a separate RBS account.</p>	ASSET REALISATION Future work to be undertaken

Quality Insolvency Services Ltd (IN ADMINISTRATION)

Schedule of Work

<p>Furniture & Equipment</p> <p>The Company had minimal tangible assets such as computer equipment and desks located at the trading premises.</p> <p>The majority of the computer equipment was leased and was collected prior to transfer.</p> <p>The Joint Administrators facilitated the collection of equipment via correspondence with the Company and lease holders.</p> <p>The Joint Administrators obtained in-situ and ex-situ valuations of the remaining desks and chairs.</p> <p>Intellectual Property – Websites</p> <p>The Company held certain intellectual property, notably several domain names.</p> <p>The Joint Administrators received an offer of £1k for four of the domains from Clear Path Insolvency Limited. No other offers were received.</p> <p>The offer from Clear Path Insolvency Limited was independently reviewed by Hilco Global who have adequate professional insurance and experience to carry out such valuations. Hilco Global recommended acceptance of the offer, being in line with their valuation of the websites.</p> <p>The websites were not marketed for sale given the relatively small value attributed to them and the time costs that would have been incurred to do so.</p>	
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Quality Insolvency Services Ltd (IN ADMINISTRATION)**Schedule of Work**

	<p>The sale carried out was therefore deemed to be in the best interest for creditors as a whole.</p> <p>In accordance with SIP13, it should be noted that Clear Path Insolvency Limited is considered as an associated party by way of the Director of Clear Path Insolvency Limited being related to the Company Director and being an employee of the Company.</p> <p>Introducer Clawbacks</p> <p>The Company purchased a number of IVA leads from various third party introducers. In the event that a potential IVA did not successfully convert, an element of the introducer fee paid could be clawed back.</p> <p>During the Period the Joint Administrators have continued to liaise with the Company and introducers in order to pursue receipt of the potential clawback monies.</p>		<p>Introducer Clawbacks</p> <p>The Joint Administrators will continue to liaise with the Company and introducers in order to realise potential clawback monies, where possible.</p>
3	<p>CREDITORS</p> <p>Work undertaken during the Period</p> <p>Balbec</p> <p>There are no formal Secured Creditors in this matter. Balbec provided a funding facility to the Company in consideration for the supervisory rights of the IVAs.</p> <p>Liaised with Balbec regarding funding agreement for the post appointment trading period.</p>		<p>CREDITORS</p> <p>Future work to be undertaken</p> <p>Balbec</p> <p>The Joint Administrators will liaise with Balbec throughout the course of the Administration to provide them with periodic updates.</p> <p>The Joint Administrators will keep Balbec abreast of any movement regarding the Joint Administrators' expenses and pre/ post appointment fees.</p>

Quality Insolvency Services Ltd (IN ADMINISTRATION)**Schedule of Work**

	<p>Liaised with Balbec regarding ongoing time costs and anticipated future time costs. The Joint Administrators' remuneration and costs have been met directly by Balbec.</p> <p>Obtained approval for the Joint Administrators' discharge from liability.</p> <p>Provided regular updates to Balbec regarding the trading period and discussed ongoing regulatory requirements.</p> <p>Liaised with Balbec regarding parties that were interested in the transfer of the IVA book.</p> <p>Employees / Preferential creditors</p> <p>At the date of appointment the Company employed 60 staff, the majority of whom were retained to assist during the Trading Period.</p> <p>Following a brief period of stabilisation, 45 members of staff were made redundant on 8 December 2022 and a further 14 members of staff were made redundant on 16 December 2022. The Company's sole IP remained employed by the Company until the date of transfer, being 7 February 2023.</p> <p>The Joint Administrators staff have assisted redundant employees with their claims to the RPS, and processed payroll for retained staff in respect of the trading period.</p> <p>Pensions</p> <p>Engaged SP Insolvency to prepare a pension report and notification of the Administration to the Company's pension scheme.</p>	
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Quality Insolvency Services Ltd (IN ADMINISTRATION)**Schedule of Work**

	<p>Completed and submitted an RP15 claim to the RPS in respect pre-appointment pension arrears on behalf of employees.</p> <p>The RPS has processed the claim and funds have been paid direct to the Company's scheme.</p> <p>Secondary preferential creditors</p> <p>Advised HMRC of the Joint Administrators' appointment and requested the submission of its claim.</p> <p>Unsecured Creditors</p> <p>Liaised with the Company to obtain up to date creditor information.</p> <p>Advised the creditors of the Joint Administrators' appointment.</p> <p>Dealt with general creditor enquiries and logged unsecured claims.</p> <p>Obtained approval for the basis of the Joint Administrators' discharge from liability.</p> <p>Leasehold premises</p> <p>Liaising with the landlord regarding the use of the premises during the post appointment period and vacation of premises after Trading Period.</p> <p>Corresponded regarding provision of Trading Period invoices.</p>		<p>Unsecured Creditors</p> <p>Continue to deal with queries from unsecured creditors as and when received.</p>
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Quality Insolvency Services Ltd (IN ADMINISTRATION)

Schedule of Work

4	INVESTIGATIONS Work undertaken during the Period	INVESTIGATIONS Future work to be undertaken	
	<p>An Insolvency Practitioner has a duty to review the books and records and other information available to identify the assets that may be available to realise for the benefit of the insolvency estate.</p> <p>Requested all directors of the Company both current and those holding office within three years of the insolvency to complete a questionnaire to assist in preparing the statutory return to DBEIS in accordance with the Company Directors Disqualification Act.</p> <p>Requested copies of the Company's pre-appointment bank statements and completed a bank statement review.</p> <p>Completion and submission the Joint Administrators' statutory return to DBEIS in accordance with the Company Directors Disqualification Act. Information provided to DBEIS is confidential but can be used to assist DBEIS in identifying conduct that should be investigated further and could result in individuals being disqualified from acting as a director.</p> <p>Completion of internal memo to document investigations regarding directors' conduct.</p> <p>The Joint Administrators investigations are currently ongoing and remain confidential.</p>	<p>The Joint Administrators investigations are currently ongoing and will remain confidential.</p>	

Quality Insolvency Services Ltd (IN ADMINISTRATION)

Schedule of Work

5	STATUTORY COMPLIANCE AND REPORTING Work undertaken during the Period	STATUTORY COMPLIANCE AND REPORTING Future work to be undertaken
	<p>Circulated the Joint Administrators' proposals for the conduct of the Administration for approval by creditors in accordance with legislation.</p> <p>Obtained the basis of the Joint Administrators' discharge from liability.</p> <p>Calculated and protected the value of assets that are not subject to a charge by obtaining a bond to the correct level.</p> <p>Advertised notice of the Joint Administrators' appointment as required by statute.</p> <p>Dealt with all appointment formalities as required by statute including notification to relevant parties, filings with the Court and registrar of Companies, and statutory advertising.</p> <p>Notification of the Joint Administrators appointment to HMRC.</p> <p>The Joint Administrators notified the relevant parties in respect of the Company's Pension Scheme.</p> <p>Instruction to Walker Morris to perform a review of the validity of the Administration appointment together with the validity of the assignment of the IVA book to Balbec.</p> <p>Requested a Statement of Affairs from the director of the Company.</p> <p>The Joint Administrators have instructed SP Insolvency to provide pension reports for any schemes identified to enable the Joint Administrators to adhere to their statutory duties.</p>	<p>To provide a statutory report to various stakeholders at regular intervals and manage any queries arising therefrom. Copies of these reports are required to be filed at Court and with the Registrar of Companies.</p> <p>Dealing with post appointment tax returns as required. Liaising with tax specialists where appropriate.</p> <p>To seek an extension of the Administration period if required.</p> <p>To deal with the statutory requirements in order to bring the case to a close and for the Joint Administrators to obtain their release from office; this includes preparing final reports for stakeholders, statutory advertising and filing the relevant documentation with the Court and Registrar of Companies.</p>

Quality Insolvency Services Ltd (IN ADMINISTRATION)

Schedule of Work

6	TRADING (where applicable) Work undertaken during the Period	TRADING (where applicable) Future work to be undertaken
	<p>Meeting with staff on appointment and outlining and implementing a strategy to continue to operate the business on an ongoing basis.</p> <p>Management of Company staff during the period and ensuring appropriate levels of staff throughout.</p> <p>Liaising with the Company IP regularly.</p> <p>Liaising with key suppliers to ensure the continued provision of services in order to facilitate a post appointment trading period.</p> <p>Agreeing a business critical only cash flow with the management team and Balbec to be included in the funding agreement with Balbec.</p> <p>Daily review of trading cashflow and monitoring and making payments where required.</p> <p>Understanding the Freshstart operation in Spain and liaising with the team based there.</p> <p>Daily attendance on site by Joint Administrators' staff to oversee the continued trading functions.</p> <p>Liaising with the Company's IT staff and IT providers to ensure continuity of IT services and systems.</p> <p>Determining the steps to be taken to comply with the General Data Protection Regulations and any additional requirements.</p>	<p>Make payment of suppliers' final invoices relating to the trading period.</p> <p>Reconcile trading period funds and remit surplus funds to Balbec under the terms of the Funding Agreement, following the settlement of all trading period invoices.</p>

Quality Insolvency Services Ltd (IN ADMINISTRATION)**Schedule of Work**

<p>Liaising with the landlord to facilitate any negotiations for ongoing trading and surrender / assignment of the leases.</p> <p>Arranging for the Company's social media to be updated to reflect the Administration process, and subsequent transfer of the IVA book.</p> <p>Processing payroll for retained staff and making payments to HMRC and the pension scheme in relation to payroll deductions.</p> <p>Ensuring that RTI matters dealt with in respect of PAYE/NIC.</p> <p>Liaising with insurers regarding post appointment trading requirements to insure we remain compliant.</p> <p>Overseeing all daily operational issues.</p> <p>Daily monitoring and reconciliation of the client accounts funds with the assistance of the retained staff.</p> <p>Regularly updating Balbec regarding the trading process, funding requirements, general updates and next steps.</p> <p>Regular updates to the IPA to ensure the post appointment trading period is compliant.</p> <p>Notifying IVA clients of the Joint Administrators appointment and setting up and monitoring case inbox for IVA client queries.</p> <p>Engaged with the Company's bond provider to understand their arrears position and to ensure that cases in WIP would be bonded.</p> <p>Establishing the position with regards to potential clawbacks from introducers.</p>	
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Quality Insolvency Services Ltd (IN ADMINISTRATION)

Schedule of Work

	<p>Identifying key systems/ suppliers, establishing their arrears and likelihood of the systems remaining active, negotiating costs where possible and continued updates with regards next steps and their services going forward.</p> <p>Following the transfer of the IVA book, the Joint Administrators have worked with suppliers and Freshstart Insolvency regarding the provision of ongoing service or cancellation where appropriate.</p> <p>The Joint Administrators have requested final invoices for all suppliers utilised during the Administration trading period.</p> <p>Liaising with the landlord in respect of vacating the premises and informal surrender of the lease.</p>	
7	<p>LEGAL AND LITIGATION Work undertaken during the Period</p> <p>Engaged Walker Morris to assist with the preparation and execution of the various agreements with Balbec.</p>	<p>LEGAL AND LITIGATION Future work to be undertaken</p> <p>No further work anticipated to be undertaken.</p>

Appendix D

Details of the Joint Administrators' time costs and disbursements for the Period

FRP

FRP

Quality Insolvency Services Limited - Post (In Administration)
Time charged for the period 23 November 2022 to 22 May 2023

	Appointment Tasks / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost	Average Hourly Rate
	13.50	61.00	23.30	63.62	167.22	51,226.20	306.34
Administration and Planning							
A&P - Admin & Planning		0.50	1.15		1.65	513.50	311.21
A&P - Strategy and Planning	1.00	36.30	1.10		38.40	15,249.00	397.11
A&P - Case Accounting - General		2.50	10.20	1.30	14.00	4,086.00	292.43
A&P - Case Accounting		1.60	4.20		6.15	2,881.50	241.13
A&P - Case Control and Review	12.50	7.50	2.00	3.15	25.15	11,248.50	447.26
A&P - Fee and WIP		5.80	3.45		9.25	3,185.50	342.54
A&P - General Administration		1.60	6.20	45.02	52.82	10,259.20	194.23
A&P - Travel		4.00		8.00	12.00	3,120.00	260.00
A&P - Insurance		1.50			1.50	540.00	360.00
A&P - IT - Admin / planning and acquisition		0.50			0.50	180.00	360.00
Asset Realisation	62.50	1.00	6.00		69.50	38,350.00	551.80
ROA - Asset Realisation		1.00			1.00	360.00	360.00
ROA - Freehold/Leasehold Property			5.20		5.20	1,506.00	290.00
ROA - Sale of Business	22.50				22.50	13,050.00	580.00
ROA - Asset Realisation Floatin	40.00		0.80		40.80	23,432.00	574.31
Creditors		25.20	80.45	15.45	121.10	35,411.00	292.41
CRE - Employees		14.70	46.35	7.25	70.30	20,575.00	292.67
CRE - Pensions - Creditors			9.60		9.60	2,784.00	290.00
CRE - Unsecured Creditors		6.00	7.90	7.95	21.85	6,015.50	275.31
CRE - TAX/VAT - Pre-appointment			0.90		0.90	261.00	290.00
CRE - CUSTOMERS		3.00	3.30	0.25	6.55	2,204.50	336.86
CRE - HP/ Leasing			4.50		4.50	1,305.00	290.00
CRE - Legal-Creditors		1.00	0.50		1.50	520.00	346.67
CRE - Landlord		0.50	5.40		5.90	1,746.00	295.93
Investigation	15.50	51.40	25.60	29.25	121.75	44,224.50	363.24
INV - CDDA Enquiries	2.00	4.80	0.50		7.30	2,988.00	408.56
INV - IT - Investigations		25.00	2.50		30.00	12,505.00	410.00
London Contentious Team - Funds Trading		2.60		25.75	28.35	5,932.50	209.26
INV - Investigatory Work		19.00	23.10		42.10	14,988.00	356.03
INV - Legal - Investigations	13.50				13.50	7,830.00	580.00
Statutory Compliance		30.30	21.05	3.65	55.00	18,068.00	328.51
STA - Appointment Formalities			1.00		2.75	882.50	235.53
STA - Bonding/ Statutory Advertising					1.00	290.00	290.00
STA - Statement of Affairs		0.30	1.20		1.50	456.00	304.00
STA - Statutory Compliance - General		8.00	14.25	0.90	23.15	7,255.50	313.41
STA - Tax/VAT - Post appointment		0.50	0.90		1.40	451.00	322.14
STA - Statutory Reporting/ Meetings		20.50	3.70		24.20	8,733.00	360.87
Trading	67.20	278.55	98.65	0.50	404.90	165,888.50	408.79
TRA - Case Accounting - Trading	0.70		1.00		1.70	696.00	408.41
TRA - Trading - General	66.50	248.55	41.25		354.30	147,010.50	414.93
TRA - Trading forecasting/ Monitoring		31.00	15.90		46.90	17,597.00	375.20
TRA - Trade-sales/ Purchase		0.50	0.50	0.50	1.50	405.00	270.00
TRA - Legal-trading		0.50			0.50	180.00	360.00
Total Hours	158.70	446.25	225.05	112.47	538.47	353,168.20	376.52

Disbursements for the period	
23 November 2022 to 22 May 2023	
	Value £
Category 1	
Bonding	1,000.00
Car/Mileage Recharge + 1 Person	110.50
Computer Consumables	362.30
Concession Charge	6.50
Prof. Services	7,709.40
Staff Welfare	290.16
Subscriptions	585.25
Subsistence	258.95
Taxis	60.72
Category 2	
Car/Mileage Recharge	589.23
Grand Total	10,973.01

Mileage is charged at the HMRC rate prevailing at the time the cost was incurred

FRP Charge out rates	from		
Grade		24 May 2023	1st May 2024
Appointment taker / Partner		480-580	505-610
Managers / Directors		360-460	380-485
Other Professional		210-320	220-335
Junior Professional & Support		130-190	135-200

Appendix E

Receipts and payments account for the Period

FRP

Quality Insolvency Services Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 23/11/2022 To 22/05/2023 £	From 23/11/2022 To 22/05/2023 £
ASSET REALISATIONS		
Balbec Funding	872,788.00	872,788.00
Bank Interest Gross	174.13	174.13
Domain names	1,000.00	1,000.00
IVA disbursement monies	12,020.52	12,020.52
Service Fee	198,395.08	198,395.08
	<u>1,084,377.73</u>	<u>1,084,377.73</u>
COST OF REALISATIONS		
Agents/Valuers Fees (1)	2,425.00	2,425.00
Bank Charges - Floating	25.00	25.00
Insurance of Assets	654.28	654.28
IVA Registration Fee	12,405.00	12,405.00
Marsh Specific Bond	167,150.00	167,150.00
Misc Trading Expenses	567,938.14	567,938.14
PAYE & NI	71,880.83	71,880.83
Pension	7,193.32	7,193.32
Pension Report	220.00	220.00
PR Costs	140.00	140.00
Re-Direction of Mail	1,038.00	1,038.00
Staff Expenses	218.94	218.94
Statutory Advertising	85.59	85.59
VAT Irrecoverable	7,579.54	7,579.54
Wages & Salaries	226,697.65	226,697.65
	<u>(1,065,651.29)</u>	<u>(1,065,651.29)</u>
	<u>18,726.44</u>	<u>18,726.44</u>
REPRESENTED BY		
Current Fixed Non Int Bearing		9.69
Current Floating Non Int Bearing		18,716.75
		<u>18,726.44</u>

Note:

Appendix F

Statement of expenses incurred in the Period

FRP

Quality Insolvency Services Limited (In Administration)		Notes
Expenses for the Period ending 22 May 2023		
Expenses	£	
Office Holders' remuneration (FRP)	349,117	The Joint Administrators' remuneration and disbursements, and legal fees have been met by Balbec directly and therefore do not require creditor approval.
Office Holders' disbursements (FRP)	1,301	
Legal & Counsel fees post appointment	64,240	
Trading Expenditure	872,788	Costs associated with trading the business prior to the transfer to the alternative IVA provider were met by Balbec in accordance with the Funding Agreement.
Other costs (statutory advertising, insurance etc)	1,943	Expenses of the Administration, not related to the ongoing trade of the business
VAT Irrecoverable	7,580	The Company is not VAT registered
Total	1,296,969	

**All expenses of the Administration will be met by Balbec directly. Any realisations achieved from the sale of other assets will be utilised to defray post-appointment legal fees, the balance being met directly by Balbec.*