



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

1 Company details

Company number 1 0 0 7 5 4 7 2

Company name in full Lava Mayfair Club Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Chris

Surname Newell

3 Administrator's address

Building name/number 2nd Floor

Street Arcadia House

Post town 15 Forlease Road

County/Region Maidenhead

Postcode S L 6 1 R X

Country

4 Administrator's name ①

Full forename(s) Simon

Surname Bonney

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 2nd Floor

Street Arcadia House

Post town 15 Forlease Road

County/Region Maidenhead

Postcode S L 6 1 R X

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

| | | | | | | | | |
|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| From date | ^d 2 | ^d 2 | ^m 1 | ^m 0 | ^y 2 | ^y 0 | ^y 2 | ^y 1 |
| To date | ^d 2 | ^d 1 | ^m 0 | ^m 4 | ^y 2 | ^y 0 | ^y 2 | ^y 2 |

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date

| | | | | | | | |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| ^d 1 | ^d 1 | ^m 0 | ^m 5 | ^y 2 | ^y 0 | ^y 2 | ^y 2 |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

**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 **Thomas Graham**

Company name **Quantuma Advisory Limited**

Address **2nd Floor**

Arcadia House

Post town **15 Forlease Road**

County/Region **Maidenhead**

Postcode **S L 6 1 R X**

Country

DX

Telephone **01628 478100**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Lava Mayfair Club Limited
(In Administration)
Joint Administrators' Trading Account

| Statement of Affairs £ | From 22/10/2021 To 21/04/2022 £ | From 22/10/2020 To 21/04/2022 £ |
|--------------------------------------|---------------------------------------|---------------------------------------|
| POST APPOINTMENT SALES | | |
| Sales | 41,133.50 | 59,314.98 |
| | 41,133.50 | 59,314.98 |
| TRADING EXPENDITURE | | |
| Employee payroll | NIL | 6,313.89 |
| PAYE / NIC | NIL | 3,076.15 |
| Employee/Employer Pension contributi | NIL | 883.90 |
| | NIL | (10,273.94) |
| TRADING SURPLUS/(DEFICIT) | 41,133.50 | 49,041.04 |

Lava Mayfair Club Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | From 22/10/2021 To 21/04/2022 £ | From 22/10/2020 To 21/04/2022 £ |
|------------------------------|---------------------------------------|---------------------------------------|
| | | |
| | ASSET REALISATIONS | |
| | Bank Interest Gross | 12.37 |
| 1,518,499.00 | Cash at Bank | NIL |
| 99,200.00 | Furniture & Equipment | NIL |
| 7,631.00 | Shares - Conduit Connect | 3.57 |
| 100,800.00 | Stock | NIL |
| | Trading Surplus/(Deficit) | 41,133.50 |
| 425,737.00 | VAT Refund | NIL |
| | | 41,149.44 |
| | COST OF REALISATIONS | |
| | Accountants fees | NIL |
| | Agents/Valuers Fees (1) | NIL |
| | Bank Charges | NIL |
| | Couriers Costs | 13.00 |
| | Insurance of Assets | NIL |
| | Legal Fees (1) | 49,702.75 |
| | Office Holders Fees - Percentage | 43,085.90 |
| | Office Holders Fees - Time Costs | 100,000.00 |
| | Other professional fees | NIL |
| | Pension Costs | NIL |
| | Postage | 53.87 |
| | Pre-Appointment Fee | 4,630.00 |
| | Pre-Appointment Legal Fees | 2,000.00 |
| | Security & Maintenance Costs | NIL |
| | Specific Bond | NIL |
| | Statutory Advertising | NIL |
| | Storage Costs | 1.05 |
| | Travel expenses (not mileage) | NIL |
| | Utilities | NIL |
| | | (199,486.57) |
| | PREFERENTIAL CREDITORS | |
| (240,080.00) | Employee Arrears/Hol Pay | NIL |
| | | NIL |
| | FLOATING CHARGE CREDITORS | |
| (9,909,487.00) | Floating Charge Creditor | NIL |
| | | NIL |
| | UNSECURED CREDITORS | |
| (1,463,372.00) | Consumer Creditors - club members | NIL |
| (265,745.00) | Directors Loan | NIL |
| (576,146.00) | Employees | NIL |
| (373,900.00) | HM Revenue and Customs - PAYE/NI | NIL |
| (9,295,511.00) | Inter-company loan | NIL |
| (825,749.00) | Trade & Expense Creditors | NIL |
| | | NIL |
| | DISTRIBUTIONS | |
| (23,673.00) | Ordinary Shareholders | NIL |
| | | NIL |
| (20,821,796.00) | | (158,337.13) |
| | REPRESENTED BY | |
| | Bank 1 Current | 14,924.64 |
| | Vat Control Account | 39,897.31 |

Lava Mayfair Club Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | From 22/10/2021 To 21/04/2022 £ | From 22/10/2020 To 21/04/2022 £ |
|---------------------------------------|--|--|
|---------------------------------------|--|--|

REPRESENTED BY CONTINUED

| |
|------------------|
| 54,821.95 |
|------------------|

Lava Mayfair Club Limited

(In ADMINISTRATION)

(“the Company”)

In the Business and Property Courts in England & Wales CR-2020-004017

THE JOINT ADMINISTRATORS' PROGRESS REPORT

11 May 2022

This report has been prepared for circulation solely to comply with the Joint Administrator's statutory duty to report to Creditors under the provisions of The Insolvency (England and Wales) Rules 2016 and for no other purpose. This report is intended for the statutory recipients. The report cannot be used or relied upon by any party other than for its intended statutory purpose.

Chris Newell and Simon Bonney of Quantum Advisory Limited, 2nd Floor, Arcadia House, 15 Forlease Road, Maidenhead, SL6 1RX, were appointed Joint Administrators of Lava Mayfair Club Limited on 22 October 2020.

Chris Newell and Simon Bonney are licensed to act as an Insolvency Practitioners by the Insolvency Practitioners Association.

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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used:

| | |
|----------------------------|--|
| "the Act" | Insolvency Act 1986 |
| "the Rules" | Insolvency (England and Wales) Rules 2016 |
| "the Joint Administrators" | Chris Newell and Simon Bonney of Quantuma Advisory Limited |
| "the Company" | Lava Mayfair Club Limited (in Administration) |
| "the Court" | Business and Property Courts in England & Wales CR-2020-004017 |
| "SIP" | Statement of Insolvency Practice (England & Wales) |
| "Review Period" | Period covered by the report from 22 October 2021 to 21 April 2022 |
| "Whole Period" | Period covered by the report from 22 October 2020 to 21 April 2022 |

1. INTRODUCTION

Introduction

This report has been prepared to provide Members and Creditors with an update on the progress of the Administration of the Company since the last report dated 19 November 2021.

Given the information previously provided to Members and Creditors in earlier reports, detailed background information in respect of the Company has not been included and this report focusses on the progress of the ADM subsequent to those reports.

The Joint Administrators' proposals were approved. A formal notice confirming this was sent to all creditors on 23 December 2020.

An extension to the period of Administration of 12 months was granted by the relevant creditors on 30 September 2021. The Administration is now scheduled to end on 21 October 2022.

A schedule of statutory information in respect of the Company is attached at Appendix 1.

Details of the appointment of the Joint Administrators

Chris Newell and Simon Bonney of Quantuma Advisory Limited were appointed Joint Administrators of the Company on 22 October 2020.

The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either one or both of them.

2. THE PROGRESS OF THE ADMINISTRATION

The Joint Administrators' Receipts and Payments Account

Attached at Appendix 2 is a Receipts and Payments account covering the Review Period together with a summary of the transactions in the previous Review Periods. In accordance with the requirements of SIP 7, the Joint Administrators confirm that the account has been reconciled with that held at the bank.

The rest of this report describes the key developments in the Administration over the Review Period. A summary is provided of the main asset realisations during the Review Period and an estimation of those assets yet to be realised, together with details of costs incurred but as yet remaining unpaid.

Administrative, Statutory & Regulatory Tasks

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the Administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards. Details of the tasks carried out during the Review Period are included in Appendix 3.

Trading

We would refer creditors to our previous reports in respect of the trading undertaken the trading period.

As previously advised, the Joint Administrators finalised their review of the sales income, which included reviewing payments to the employees for the day's trading. As such, sales income totalled £59,315 which has been transferred to the Administration. Payments were made to the employees for the day's trading in the sum of £6,314, plus PAYE/NIC contributions of £3,076 plus employee/employer pension contributions of £884. Therefore a profit of £49,041 was achieved for the one day's trade.

Realisation of assets

We would refer creditors to our previous report in respect of the asset realisations made within the prior Review Periods.

Conduit Capital Holdings Limited (“CCH”) & The Conduit Connect Limited (“TCC”) - Shares

As previously reported, the Company held 7,631 and 357 Ordinary shares in TCC and CCH respectively. Accountants, Harwood Hutton were instructed to conduct a valuation for the shares owned by the Company in TCC and CCH.

Following their analysis of both sets of shares, Harwood Hutton provided the following estimated valuations:

TCC (7,631 shares) – Range between £13,503 and £20,004

CCH (357 shares) – £4

An offer was received to acquire both shares from Ironie 19 Limited totalling £25,000, being £24,996 and £4 for the TCC and CCH shares respectively. The offer was accepted and funds totalling £25,000 have been received in respect of the TCC shares.

The transfer of the CCH shares of £4 was received on 8 November 2021 and therefore there will be no further realisations in this matter.

Insurance Claim

As previously reported, the Joint Administrators were made aware of a potential insurance claim for business interruption as a result of the impact of the COVID-19 restrictions imposed on the business.

The Joint Administrators have been in correspondence with their instructed solicitors, Eversheds Sutherland (“Eversheds”), regarding the potential insurance claim. After their review, Eversheds’ view was that the Company would not be entitled to an indemnity due to the insurance policy held.

The Joint Administrators are in communication with Eversheds to ensure that there have not been any previous/current judgments given which would allow the Company to make a successful claim.

This matter is therefore currently ongoing.

Interchange Claim

As previously reported, following a Supreme Court ruling in 2020, Companies that routinely process consumer and/or commercial card transactions are able to seek compensation for overcharges by credit and debit card companies. As the Company processed a significant amount of card transactions of this nature the Joint Administrators are exploring whether a claim can be made.

The Joint Administrators are currently in discussions with solicitors regarding this matter. The relevant information has been collated from the Company’s card providers during the Review Period and is being compiled to assist the solicitors in analysing the potential level of claim that the Company may have and if this claim can be pursued.

This matter is therefore currently ongoing.

Bank interest

Gross bank interest totalling £12 has been received during the Review Period.

Estimated future realisations

As detailed above, the remaining assets to be realised are summarised below:

- Continue to explore a possible business interruption insurance claim; and
- Continue to explore if an interchange claim is available from the Company's card providers.

Payments

Payments during the Review Period are detailed on the Receipts and Payments account attached at Appendix 2.

Costs incurred but remaining unpaid

During the Review Period, the Joint Administrators have also incurred time costs and direct expenses, not all of which have been discharged. Further details of these costs are set out below.

3. CREDITORS: CLAIMS AND DISTRIBUTIONS

Secured Creditors

The Company granted a fixed and floating charge to Metro Bank PLC on 22 December 2017, who was owed £10,500,000 on appointment.

The Joint Administrators remain in discussions concerning the cash at bank held by Metro Bank and the entitlement to these funds.

It is not anticipated that the secured creditor will be paid in full.

Preferential Creditors

The Joint Administrators and their staff have incurred significant time costs in assisting employees to obtain payment from the Redundancy Payments Office.

Preferential claims relating to unpaid holiday pay, wage arrears and pension contributions were estimated at £240,080 in the director's estimated Statement of Affairs. To date, 72 claims have been received totalling £144,272.

It is anticipated there will be sufficient realisations to pay a dividend to preferential creditors.

Prescribed Part

Under Section 176A of the Insolvency Act 1986, where after 15 September 2003 a company has granted to a creditor a floating charge, a proportion of the net property of the company must be made available purely for the Unsecured Creditors. This equates to:

- 50% of net property up to £10,000;
- Plus, 20% of net property in excess of £10,000.
- Subject to a maximum of £600,000.

Based on present information, the Joint Administrators estimate that there will be insufficient realisations to discharge in full all costs and preferential claims. Therefore, there will be no net property from which to deduct a prescribed part.

Unsecured Creditors

Unsecured claims were estimated at £12,800,423 in the director's estimated Statement of Affairs and to date 783 claims have been received from unsecured creditors totalling £2,975,243.

It is not anticipated that a dividend will be paid to unsecured creditors.

4. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

Investigations

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company directors were completed.

In this regard, a confidential report was submitted to the Insolvency Service on 20 January 2021.

As previously reported, the initial assessment revealed matters that the Joint Administrators considered merited further information and may lead to possible recoveries and claim against third parties. These investigations are currently ongoing and are under review.

To date this work has not generated any financial benefit to Creditors, however it has been necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

Further Information

To comply with the Provision of Services Regulations, some general information about Quantuma Advisory Limited, including the complaints policy and Professional Indemnity Insurance, can be found at <http://www.quantuma.com/legal-information>.

Information about this insolvency process may be found on the R3 website here <http://www.creditorinsolvencyguide.co.uk>.

General Data Protection Regulation

In compliance with the General Data Protection Regulation, Creditors, Employees, Shareholders, Directors and any other Stakeholder who is an individual (i.e. not a corporate entity) in these insolvency proceedings is referred to the Privacy Notice in respect of Insolvency Appointments, which can be found at this link <http://www.quantuma.com/legal-notices>.

5. ETHICS

Please note that the Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. Further information can be viewed at the following link <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. Additionally, the Joint Administrators are also bound by the regulations of their Licensing Bodies.

General Ethical Considerations

During the Review Period, no new threats to compliance with the Code of Ethics have been identified.

Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Administrator is 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 undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.

6. PRE-ADMINISTRATION COSTS

Included within the Joint Administrators' Proposals dated 8 December 2020 was a Statement of Pre-Administration Costs.

These costs were approved by the Creditors' Committee on 25 February 2022 as detailed below:

| Party instructed | Amount approved (£) | Date approved | Date paid |
|---|---------------------|------------------|------------------|
| Administrators' Pre-Administration Remuneration | 4,630 | 25 February 2022 | 28 February 2022 |
| Legal Costs | 2,000 | 25 February 2022 | 3 March 2022 |
| Total approved | 6,630 | | |

7. THE JOINT ADMINISTRATORS' FEES AND EXPENSES

A copy of 'A Creditors Guide to Administrators' Fees' effective from 1 April 2021 together with Joint Administrator's current schedule of charge-out rates and chargeable expenses, which includes historical charging information, may be found at <https://www.quantuma.com/guide/creditors-guide-fees/>.

A hard copy of both the Creditors' Guide and Quantuma Advisory Limited's current and/or historic charge-out rate and expenses policies may be obtained on request at no cost.

Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 25 February 2022 by the Creditors' Committee as follows:

1. That the Joint Administrators' fees be fixed at a set amount of £100,000 (plus VAT) for the time incurred relating to Administration and Planning, Creditors, Cashiering, Trading and Closing Procedures for the period to 6 January 2022.
2. That the Joint Administrators fees for any work undertaken in respect of asset realisations and any work carried out in investigating and pursuing any antecedent transaction claims, or any other claims legal or otherwise, will be charged on the basis of 20% of gross realisations and recoveries achieved plus VAT.

Set Basis

In accordance with the first resolution, during the Review Period £100,000 has been drawn.

Percentage Basis

A breakdown of the realisations achieved and the associated fees drawn on a percentage basis during the Review Period and during the Whole Period is as follows:

| Asset | % Basis Agreed | Amount Realised £ | Fee Drawn in Review Period £ | Fee Drawn in Whole Period £ |
|-----------------------|---------------------------------|----------------------|---------------------------------|--------------------------------|
| Sales | 20% of gross asset realisations | 59,315 | 11,863 | 11,863 |
| Furniture & Equipment | 20% of gross asset realisations | 270,000 | 31,223 | 31,223 |
| Stock | 20% of gross asset realisations | 30,000 | Nil | Nil |

| | | | | |
|---------------------|---------------------------------|---------|--------|--------|
| Shares | 20% of gross asset realisations | 25,000 | Nil | Nil |
| Bank Interest Gross | 20% of gross asset realisations | 26 | Nil | |
| Total | | 384,341 | 43,086 | 43,086 |

The Joint Administrators believe this case generally to be of average complexity with the exception of in-depth discussions concerning the entitlement of the cash at bank funds involving seeking legal advice on the matter. In addition, the involvement of the Creditors' Committee has resulted in an increase in the Joint Administrators' time and resources being attributed to the case. Otherwise no extraordinary responsibility has to date fallen on the Joint Administrators. The underlying basis of charging proposed to the creditors has been Quantum Advisory Limited's standard charge out rates which are reviewed periodically.

Joint Administrators' Expenses

An amended Statement of Insolvency Practice 9 (SIP 9), was issued on 1 April 2021. The amended SIP 9 has changed some of the terminology and introduced additional disclosure requirements. The information below may therefore not reflect the information previously provided.

The expenses, which include disbursements that have been incurred and not yet paid during the Review Period and the Whole Period are detailed below. This includes a comparison of the expenses likely to be incurred in the Administration as a whole with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

| Expenses | Original expenses estimate £ | Actual expenses incurred in the Review Period £ | Actual expenses incurred for the Whole Period £ | Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate) |
|--|---------------------------------|--|--|---|
| Category 1 expenses: | | | | |
| Legal costs | 27,000.00 | 49,702.75 | 56,650.75 | Additional fees incurred dealing with ongoing matters concerning the Committee and further investigations into the potential assets of the Company. |
| Accountants fees | 950.00 | Nil | 7,000.00 | Additional instruction required for valuation of shares not previously envisaged. |
| Agents fees | 62,708.00 | Nil | 55,809.98 | |
| Pension agents | Nil | Nil | 2,840.00 | Additional assistance from agents required due to high number of employees. |
| Other professional fees | Nil | Nil | 1,405.88 | Assistance required from former employee to assist with securing employee data, preparing information for employee payments and P45 preparation. Also, such payments include payments to Fourth Ltd and Foodie Finance, as detailed within the professional fees section. |
| Statutory & other Advertising | 169.00 | Nil | 84.60 | |
| Insurance of assets | 8,000.00 | Nil | 1,319.79 | |
| Indemnity Bond | 135.00 | Nil | 135.00 | |
| Printing & Postage costs of external provider. | 500.00 | 55.61 | 271.70 | |
| Land Registry Fee | 20.00 | | Nil | |
| Storage costs | 300.00 | 1.05 | 1.05 | |
| Travel expenses | 350.00 | Nil | 635.79 | Additional requirements to attend premises to assist agents, allow removal of third party goods and assets and comply with insurance requirements. |
| Courier costs | Nil | 13.00 | 13.00 | Costs incurred due to dealing with Company database, not anticipated at the outset. |

| Expenses | Original expenses estimate £ | Actual expenses incurred in the Review Period £ | Actual expenses incurred for the Whole Period £ | Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate) |
|--|---------------------------------|--|--|--|
| Security and maintenance costs | Nil | Nil | 4,923.87 | Costs not previously envisaged due to ongoing occupation of the premises including lift services and security to comply with insurance requirements. |
| Staff Payroll | Nil | Nil | 6,313.89 | Costs not estimated at the outset due to uncertainty of quantum of monies owed for staff payroll. |
| PAYE / NIC | Nil | Nil | 3,076.15 | Costs not estimated at the outset due to uncertainty of quantum of monies owed for staff payroll. |
| Pension contributions | Nil | Nil | 883.90 | Costs not estimated at the outset due to uncertainty of quantum of monies owed for staff payroll. |
| Electricity costs | Nil | Nil | 37,125.00 | Costs not previously envisaged due to ongoing occupation of the premises. |
| Gas costs | Nil | Nil | 1,265.63 | Costs not previously envisaged due to ongoing occupation of the premises. |
| Bank Charges | Nil | Nil | 54.72 | Costs incurred due to international payments and payments to staff as per the staff payroll. |
| | | | | |
| Category 2 expenses: | | | | |
| Photocopying, scanning & faxes (per side) | 400.00 | Nil | Nil | Please be advised that, whilst it was originally envisaged that these expenses would be charged to the estate, this has been no longer allowed since 1 April 2021. |
| Stationery (Per Report/letter per member/creditor) | 350.00 | Nil | Nil | |
| TOTAL | 100,882.00 | 49,772.41 | 179,810.70 | |

Details of the expenses paid in the Review Period and the Whole Period are shown in the Receipts and Payments account at Appendix 2.

Please note that some Category 2 expenses that have previously been approved and their estimated costs or basis of their cost provided as part of the expenses estimate may not be discharged from the estate from 1 April 2021. These are indicated in the table above.

Cost to Closure

Having regard for the costs that are likely to be incurred in bringing this Administration to a close, the Joint Administrators consider that:

- the original expenses estimate has been exceeded for the reasons given above.

Other Professional Costs

Solicitors

As previously advised, JMW Solicitors were instructed as legal advisors in relation to the cash at bank funds, advice in relation to the issues and queries raised by the creditors' committee and other investigative matters. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. The solicitors' fees to date amount to £19,948 plus VAT, of which £16,698 plus VAT has been paid. The solicitors' fees were apportioned against the Joint Administrators' and other solicitors' fees due and therefore there will be no further payment to JMW Solicitors.

Eversheds Sutherland Limited were instructed as legal advisors in relation to the sale of the TCC and CCH shares. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. The solicitors' outstanding fees to date amount to £55,937 plus disbursements and VAT of which £39,952.75 has been paid. The solicitors' fees were apportioned against the Joint

Administrators' and other solicitors' fees due and therefore there will be no further payment to Eversheds Sutherland Limited.

All professional costs are reviewed and analysed before payment is approved.

Creditors' right to request information

Any Secured Creditor, or Unsecured Creditor with the support of at least 5% in value of the Unsecured Creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

Creditors' right to challenge remuneration and/or expenses

Any Secured Creditor, or Unsecured Creditor with the support of at least 10% in value of the Unsecured Creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of remuneration which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of.

Please note that such challenges may not disturb remuneration or expenses disclosed in prior progress reports.

Future of the Administration

The Administration will continue in order to finalise the following outstanding matters:

- Complete review into possible insurance and interchange claims;
- Continued discussions, correspondence and meetings with the Creditors' Committee in line with the requirements under the Insolvency Rules (England & Wales) 2016; and
- Continuing enquiries in order to establish avenues for further investigation and if any claims can be identified against third parties for the benefit of the Administration estate.

Should you have any queries in regard to any of the above please do not hesitate to contact Thomas Graham on 01628 402 537 or by e-mail at thomas.graham@quantuma.com.



Chris Newell
Joint Administrator

LAVA MAYFAIR CLUB LIMITED
(IN ADMINISTRATION)

STATUTORY INFORMATION

| | |
|----------------------------------|---|
| Company Name | Lava Mayfair Club Limited |
| Trading Address | 40 Conduit Street, Mayfair, London, W1S 2YQ |
| Proceedings | In Administration |
| Court | Business and Property Courts in England & Wales |
| Court Reference | CT-2020-004017 |
| Date of Appointment | 22 October 2020 |
| Joint Administrators | Chris Newell Simon Bonney Quantuma Advisory Limited 2nd Floor, Arcadia House, 15 Forlease Road, Maidenhead, SL6 1RX |
| Registered office Address | c/o Quantuma Advisory Limited 2nd Floor, Arcadia House, 15 Forlease Road, Maidenhead, SL6 1RX |
| Company Number | 10075472 |
| Incorporation Date | 21 March 2016 |
| Appointment by | Holder of Qualifying Floating Charge, Metro Bank Plc |
| Directors at date of Appointment | Robert Devereux Rowan Finnegan Nick Hamilton Martin Johansson Mark Sainsbury Paul Van Zyl Margaret Young |
| Directors' Shareholdings | Rowan Finnegan: 2,046 Ordinary A 141 Ordinary Nick Hamilton 2,138 Ordinary A 175 Ordinary Mark Sainsbury: 238 Ordinary A 199 Ordinary |

LAVA MAYFAIR CLUB LIMITED
(IN ADMINISTRATION)

THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT AS AT 21 APRIL 2022

Lava Mayfair Club Limited
(In Administration)
Joint Administrators' Trading Account

| Statement of Affairs £ | From 22/10/2021 To 21/04/2022 £ | From 22/10/2020 To 21/04/2022 £ |
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| POST APPOINTMENT SALES | | |
| Sales | 41,133.50 | 59,314.98 |
| | <u>41,133.50</u> | <u>59,314.98</u> |
| TRADING EXPENDITURE | | |
| Employee payroll | NIL | 6,313.89 |
| PAYE / NIC | NIL | 3,076.15 |
| Employee/Employer Pension contributions | NIL | 883.90 |
| | <u>NIL</u> | <u>(10,273.94)</u> |
| TRADING SURPLUS/(DEFICIT) | <u>41,133.50</u> | <u>49,041.04</u> |

Lava Mayfair Club Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 22/10/2021 To 21/04/2022 £ | From 22/10/2020 To 21/04/2022 £ |
|------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| | ASSET REALISATIONS | | |
| | Bank Interest Gross | 12.37 | 31.83 |
| 1,518,499.00 | Cash at Bank | NIL | NIL |
| 99,200.00 | Furniture & Equipment | NIL | 270,000.00 |
| 7,631.00 | Shares - Conduit Connect | 3.57 | 25,000.00 |
| 100,800.00 | Stock | NIL | 30,000.00 |
| | Trading Surplus/(Deficit) | 41,133.50 | 49,041.04 |
| 425,737.00 | VAT Refund | NIL | NIL |
| | | 41,149.44 | 374,072.87 |
| | COST OF REALISATIONS | | |
| | Accountants fees | NIL | 7,000.00 |
| | Agents/Valuers Fees (1) | NIL | 55,809.98 |
| | Bank Charges | NIL | 54.72 |
| | Couriers Costs | 13.00 | 13.00 |
| | Insurance of Assets | NIL | 1,319.79 |
| | Legal Fees (1) | 49,702.75 | 56,650.75 |
| | Office Holders Fees - Percentage | 43,085.90 | 43,085.90 |
| | Office Holders Fees - Time Costs | 100,000.00 | 100,000.00 |
| | Other professional fees | NIL | 1,405.88 |
| | Pension Costs | NIL | 2,840.00 |
| | Postage | 53.87 | 269.96 |
| | Pre-Appointment Fee | 4,630.00 | 4,630.00 |
| | Pre-Appointment Legal Fees | 2,000.00 | 2,000.00 |
| | Security & Maintenance Costs | NIL | 4,923.87 |
| | Specific Bond | NIL | 135.00 |
| | Statutory Advertising | NIL | 84.60 |
| | Storage Costs | 1.05 | 1.05 |
| | Travel expenses (not mileage) | NIL | 635.79 |
| | Utilities | NIL | 38,390.63 |
| | | (199,486.57) | (319,250.92) |
| | PREFERENTIAL CREDITORS | | |
| (240,080.00) | Employee Arrears/Hol Pay | NIL | NIL |
| | | NIL | NIL |
| | FLOATING CHARGE CREDITORS | | |
| (9,909,487.00) | Floating Charge Creditor | NIL | NIL |
| | | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (1,463,372.00) | Consumer Creditors - club members | NIL | NIL |
| (265,745.00) | Directors Loan | NIL | NIL |
| (576,146.00) | Employees | NIL | NIL |
| (373,900.00) | HM Revenue and Customs - PAYE/NI | NIL | NIL |
| (9,295,511.00) | Inter-company loan | NIL | NIL |
| (825,749.00) | Trade & Expense Creditors | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (23,673.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (20,821,796.00) | | (158,337.13) | 54,821.95 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 14,924.64 |
| | Vat Control Account | | 39,897.31 |

Lava Mayfair Club Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | From 22/10/2021 To 21/04/2022 £ | From 22/10/2020 To 21/04/2022 £ |
|------------------------------|---------------------------------------|---------------------------------------|
|------------------------------|---------------------------------------|---------------------------------------|

REPRESENTED BY CONTINUED

| |
|-----------|
| 54,821.95 |
|-----------|

LAVA MAYFAIR CLUB LIMITED
(IN ADMINISTRATION)

DETAILED NARRATIVE LIST OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS
DURING THE REVIEW PERIOD

| Description of work undertaken | Includes |
|---|---|
| <u>ADMINISTRATION & PLANNING</u> | |
| General Administration - Dealing with all routine correspondence and emails relating to the case. | |
| Case strategy & completing file reviews at 6 months. | Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists |
| VAT & Corporation Tax matters and returns. | Preparation and filing of VAT Returns Preparation and filing of Corporation Tax Returns |
| <u>CREDITORS</u> | |
| Dealing with creditor correspondence, emails and telephone conversations. | Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via email and post |
| Dealing with Pension Schemes | Corresponding with the PPF and the Pensions Regulator |
| Committee Reporting | Reporting to Committee Members |
| Committee Meetings, Minutes & liaising with Committee Members | Holding an initial meeting of the committee Seeking the committee's approval on case strategy Calling and holding meetings of the committee as required and the circumstances of the case dictate |
| Secured Creditor Reports/Claims | Seeking solicitors' advice on the validity of secured creditors' claims. Paying distribution to secured creditors and seeking confirmation of discharged claims |
| Annual/Progress Reports | Preparing, circulating and filing progress reports. Disclosure of sales to connected parties |
| <u>INVESTIGATIONS</u> | |
| Investigating & Pursuing Antecedent Transactions | |
| <u>REALISATION OF ASSETS</u> | |
| Realisation of Assets | |
| Sale of Shares | Seeking and obtaining valuation of shares Accepting and agreeing offers Instructing lawyers to assist with sale |
| Cash at Bank | Seeking legal advice on entitlement to funds Discussions with secured creditor on cash at bank position |
| Insurance Claim | Reviewing insurance policy and liaising with solicitors |
| Interchange Claim | Discussions and liaising with solicitors Collating information surrounding card providers and charges |

| | |
|---|---|
| <u>CASHIERING</u> | |
| Maintaining and managing the Office Holders' cashbook and bank account. | Preparing correspondence opening and closing accounts Requesting bank statements Correspondence with bank regarding specific transfers Maintenance of the estate cash book |
| Dealing with cheque requisitions | Issuing cheques/BACS payments |
| Dealing with deposit forms | Banking remittances |
| Bank Reconciliations | |
| Preparing & Filing statutory Receipts & Payments accounts | Preparing and filing statutory Receipts and Payments accounts at Companies House |

Current Charge-out Rates of the staff working on the case

Time charging policy

Support staff and executive assistants do not charge their time to each case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken

Support staff include secretarial and administrative support.

The minimum unit of time recorded is 6 minutes.

Rates are likely to be subject to periodic increase.

| Staff | Charge out rates £ |
|-----------------------------------|-----------------------|
| Managing Directors / Directors | £345.00 - £580.00 |
| Senior Manager | £305.00 – £415.00 |
| Manager | £250.00 - £375.00 |
| Assistant Manager | £195.00 – £335.00 |
| Senior Administrator | £200.00 – £285.00 |
| Administrator | £175.00 – £240.00 |
| Assistant Administrator | £130.00 - £160.00 |
| Case Accountant | £135.00 |
| Junior Administrator | £100.00 - £115.00 |
| Support Staff/Executive Assistant | £100.00 – £135.00 |