



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

1 Company details

Company number	1	0	0	7	6	9	1	2
Company name in full	Railsbank Technology Limited							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	James
Surname	Cook

3 Administrator's address

Building name/number	Suite 3 Regency House
Street	91 Western Road
Post town	Brighton
County/Region	
Postcode	B N 1 2 N W
Country	

4 Administrator's name ①

Full forename(s)	Richard James
Surname	Beard

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	Suite 3 Regency House
Street	91 Western Road
Post town	Brighton
County/Region	
Postcode	B N 1 2 N W
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 0	^d 9	^m 0	^m 3	^y 2	^y 0	^y 2	^y 3
To date	^d 0	^d 8	^m 0	^m 9	^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



X

Signature date	^d 0	^d 5	^m 1	^m 0	^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 **Ruth Turner**

Company name **Alvarez & Marsal Europe LLP**

Address **Suite 3 Regency House
91 Western Road**

Post town **Brighton**

County/Region

Postcode **B N 1 2 N W**

Country

DX

Telephone **+44 (0) 20 7715 5200**

**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

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Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ❶
Attach this to the relevant form.
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Mark

Surname

Firmin

3 Insolvency practitioner's address

Building name/number

Suite 3 Regency House

Street

91 Western Road

Post town

Brighton

County/Region

Postcode

B N 1 2 N W

Country

RAILSBANK TECHNOLOGY LIMITED IN ADMINISTRATION

Joint Administrators' first progress report

For the period from 9 March 2023 to 8 September 2023

5 October 2023

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1 Executive summary

The Directors of Railbank Technology Limited (“the Company”) resolved on 3 March 2023 to appoint James Cook, Richard Beard and Mark Firmin (“we”/“us”/“our”) of Alvarez & Marsal Europe LLP (“A&M”) as Joint Administrators. The notice of appointment was lodged at the High Court of Justice Business and Property Courts of England and Wales, Companies and Insolvency List (ChD) at 3.49pm on 9 March 2023. On that date the Company was placed into administration and our appointment as Joint Administrators became effective.

This progress report covers the period from the date of our appointment to 8 September 2023.

We delivered our statement of proposals (“Proposals”) to all known creditors on 16 March 2023. They were deemed approved without modification on 28 March 2023.

Immediately following our appointment, a sale of the business and certain assets of the Company was completed to Embedded Finance Limited (the “Purchaser”) on 9 March 2023 for £413,906 (the “Sale”).

We have taken steps to identify, protect and progress the realisation of the Company’s residual assets which were not sold to the Purchaser (Section 2 – Strategy and progress of the administration to date).

We are not aware of any secured claims against the Company (Section 3 – Dividend prospects).

Based on current estimates, we anticipate that the secondary preferential creditors should receive a dividend. We have yet to determine the amount of this, but we will do so when we have completed the realisation of assets and the payment of associated costs (Section 3 – Dividend prospects).

Based on current estimates it is highly unlikely that there will be a dividend to the Company’s unsecured creditors (Section 3 – Dividend prospects).

Please note you should read this progress report in conjunction with our proposals which were issued to the Company’s creditors and are available on the Portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



James Cook
Joint Administrator

2 Strategy and progress of the administration to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our Proposals.

2.1 Strategy

As reported in our Proposals and SIP16 statement, the Company's business and certain of its assets were sold to the Purchaser immediately following our appointment.

Throughout the period we have taken steps to identify, protect and progress the realisation of the Company's residual assets, including cash at bank, deposits & prepayments and intercompany debtors.

2.1.1 Sale of business

As reported in our Proposals, the Sale was completed to the Purchaser on 9 March 2023 for initial consideration of £413,906. The initial consideration is broken down below:

Assets	(£)
Contracts, equipment, goodwill, IP, licences and records	413,904
Shares in certain of the subsidiaries	1
Debtors (initial consideration)	1
Total	413,906

In addition, it was agreed that the Purchaser would pay additional consideration calculated at a rate of 50% of debtor collections up to a maximum amount of £430,000 plus an amount equivalent to VAT (i.e. £516,000). We have received this additional consideration in full during the period therefore there are no further realisations due in respect of the Sale.

The Company also granted the Purchaser a licence to occupy its leasehold premises for a period of up to 4 weeks. The Purchaser terminated the licence to occupy after 2 weeks of occupation and paid the Company a licence fee of £31,855 plus VAT, to cover its period of occupation.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below, in addition to the sale of business detailed above.

Book Debts

In the period of this report, trade book debts totalling £907,254 were paid into the Company's pre-appointment bank account and transferred to an account under our control. Of this amount, £516,000 has been retained by the Company per the terms of the Sale to satisfy the additional consideration due, as discussed at 2.1.1 above. Of the balance, an amount of £236,099 has been returned to the Purchaser, with a further £155,155 to be paid across shortly.

Intercompany Debts

During the period we have investigated the recoverability of amounts owed to the Company from its subsidiaries. All outstanding balances due to the Company as at the date of the administration were owed by companies that were also insolvent.

US subsidiaries

The Company had provided its US subsidiaries with funding in order to set up the US business, as well as cover operating losses, via a mix of equity and intercompany debt financing. Following a review of the underlying financing documentation, and having taken legal advice from Osbourne Clarke, we considered there was a risk that all funding provided to the US subsidiaries could be recharacterised as equity funding by a subsequently appointed Bankruptcy Trustee. This would have resulted in there being no recovery from the intercompany debt owed to the Company. Whilst there were arguments that could have been made to rebut the debt recharacterisation, the costs of the Bankruptcy process, as well as the significant legal costs that the Company would have needed to incur to defend its position, would likely have resulted in no recoveries being made by the Company from the US subsidiaries. In light of the above we negotiated a settlement with Railsr Inc. for the sum of £74,909 to be paid in full and final settlement of the intercompany receivable balance that was outstanding as at the date of administration. These funds have been received.

Singaporean subsidiaries

The directors of the Singaporean subsidiaries have appointed liquidators to these entities to facilitate a wind-down of these businesses. Based on discussions with the directors, as well as information supplied by the appointed liquidator, we anticipate the Company will recover up to approximately £290,000 from these entities. We continue to liaise with the liquidator to assist their liquidation process and ensure the Company's recovery from these intercompany receivables is maximised.

Other subsidiaries

Based on the current information we have in relation to the remaining subsidiaries in the group, we do not anticipate making any recoveries in respect of the remaining intercompany debts owed by these entities due to the lack of funds or assets in these companies. The directors of these entities remain responsible for winding down these companies.

Prepayments

The Purchaser has continued to use certain subscriptions and service agreements with suppliers, which the Company entered into and paid for prior to it entering administration. Following a review of these prepayments and subsequent negotiations with the Purchaser, the Purchaser agreed to pay £144,954 for the benefit they have received from these services.

LTO Rent

We have received £31,855 plus VAT from the Purchaser in respect of its occupation of its leasehold premises, under the terms of the licence to occupy. We shall make a corresponding payment to the landlord of the leasehold premises in respect of the Company's rent liability during this period.

Cash at Bank

During the period we have realised £32,442 that was held in one of the Company's pre-administration bank accounts on appointment.

Tax Losses

We have reviewed the Company's tax records and estimate that it has pre-administration tax losses of approximately £8 million. We are in discussions with the Purchaser to ascertain their interest in acquiring some, or all of, the tax losses from the Company. The benefit to the

Purchaser of acquiring the Company's tax losses would be to shelter profits made and therefore reduce tax payable.

2.2.1 Investigations

We have reviewed the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors.

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to the Department for Business & Trade. The contents of our submission are confidential.

2.3 Expenses

2.3.1 Payments

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period are provided below.

Debtors Collected on behalf of Purchaser

As detailed at 2.2, an amount totalling £236,099 has been returned to the Purchaser, relating to book debts that were paid into the Company's pre-administration bank account. A further £155,155 will be paid across shortly.

Administrators' Fees: Pre-administration Fees

We have settled our pre-administration fees of £411,623 following the creditors' approval of these to be paid as an expense of the administration.

Administrators' Fees: Post-appointment Fees and Disbursements

During the period we have invoiced and been paid administrators' fees of £350,000 and disbursements of £2,261.

Legal fees/Disbursements: Pre-administration Legal Fees and Disbursements

Following the creditors' approval to pay pre administration legal costs as an expense of the administration, we settled Osborne Clarke LLP's ("OC") outstanding pre-administration costs of £130,141 in respect of pre-administration legal fees and £1,084 in respect of pre-administration legal disbursements. Please note that OC's pre-administration legal disbursements included amounts which were paid to entities connected to OC who provided overseas legal advice to the Company prior to it entering administration.

Legal fees/Disbursements: Post-appointment Legal Fees and Disbursements

During the period we have paid OC's post-appointment legal fees of £54,624 and disbursements of £9,777 in relation to general legal advice provided during the administration. OC's disbursements include amounts paid to entities connected to OC who provided overseas legal advice.

We also paid DWF Law LLP's fees of £3,500 and disbursements of £22 in respect of work undertaken to confirm the validity of our appointment.

2.3.2 Professional advisers and sub-contractors

Agents

We instructed Hilco Appraisal Limited to prepare a desktop valuation for the occupation lease at the Company's head office property. They were selected as they are experienced and well-regarded in work of this nature and have been engaged on a fixed fee plus disbursements basis.

2.4 Schedule of expenses

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

Summaries of the most significant expenses that have been incurred in the period but have not yet been paid are provided below.

OC

OC has incurred costs of £633 during the period which have not yet been paid.

3 Dividend prospects

3.1 Secured creditors

We are not aware of any secured claims against the Company.

3.2 Preferential creditors

We are not aware of any ordinary preferential claims against the Company.

In addition, certain HMRC claims rank as secondary preferential claims. According to the Directors' records, HMRC has a secondary preferential claim in the amount of £1.4 million.

Based on current estimates, we anticipate that the secondary preferential creditors should receive a dividend. We have yet to determine the amount of this, but we will do so when we have completed the realisation of assets and the payment of associated costs.

3.3 Unsecured creditors

Based on current estimates, it is highly unlikely that there will be a dividend to unsecured creditors as any surplus net asset realisations will likely be distributed to the preferential creditors who are not expected to be paid in full.

4 Joint Administrators' remuneration, category 2 expenses and pre-administration costs

4.1 Joint Administrators' remuneration and category 2 expenses

4.1.1 Basis of remuneration and category 2 expenses

During the period, the Company's creditors have provided approval that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate and charge-out rates provided to creditors;
- category 2 expenses (as defined in Statement of Insolvency Practice 9 and disclosed to creditors) will be paid as an expense of the estate, including disbursements paid directly by A&M and charged in accordance with our charging policy as set out in Appendix 4; and
- unpaid pre-administration costs will be paid as an expense of the estate.

We estimate that the total amount of post-appointment remuneration to be paid from the estate will be greater than our initial fees estimate for the administration of £500,715 (which includes remuneration paid to date and is in addition to our pre-administration fees of £411,623). We will shortly be issuing a revised fee estimate to the relevant parties or their approval.

4.1.2 Time costs

From the date of our appointment to 8 September 2023 we have incurred time costs of £563,871. These represent 715 hours at an average rate of £789 per hour.

4.1.3 Remuneration

During the period, we have drawn remuneration of £350,000.

4.1.4 Additional information

Fees estimate

Our fees estimate of £500,715 has been exceeded as a result of additional work which was required, a summary of which is included below:

- Engagement control: Additional work was required in formulating, monitoring and reviewing the administration strategy as we sought to recover assets which were originally anticipated to have no recovery value.
- Reports, decision making & remuneration: A greater volume of work was required to prepare and issue reports, including our remuneration Report, than originally anticipated.

- Correspondence & statutory filing: There was additional work required to assist the directors in fulfilling their statutory duties including the preparation of the Statement of Affairs.
- Investigations: It took longer than anticipated for us to review the Company's books and records as the vast majority of records were electronic and had to be converted from code. On appointment, we invited stakeholders to provide information on any concerns they had regarding the way in which the Company's business has been conducted and we received a greater volume of calls/emails in respect of these concerns than originally estimated.
- Sale of Business: There was additional work required to liaise with the Purchaser to collect the additional consideration due in respect of debtor recoveries, as well as additional sums due in respect of prepayments. We have also been required to assist the Purchaser with the stock transfer forms for the subsidiaries that were sold as part of the Sale.
- Asset realisations: There have been higher asset realisations than originally anticipated, including the settlement with Railstr Inc., and we expect to receive additional material sums in respect of intercompany receivables from the Singaporean subsidiaries. Given the nature of discussions required to recover these assets, a more senior team was deployed to progress these activities. There has also been additional work required in respect of negotiating a sale of the Company's tax losses, which are valuable to the Purchaser.
- Claims & distributions: We have received a much larger volume of queries than originally forecast.

Therefore, we will shortly take steps to make the requisite disclosures and seek approval from the relevant parties that we be authorised to draw remuneration in excess of the previously approved amount of £500,715.

Expenses estimate

We do not anticipate that the expenses to be incurred during the administration will exceed our original expenses estimate of £717,744. However, during the Period we have exceeded our initial estimate with regard to insurance costs by £200 (as we had insurance cover on the property for longer than originally estimated) and postage costs by circa. £600 (as we have sent more written correspondence to stakeholders than initially estimated).

Time spent and charging policy

We have attached our charging policy at Appendix 4 together with a summary of the expenses paid directly by Alvarez & Marsal Europe LLP for the period from our appointment to 8 September 2023.

4.2 Pre-administration costs

We disclosed the following pre-administration costs, which were unpaid at the date of our appointment, in our proposals:

Pre-administration costs	Disclosed unpaid costs (£)	Approved (£)	Paid in the period (£)	Outstanding (£)
Fees incurred by the Joint Administrators:				
- Engagement acceptance & control	34,016	34,016	34,016	-
- Dealing with stakeholders	147,615	147,615	147,615	-
- Sale of business	205,864	205,864	205,864	-
- Appointment documents	24,128	24,128	24,128	-
Headland fees	5,610	5,610	5,610	-
OC fees	130,141	130,141	130,141	-
OC disbursements	1,105	1,105	1,084	21
Total	548,479	548,479	548,458	21

On 28 April 2023, we obtained approval from the Company's creditors to pay these unpaid pre-administration costs as an expense of the administration and can confirm that these amounts have been discharged in full.

The outstanding balance of OC's disbursements totalling £21 relates to a foreign exchange timing variance of an invoice issued in a foreign currency. This invoice has been discharged in full and we therefore do not anticipate there will be any further pre-administration costs paid by the Company.

5 Future strategy

5.1 Future conduct of the administration

We 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:

- Managing the tax and VAT affairs of the Company, including potentially realising value from the sale of the Company's historical tax losses;
- If possible, realising the Company's outstanding intercompany receivable balances as at the date of administration;
- Considering whether an extension to the administration is required and takes steps to obtain the extension if necessary;
- Discharging any outstanding costs and expenses of the administration;
- Paying a dividend to the preferential creditors; and
- Concluding all closure related formalities in order to bring the administration to a close.

5.2 Discharge from liability

The Company's creditors granted approval that we be discharged from liability in respect of any actions as Joint Administrators upon filing of our final receipts and payments account with the Registrar of Companies.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

5.3 Future reporting

We will provide a further progress report within one month of 8 March 2024 or earlier if the administration has been completed prior to that time.

Appendix 1 – Statutory information

<u>Company information</u>	
Company name	Railbank Technology Limited
Date of incorporation	22 March 2016
Company registration number	10076912
Present registered office	Suite 3 Regency House, 91 Western Road, Brighton BN1 2NW
Previous registered office	1 Snowden Street, London, England, EC2A 2DQ
Company Directors	Chipper Boulas, Stephen Couttie, Meirav Har Noy, Stephen Charles Harris, Richard Neil Haythornthwaite, Lawrence Michael Meyer, Clive Mitchell, Nigel George Swinburne Verdon (Shares held: 27,227,311)
Company Secretary	James Dominic Morris
Moratorium under Part A1 of the Insolvency Act	No such moratorium has been in force for the Company at any time within the period of two years ending with the day on which it entered administration.
<u>Administration information</u>	
Administration appointment	The administration appointment granted in the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List, CR-2023-001307
Appointor	The Directors
Date of appointment	9 March 2023
Joint Administrators	James Cook, Richard Beard and Mark Firmin
Joint Administrators' contact details:	Address: Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW Tel: 020 7715 5223 Email: INS_RAIBTL@alvarezandmarsal.com
Purpose of the administration	Rescuing the Company in accordance with Paragraph 3(1)(a) was not achievable as a solvent sale was not possible. Therefore, our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, in accordance with Paragraph 3(1)(b). We will achieve this as a sale of the business and certain assets has resulted in greater realisations and mitigated liabilities compared with a winding up scenario.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	8 March 2024
Prescribed part	The prescribed part is not applicable on this case because the Company has no registered floating charges.
Insolvency proceedings	These proceedings are Centre of Main Interest ("COMI") proceedings.

Appendix 2 – Receipts and payments account

Statement of Affairs £		From 09/03/2023 To 08/09/2023 £	From 09/03/2023 To 08/09/2023 £
	ASSET REALISATIONS		
413,902.00	Contracts, Equipment, Goodwill and IP	413,903.92	413,903.92
	Prepayments	144,954.00	144,954.00
516,000.00	Book Debts	982,163.83	982,163.83
1.00	Shares & Investments	1.00	1.00
36,570.00	Cash at Bank	32,442.01	32,442.01
	LTO Rent	31,854.74	31,854.74
	Contributions	8,500.00	8,500.00
		1,613,819.50	1,613,819.50
	OTHER REALISATIONS		
	Bank Interest	10,315.43	10,315.43
62,666.00	Sundry Refunds	1,274.00	1,274.00
		11,589.43	11,589.43
	COST OF REALISATIONS		
	Debtors Collected on behalf of Purcha	236,098.66	236,098.66
	Specific Bond	200.01	200.01
	Administrators' Fees		
	Pre-administration Fees	411,622.88	411,622.88
	Post-appointment Administrators' Fees	350,000.00	350,000.00
	Administrators' Disbursements		
	Post-appointment Administrators' Disbursements	2,260.68	2,260.68
	Contractor Costs		
	Post-appointment Contractor Costs	745.00	745.00
	Agents/Valuers Fees/Disbursements		
	Pre-administration Agents/Valuers F	5,610.00	5,610.00
	Post-appointment Agents/Valuers Fe	750.00	750.00
	Legal Fees/Disbursements		
	Pre-administration Legal Fees	130,141.00	130,141.00
	Pre-administration Legal Disburseme	1,084.17	1,084.17
	Post-appointment Legal Fees	58,124.00	58,124.00
	Post-appointment Legal Disburseme	9,798.47	9,798.47
	Insurance of Assets	700.00	700.00
	Bank Charges	1.20	1.20
		(1,207,136.07)	(1,207,136.07)
	2nd PREFERENTIAL CREDITORS		
(1,758,490.00)	HMRC	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(8,084,599.00)	Trade & Expense Creditors	NIL	NIL
(33,347,213.00)	Connected Companies	NIL	NIL
		NIL	NIL
(42,161,163.00)		418,272.86	418,272.86
	REPRESENTED BY		
	Floating VAT Receivable		193,990.14
	Current Account		230,653.67
	Floating VAT Payable		(6,370.95)
			418,272.86

Funds are held in an interest-bearing current account.

Included within Book debts and the Current Account Balance is an amount of £155,155 which has been received on the Purchaser's behalf and will be paid across shortly.

Appendix 3 – Schedule of expenses

A3.1 Schedule of Expenses

Schedule of expenses for the period from 9 March 2023 to 8 September 2023

Category	Incurred in the period (£)
Post-appointment Agent's/Valuer's Fees	750
Pre-administration Agent's/Valuer's Fees	5,610
Bank Charges	1
Specific Bond	200
Post appointment Contractor costs	745
Insurance of Assets	700
Post-appointment Administrators' Disbursements	2,261
Post-appointment Legal disbursements	9,798
Pre-administration Legal disbursements	1,084
Post-appointment Legal fees	58,757
Pre-administration Legal fees	130,141
Pre-administration Fees	411,623
Total	621,670

In addition to the above an amount totalling £236,099 has been transferred to the Purchaser relating to book debts that were acquired in the Sale but *were paid into the Company's pre-administration bank account*. A further £155,155 will be paid across shortly.

A3.2 Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our 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 our 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 by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor 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 Ruth Turner, Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW or by email to INS_RAIBTL@alvarezandmarsal.com.

Appendix 4 – Charging policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT and investigations by A&M in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration, using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Charge-out rates (£/hour) for: Restructuring

Grade	From 9 March 2023
Managing Director	1,150
Senior Director	1,030
Director	950
Associate Director	760
Senior Associate	655
Associate	495
Analyst	280
Support	210

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

A copy of "Administration: A Guide for Creditors on Insolvency Practitioner Fees" from SIP 9 produced by the Association of Business Recovery Professionals is available via the Portal.

If you are unable to access this guide and would like a copy, please contact Ruth Turner, Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW or by email to INS_RAIBTL@alvarezandmarsal.com.

Policy for the recovery of disbursements

Where funds permit the office holders will seek to recover disbursements falling into both category 1 and category 2 expenses from the estate. For the avoidance of doubt, such disbursements are defined within SIP 9 as payments which are first met by the office holder, and then reimbursed to the office holder from the estate. These are divided in SIP 9 as follows:

- Disbursements within category 1 expenses: These are payments which do not have any element of shared costs and are made to persons who are not an associate of the

office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

- Disbursements within category 2 expenses: These are payments to associates or which have an element of shared costs. These may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Disbursements within category 2 expenses charged by A&M include mileage at a rate of 45p per mile. When carrying an A&M passenger, no additional cost per passenger will be charged.

We have the authority to pay disbursements falling within category 1 expenses without the need for any prior approval from the creditors of the Company.

Disbursements falling within category 2 expenses are to be approved in the same manner as our remuneration.

Disbursements falling within category 1 expenses:

Nature of disbursement	Amounts incurred in the period (£)	Amounts paid in the period (£)
Post scanning costs	67.65	67.65
Postage	2,096.42	2,042.16
Change of registered office	41.67	41.67
Statutory advertising	109.20	109.20
Total	2,314.94	2,260.68

Our time cost summary in accordance with SIP 9

Please refer to the tables below for a detailed breakdown and narrative of our time costs to 8 September 2023 in accordance with SIP 9.

Classification of work function	Total hours	Total time cost (£)	Average hourly rate (£)
Engagement control	66.80	49,584.50	742.28
Appointment and risk	28.05	20,879.75	744.38
Reports, decision making and remuneration	121.70	93,980.50	772.23
Correspondence and statutory filing	79.25	51,314.25	647.50
Investigations	91.85	77,422.25	842.92
Sale of business	5.50	4,286.00	779.27
Asset realisations	104.00	99,425.00	956.01
Costs of realisation	8.10	5,277.50	651.54
Tax	43.95	38,057.25	865.92
Cashiering	17.94	10,565.80	588.95
Employees and pensions	21.70	14,157.50	652.42
Claims and distributions	125.80	98,921.00	786.34
Total	714.64	563,871.30	789.03

SIP 9 narrative for the period from 9 March 2023 to 8 September 2023

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Engagement control	<ul style="list-style-type: none"> Formulating, monitoring and reviewing the administration strategy Briefing our staff on the administration strategy and matters in relation to various work-streams Regular case management and reviewing of process, including regular team update meetings and calls Reviewing and authorising junior staff correspondence and other work Dealing with queries arising during the appointment Reviewing matters affecting the outcome of the administration Allocating and managing staff/case resourcing and budgeting exercises and reviews Liaising with legal advisers regarding the various instructions, including agreeing content of engagement letters Complying with internal filing and information recording practices, including documenting strategy decisions 	<p>To ensure the administration progresses efficiently, keeping administration costs to a minimum</p> <p>To allow for regular review of the administration strategy such that assets can be identified where available and realised for the benefit of the administration estate</p>	Maximising asset realisations and cost efficiencies
Appointment & risk	<ul style="list-style-type: none"> Collating initial information to enable us to carry out our statutory duties, including creditor information and details of assets Obtaining confirmation of validity of appointment Arranging bonding and complying with statutory requirements Arranging open insurance cover for the Company's business and assets Liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place Assessing the level of insurance premiums 	To comply with statutory requirements and protect Company assets	No direct financial benefit
Reports, decision making & remuneration	<ul style="list-style-type: none"> Drafting and publishing our Proposals and this progress report Ensuring compliance with all statutory obligations within the relevant timescales 	To comply with statutory requirements	No direct financial benefit

SIP 9 narrative for the period from 9 March 2023 to 8 September 2023

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
	<ul style="list-style-type: none"> ▪ Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9 ▪ Preparing and reviewing the expenses estimate ▪ Preparing and reviewing the fees estimate ▪ Seeking approval of the basis of remuneration from the relevant parties 		
Correspondence & statutory filing	<ul style="list-style-type: none"> ▪ Providing initial statutory notifications of our appointment and ongoing matters to the Registrar of Companies, creditors and other stakeholders and advertising our appointment ▪ Dealing with creditor queries ▪ Uploading information to the Portal 	To comply with statutory requirements and ensure that creditors are advised of the progress of the administration	No direct financial benefit
Investigations	<ul style="list-style-type: none"> ▪ Locating relevant Company books and records, arranging for their collection, review and ongoing storage ▪ Reviewing Company and Directorship searches and advising the directors of the effect of the administration ▪ Reviewing the questionnaire submitted by the Directors of the Company ▪ Reviewing pre-appointment transactions ▪ Drafting the statutory report and submitting to the relevant authority ▪ Conversations with stakeholders to discuss concerns they had regarding the way in which the Company's business has been conducted 	To comply with statutory requirements and pursue any potential asset recoveries for the estate	Maximising asset realisations may increase the dividend prospects for creditors
Sale of business	<ul style="list-style-type: none"> ▪ Complying with our duties in relation to a Statement of Insolvency Practice 16 ("SIP16") statement to the Company's creditors ▪ Providing a copy of the SIP16 statement to our regulatory bodies 	To comply with statutory requirements	No direct financial benefit
Asset realisations	<ul style="list-style-type: none"> ▪ Collating information from the Company's records regarding assets ▪ Dealing with the Company's' pre-appointment bank accounts ▪ Liaising with the Company's pre-appointment bank to monitor post appointment receipts into the Company's pre-appointment accounts 	To realise the value of the Company's assets	Maximising asset realisations may increase the dividend prospects for creditors

SIP 9 narrative for the period from 9 March 2023 to 8 September 2023

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
	<ul style="list-style-type: none"> ▪ Liaising with the Purchaser regarding debtor and prepayment recoveries ▪ Assessing the recoverability of the inter-company debtor position between the Company and other group companies ▪ Reviewing the Company's leasehold properties, including a review of the leases and assessing whether there is any value recoverable for the Company ▪ Communicating with landlords regarding rent, property occupation and other issues ▪ Performing Land Registry searches 		
Costs of realisation	<ul style="list-style-type: none"> ▪ Liaising with third parties regarding costs incurred ▪ Reviewing costs incurred to ensure recorded accurately ▪ Arranging payment of the costs in a timely manner as and when funds allow 	To settle costs of third parties who have facilitated the realisation of the Company's assets and mitigation of the administration costs/liabilities	Realisation of assets and minimising the costs/liabilities may increase dividend prospects for creditors
Tax	<ul style="list-style-type: none"> ▪ Gathering initial information from the Company's records in relation to the taxation position of the Company ▪ Submitting relevant initial notifications to HM Revenue and Customs ▪ Reviewing the Company's pre-appointment corporation tax and VAT position ▪ Analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations ▪ Working initially on tax returns relating to the periods affected by the administration ▪ Analysing VAT related transactions ▪ Reviewing the Company's duty position to ensure compliance with duty requirements ▪ Dealing with post appointment tax compliance ▪ Liaising with the Purchaser to understand if they have an interest in acquiring the Company's historical tax losses 	To comply with statutory requirements and ensure mitigation of the tax liabilities/expenses of the administration	Minimising costs/liabilities of the administration may increase the dividend prospects for creditors
Cashiering	<ul style="list-style-type: none"> ▪ Setting up administration bank accounts ▪ Reconciling post-appointment bank accounts to internal systems ▪ Ensuring compliance with appropriate risk management procedures in respect of receipts and payments 	To effectively manage funds, receive asset realisations and discharge the costs of the administration	No direct financial benefit

SIP 9 narrative for the period from 9 March 2023 to 8 September 2023

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
	<ul style="list-style-type: none"> Preparing and processing vouchers for the payment of post-appointment invoices Creating remittances and sending payments to settle post-appointment invoices 		
Employees & pensions	<ul style="list-style-type: none"> Dealing with queries from employees regarding various matters relating to the administration and TUPE of their employment Communicating and corresponding with HM Revenue and Customs Collating information and reviewing the Company's pension schemes 	To comply with statutory requirements	No direct financial benefit
Claims & distributions	<ul style="list-style-type: none"> Reviewing and updating the list of unsecured creditors Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records Responding to a large volume of creditors regarding queries about the administration and their claims Discussing the administration with numerous overseas creditors who are unfamiliar with a UK insolvency process 	To comply with statutory requirements, ensure creditors are informed of the progress of the administration and claims are agreed for dividend purposes (where appropriate)	Ensuring creditor records are kept up to date, claims are agreed at the correct value and, if appropriate, funds are distributed accurately to the relevant creditors

Appendix 6 – Glossary

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016 respectively.

Defined Terms	Definition
A&M	Alvarez & Marsal Europe LLP
Company	Railbank Technology Limited
CVL	Creditors Voluntary Liquidation
Directors	Chipper Boulas, Stephen Couttie, Meirav Har Noy, Stephen Charles Harris, Richard Neil Haythornthwaite, Lawrence Michael Meyer, Clive Mitchell, Nigel George Swinburne Verdon
Group	The Company and its subsidiaries, including PayrNet Limited and UAB PayrNet
Hilco	Hilco Appraisal Limited
Joint Administrators/we/our/us	James Cook, Richard Beard and Mark Firmin
LTO	Licence to Occupy
OC	Osborne Clarke LLP
Period	9 March 2023 to 8 September 2023
Purchaser	Embedded Finance Limited
SIP 16	SIP relating to Pre-packaged sales in administrations
SIP 9	SIP relating to Payments to insolvency office holders and their associates from an estate
SIPs	Statements of insolvency practice
Sale	a sale of certain business and assets of the Company to the Purchaser on 9 March 2023
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

Appendix 6 – Notice: About this progress report

This progress report has been prepared by James Cook, Richard Beard and Mark Firmin, the Joint Administrators of Railsbank Technology Limited (“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 progress 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 or any financial interest in the Company or any other company in the same group.

Any estimated outcomes for creditors included in this progress 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 progress 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.

James Cook, Richard Beard and Mark Firmin are authorised to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales.

We are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agent for the Company without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Alvarez & Marsal Europe LLP 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.