

AM10 (Scot)

Notice of administrator's progress report



Companies House

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

1 Company details

Company number **S C 3 8 9 9 5 8**

Company name in full **Physiomedics Limited**

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) **Scott**

Surname **Bastick**

3 Administrator's address

Building name/number **14 - 18 Hill Street**

Street

Post town **Edinburgh**

County/Region

Postcode **E H 2 3 J Z**

Country

4 Administrator's name ①

Full forename(s) **Claire**

Surname **Middlebrook**

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number **14 - 18 Hill Street**

Street

Post town **Edinburgh**

County/Region

Postcode **E H 2 3 J Z**

Country

② Other administrator

Use this section to tell us about
another administrator.

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6 Period of progress report

From date	d	0	9	m	0	5	y	2	0	2	3
To date	d	0	8	m	1	1	y	2	0	2	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	2	0	m	1	1	y	2	0	2	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	Katie McLachlan
Company name	Middlebrooks Business Recovery and Advice
Address	14-18 Hill Street
Post town	Edinburgh
County/Region	
Postcode	E H 2 3 J Z
Country	
DX	
Telephone	0131 297 7899



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,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.



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

PHYSIOMEDICS LIMITED
(IN ADMINISTRATION)

SIX MONTH PROGRESS REPORT TO CREDITORS

A) COURT DETAILS

Court of Session P384 of 2023

B) REGISTERED NAME, ADDRESS AND NUMBER

Company name: Physiomedics Limited (In Administration), ("the Company")

Previous name: N/A

Other trading names N/A

Current registered office: One Lochrin Square, 92 Fountainbridge, Edinburgh, EH3 9QA

Former registered office: 16 Ravelston House Park, Edinburgh, EH4 3LU

Registered Number: SC389958

Date of incorporation: 6 December 2010

Principal trading activity: Other human health activities

C) ADMINISTRATION APPOINTMENT DETAILS

Claire Middlebrook and Scott G Bastick were appointed Joint Administrators of Physiomedics Limited on the 9 May 2023 by the Court of Session following an application by the directors of the Company.

The functions of the Joint Administrators are being exercised by either or both of the administrators acting jointly or alone.

D) DETAILS OF ANY EXTENSIONS

No decision is being sought from creditors in relation to this matter at this time.

E) DETAILS OF PROGRESS OF THE ADMINISTRATION

This report details our acts and dealings together with the conduct of the administration since the proposal circulated to all creditors on 28 June 2023. This report should read in conjunction with the proposal document.

During the period the Administrators have complied with all statutory requirements arising as a result of the Administration appointment.

The strategy has remained unchanged to that described in the proposal document.

RECEIPTS & PAYMENTS ACCOUNT

Attached at Appendix 1 is a copy of our receipts and payments account for the period to 8 May 2023 from which you will note that total receipts for the period are £157,681.32 and total payments of £51,696.14 resulting in a balance in hand of £105,985.18.

ASSETS REALISED TO DATE

The main assets of the Company were the Intellectual property (IP) and software. The IP was sold for £75,716.54 on 30 May 2023.

The increased time costs are largely as a result of the time spent by the Joint Administrators and the Senior Manager in addressing the offers received, and thereafter facilitating a sale of the IP and software. The Joint Administrators appointed Wyvern Technology Limited to assist with the transfer and sale of the IP. Further advice was sought from Shepherd & Wedderburn LLP with regards to licences/customer contracts, and trademarks.

In the period leading up to the closing date for offer, a considerable amount of time was spent by the Joint Administrators and Senior Manager gathering and sharing comprehensive information to allow negotiations, and consideration regarding the items to be sold to be provided to the interested parties with the objection of achieving the best price.

All potential purchasers of the IP advised that they did not wish to include the employees in any offer made and as a consequence of this the Joint Administrators made the employees redundant on 16 May 2023. The Joint Administrators and their staff thereafter dealt with the resulting employee claims for arrears of pay, holiday pay, notice pay, and redundancy pay. In addition, it was identified that there are unpaid NEST pension contributions, the Joint Administrators are continuing to liaise with NEST with the objection of getting these repaid.

The software was also sold, resulting in £5,283.46 being received into the administration.

The Joint Administrators wrote to the Company's bank which resulted in £69,294.14 being received.

The Joint Administrators were advised at the outset of the administration that there were collectable book debts totalling £12,601.60. To date funds of £7,000 have been received from two debtors. The Joint Administrators will continue to pursue the remaining sums due.

CREDITORS CLAIMS

Secured creditors

The company had not granted any charges over their assets.

Where a floating charge is created after 15 September 2003 a prescribed part of the company's net property shall be made available to unsecured creditors.

As the company had not granted a floating charge to any creditor after the 15 September 2003 there will be no prescribed part in this administration.

Preferential Creditors

Employees were shown to be owed £15,054 in arrears of pay and holiday pay. At present we anticipate payment in full of those employee claims of which we have knowledge. Please note that these figures are subject to adjudication and may alter slightly.

Secondary Preferential Creditors

To date no secondary preferential creditors have submitted a claim in the administration.

Unsecured Creditors

To date 7 unsecured claims have been submitted in the administration totalling £196,266.04

DIVIDEND PROSPECTS

Where a floating charge is created after 15 September 2003 a prescribed part of the company's net property shall be made available to unsecured creditors.

The Company has not granted a floating charge to any creditor after the 15 September 2003 and consequently there will be no prescribed part in this administration.

Based on the current and anticipated future realisations the Joint Administrators expect to pay the preferential creditors in full and the unsecured creditors a dividend. The Joint Administrators are not currently able to provide an accurate indication of the dividend level to unsecured creditors at this time as not all creditors have submitted claims in the administration to date.

COSTS AND EXPENSES

Pre-Administration Costs

A pre appointment fee of £2,000 plus VAT was paid in full prior to the appointment of the Joint Administrators in respect of pre appointment advisory work.

Joint Administrators Remuneration

The Joint Administrators' remuneration is based on time costs properly incurred in the conduct of the Administration.

A notice of decision by correspondence was approved on 18 July 2023 that they be empowered to draw and pay such remuneration in respect of these costs on account.

Creditors have authorised that the Joint Administrators draw post appoint remuneration totalling £27,790.16. This sum has been drawn in full during the reporting period.

The Joint Administrators' time costs for the period from 9 May 2023 to 8 November 2023 are £75,704.16, this amounts to 22.5 hours at an average hourly rate of £336.46. The Joint Administrators are submitting a claim for remuneration in relation to the current accounting period. The remuneration incurrent during this period amounts to £75,704.16. Notice of a qualifying decision procedure is attached. Please note that creditors may audit the accounts if required and must issue a determination no later than 6 weeks from the end of the relevant accounting period.

Please note although interim remuneration of £27,790.16 was approved for the period in accordance with insolvency legislation, as the accounting period has now ended, we must seek formal determination. Should creditors determine the Joint Administrators remuneration in the sum of £75,704.16 then only the outstanding balance of £47,914 will be drawn.

Joint Administrators Disbursements

The Joint Administrators category 1 disbursements for the period are £23,905.98 and have been drawn to date.

The time costs and category 1 disbursements are summarised at Appendix 2.

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as Category 1 Disbursements. Category 2 disbursements are where our firm incurs overheads in relation to postage, stationery, photocopying, storage, and room hire. There have been no category 2 disbursements incurred in this case.

Solicitors Fees

As previously advised Shepherd and Wedderburn LLP were instructed on a time-costs basis to provide legal advice regarding the sale of the Intellectual Property. Fees of £9,470 plus VAT and disbursements of £332.00 have been met from the administration funds. There are no further fees expected in terms of solicitor's costs.

Costs incurred but not paid

We would advise that the following costs have been incurred but have not yet been paid:-

ABW Asset Management have been instructed to realise the laptops and mobile phones of the company. Their fee will be a combination of a fixed fee for wiping the laptops and phones and a % of the proceeds received from the sale of the assets. The agents' fees are being regularly reviewed as part of the strategic review of the case. To date no fee has been received from ABW Asset Management.

Further Information

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the administrator's remuneration and expenses, within 21 days of receipt of this report.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report.

F) DETAILS OF ANY ASSETS THAT REMAIN TO BE REALISED

The Joint Administrators were advised at the outset of the administration that there were collectable book debts totalling £12,601.60. To date funds of £7,000 have been received from two debtors. The Joint Administrators will continue to pursue the remaining debt.

The Joint Administrators have appointed ABW Asset Management Limited to collect all laptops and mobile phones from members of staff. These have all been ingathered which will result in a sale and realisation of funds in the near future.

The Joint Administrators are continuing to liaise with Innovate UK regarding the possibility of funds being received via a grant in respect of a partially completed project. An update will be provided in relation to this matter by the Joint Administrators in their next report.

G) ANY OTHER RELEVANT INFORMATION

Creditors Committee

No creditor committee was formed as no creditors' meeting was held.

Investigations

An initial investigation into the company's affairs has been undertaken to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. There were no matters that justified further investigation in the circumstances of this appointment.

A return on the conduct of any individuals, who have been directors of the Company in the three years prior to the insolvency, is required to be submitted to the Secretary of State within six months of our appointment. We would confirm that our return has been submitted.

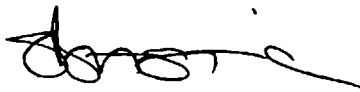
Conclusion

It is currently the intention of the Joint Administrators to seek permission from the Court to pay a dividend to creditors.

Once all realisable assets being ingathered, the Joint Administrators final remuneration and disbursements to close approved, and a dividend paid to all agreed creditor claims the Joint Administrators will seek to conclude the administration by moving it to dissolution. This will be completed by filing a notice with the Registrar and attaching a final progress report. A copy of the notice and attached documents shall be sent as soon as reasonably practicable to all other persons who received the notice of the Joint Administrators appointment.

On registration of the notice the administration will cease to have effect and a on the expiry of a further 3 months the company is deemed dissolved in terms of the Companies Act 2006.

Should you require any further information or wish to discuss the report please do not hesitate to contact Megan Greig at this office.



Scott Bastick
Middlebrooks Business Recovery & Advice
(authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in Scotland)
Joint Administrator

Dated: 17 November 2023

Physiomedics Limited - In Administration
Joint Administrators' Abstract of Receipts & Payments

From 09 May 2023 To 08 November 2023

S of A £		From 09/05/23	From 09/05/23
		To 08/11/23	To 08/11/23
	ASSET REALISATIONS		
12,601.60	Book Debts	7,000.00	7,000.00
	Cash at Bank	69,294.14	69,294.14
	Bank Interest Gross	387.18	387.18
NIL	Intellectual Property	75,716.54	75,716.54
NIL	Subscription pre-payment	5,283.46	5,283.46
12,601.60		157,681.32	157,681.32
	COST OF REALISATIONS		
(30.00)	Specific Bond	(276.00)	(276.00)
	Office Holders Fees	(27,790.16)	(27,790.16)
	Agents/Valuers Fees (1)	(2,400.00)	(2,400.00)
	Legal Fees	(9,470.00)	(9,470.00)
	Statutory Advertising	(101.70)	(101.70)
	Accountancy Fees	(50.00)	(50.00)
(185.00)	Case Management Fee	(255.00)	(255.00)
	Sundry Payment	(302.92)	(302.92)
(30.00)	DocuSoft	NIL	NIL
	Software Costs	(10,718.36)	(10,718.36)
	Legal Outlays	(332.00)	(332.00)
(245.00)		(51,696.14)	(51,696.14)
	SECONDARY PREFERENTIAL CREDITORS		
(4,775.35)	Trade Creditor	NIL	NIL
(4,775.35)		NIL	NIL
	UNSECURED CREDITORS		
(295,884.51)	Trade Creditor	NIL	NIL
(295,884.51)		NIL	NIL
(283,342.91)		105,985.18	105,985.18

REPRESENTED BY

RBS

105,985.18

105,985.18

Scott Bastick

Scott Bastick
Joint Administrator

Joint **Administrators'** Remuneration Schedule
Physiomedics Limited
Between 09 May 2023 and 08 November 2023

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	19.40	43.90	30.10	3.30	96.70	26,994.88	279.16
Investigations	1.40	2.30	2.00	0.00	5.70	1,857.20	325.82
Realisation of Assets	59.00	17.30	2.80	0.00	79.10	33,265.90	420.55
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	8.40	16.30	5.90	0.00	30.60	9,709.58	317.31
Case Specific Matters	0.00	11.70	1.20	0.00	12.90	3,876.60	300.51
Total hours	88.20	91.50	42.00	3.30	225.00		
Time costs	40,680.00	27,955.30	6,257.36	811.50		75,704.16	
Average hourly rate	461.22	305.52	148.98	245.91			336.46

Description	Total Incurred £	Total Recovered £
Bordereau Premium	138.00	138.00
VisionBlue and DocuSoft case set up fee	255.00	255.00
Totals	393.00	393.00

Summary of Fees

Time spent in administering the Assignment	Hours	225.00
Total value of time spent to 08 November 2023	£	75,704.16
Total Joint Administrators' fees charged to 08 November 2023	£	27,790.16

Notice of decisions by correspondence

PHYSIOMEDICS LIMITED - In Administration

Claire Middlebrook and Scott G Bastick appointed as Joint Administrators to the above company on 9 May 2023.

Joint Administrators requesting approval of remuneration in accordance with Accounting Period 9 May 2023 – 8 November 2023 by a decision procedure by correspondence

DECISION DATE: 20 DECEMBER 2023

(Company Number SC389958)

Notice seeking decision procedure by correspondence on the Joint Administrators' remuneration and outlays by a Qualifying Decision Procedure Pursuant to Rules 3.95 & 3.96 of the Insolvency (Scotland)(Company Voluntary Arrangements and Administration) Rules 2018

NOTICE IS GIVEN by the Joint Administrators to the creditors of Physiomedics Limited seeking their decision on the Joint Administrators' proposals as set out below.

The Decision is being sought by correspondence.

A voting form is attached detailing the matters which require your decision, which should be completed and returned to me on or before the decision date.

Please note that in order to be able to vote you must have submitted a statement of claim and documentary evidence of the debt on or before the decision date, and that statement of claim must have been admitted for the purposes of entitlement to vote.

Creditors who have opted out from receiving notices may nevertheless vote if the creditor provides a statement of claim, documentary evidence of the debt and voting form in accordance with the above provisions.

Creditors whose debts are treated as a small debt in accordance with Rule 3.118(1) of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 must still deliver a statement of claim and documentary evidence of the debt if they wish to vote. Rule 3.118(1) states that Office Holders may treat a debt, which is a small debt according to the accounting records or the statement of affairs of the Company, as if it were proved for the purposes of paying a dividend. Small debts are defined in Rule 3.118(2) as a debt (being the total amount owed to a creditor) which does not exceed £1,000.

The decisions on the following matters will be deemed to have been made at 23.59 hours on the decision date unless the threshold for requisitioning a physical meeting is met or exceeded within the requisite time scale.

A creditor who disagrees with the manner in which they are treated in relation to the above decision procedure may appeal to the Court within 21 days of the decision date.

Request for physical meeting

Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision(s) above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

Additional Decisions to be considered by Creditors, In the event that a Creditors' Committee is not established

1. That the Joint Administrators total time costs are £75,704.16 and this amounts to 225 hours at an average hourly rate of £336.46. The Joint Administrators are submitting a claim for remuneration in relation to the current accounting period. The remuneration incurrent during this period amount to £75,704.16. Notice of a qualifying decision procedure is attached. Please note that creditors may audit the accounts if required, and must issue a determination no later than 6 weeks from the end of the relevant accounting period.
2. Please note although interim remuneration of £27,790.16 was approved for the period in accordance with insolvency legislation as the accounting period has now ended, we must seek formal determination. Should creditors determine the Joint Administrators remuneration in the sum of £75,704.16 then only the outstanding balance of £47,914 will be drawn.

Manger contact details:

Katie McLachlan

12-14 Hill Street

Edinburgh

EH2 3JZ

Tel: 0131 297 7899

Email: kmclachlan@middlebrooksadvice.com

Name, address and contact details of Joint Administrators

Primary Office Holder	Joint Office Holder:
Claire Middlebrook	Scott G Bastick
Middlebrooks Business Recovery & Advice 12-14 Hill Street Edinburgh EH2 3JZ Tel: 0131 297 7899 Email: enquiries@middlebrooksadvice.com	Middlebrooks Business Recovery & Advice 12-14 Hill Street Edinburgh EH2 3JZ Tel: 0131 297 7899 Email: enquiries@middlebrooksadvice.com
IP Number: 9650	IP Number: 13930

DATED THIS 20th day of November 2023

Claire Middlebrook

Claire Middlebrook
Joint Administrator

NOTE: Please complete the enclosed claim form and return it together with a detailed statement of your account, and voting form, and any other relevant documentation to Katie McLachlan at the address above.

PHYSIOMEDICS LIMITED - In Administration

(Company Number SC389958)

Voting on Decision – Qualifying Decision Procedure Joint Administrators’ Outlays and Remuneration Claims

Decision Date – 20 December 2023

If you wish your vote to be counted, please ensure you return this form, duly completed together with a statement of claim and documentary evidence of the debt form (if one has not already been submitted) and a detailed statement of your claim on or before the decision date.

Voting instructions for decisions

1. To appoint a Creditors’ Committee to assist the Joint Administrators. **(Note if you vote in favour of this resolution, please ensure you nominate a representative below.)**

For / Against

2. In the event that a Creditors’ Committee is not established, then the Joint Administrators shall be authorised to draw their remuneration based upon time costs.

For / Against

3. That the administrators be authorised to draw their post-appointment remuneration incurred to date as set out in the proposals document in the sum of £47,914 + VAT.

For / Against

3. Name, address and contact details of nominated creditors (up to 5) for whom you wish to vote for appointment to the creditors committee of Physiomedics Limited.

Note: Each creditor must complete a consent to act form (see attached)

1.

2.

3.

4.

5.

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of
creditor: _____

Signature of
creditor: _____

Address of
creditor: _____

I can confirm that I am / I am not a connected party or associate of the
Company as defined by Sections 249 and 435 of the Insolvency Act 1986.

(Complete the following if signing on behalf of creditor, e.g.
director/solicitor)

Capacity in which
signing
document: _____

Date: _____

Statement of Claim by Creditor

Pursuant to Rule 3.105 (3) of the Insolvency (Scotland) (Administrations and Company Voluntary Arrangement) Rules 2018

WARNING

It is a criminal offence

for a creditor to produce a statement of claim, account, voucher or other evidence which is false, unless he shows that he neither knew nor had reason to believe that it was false; or

for a director or other officer of the company who knows or becomes aware that is false to fail to report it to the liquidator within one month of acquiring such knowledge.

On conviction either the creditor or such director or other officer of the company may be liable to a fine and/or imprisonment.

Notes

(a) Insert name of company

(a) Physiomedics Limited

(b) Insert name and address of creditor

(b)

(c) Insert name and address, if applicable, of authorised person acting on behalf of the creditor

(c)

(d) Insert total amount as at the due date (see note (e) below) claimed in respect of all the debts, the particulars of which are set out overleaf.

I submit a claim of (d) £ in the liquidation of the above company and certify that the particulars of the debt or debts making up that claim, which are set out overleaf, are true, complete and accurate, to the best of my knowledge and belief.

(e) The due date in the case of a company

(i) which is subject to a voluntary arrangement is the date of a creditors' meeting in the voluntary arrangement;

(ii) which is in administration is the date on which the company entered administration;

(iii) which is in receivership is the date of appointment of the receiver; and

(iv) which is in liquidation is the commencement of the winding up.

Signed _____
Creditor/person acting on behalf of creditor

The date of commencement of the winding up is

(i) in a voluntary winding up the date of the resolution by the company for winding up (sect. 86 or 98); and

(ii) in a winding up by the court, the date of the presentation of the petition for winding up unless it is preceded by a resolution for voluntary winding up (section 129)

Date _____

PARTICULARS OF EACH DEBT

Notes

A separate set of particulars should be made out in respect of each debt.

- | | |
|---|---------------------------------------|
| <p>1. Describe briefly the debt, giving details of its nature, the date when it was incurred and when payment became due</p> <p>Attach any documentary evidence of the debt, if available.</p> | <p>1. Particulars of debt</p> |
| <p>2. Insert total amount of the debt, showing separately the amount of principal and any interest which is due on the debt as at the due date (see note (e)). Interest may only be claimed if the creditor is entitled to it. Show separately the VAT on the debt and indicate whether the VAT is being claimed back from HM Customs and Excise.</p> | <p>2. Amount of debt</p> |
| <p>3. Insert the nature and amount of any preference under Schedule 6 to the Act claimed in respect of the debt.</p> | <p>3. Preference claimed for debt</p> |
| <p>4. Specify and give details of the nature of any security held in respect of the debt, including:-</p> <p>(a) the subjects covered and the date when it was given;</p> <p>(b) the value of the security</p> <p>Security is defined in section 248(b) of the Insolvency Act 1986 as meaning 'any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off)'. For claims in administration procedure security also includes a hire purchase agreement, agreement for the hire of goods for more than three months and a conditional sale agreement.</p> | <p>4. Security for debt</p> |
| <p>In liquidation only the creditor should state whether he is surrendering or undertakes to surrender his security; the liquidator may at any time after 12 weeks from the date of commencement of the winding up (note (e)) require a creditor to discharge a security or to convey or assign it to him on payment of the value specified by the creditor.</p> | |
| <p>5. In calculating the total amount of his claim in a liquidation, a creditor shall deduct the value of any security as estimated by him unless he surrenders it (see note 4).</p> | <p>5. Total amount of debt</p> |

PARTICULARS OF EACH DEBT

Notes

A separate set of particulars should be made out in respect of each debt.

- | | |
|--|----------------------|
| 6. In the case of a member state liquidator creditor, specify and give details of underlying claims in respect of which he is claiming as creditor | 6. Underlying claims |
|--|----------------------|