

AM23

Notice of move from administration to dissolution



Companies House

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1 Company details

Company number 0 2 0 6 7 6 5 3

Company name in full Foam Company Limited (The)

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice - Business and Property Courts

Court number C R - 2 0 2 2 - 0 0 0 4 4 0

3 Administrator's name

Full forename(s) Chris

Surname Newell

4 Administrator's address

Building name/number 2nd Floor Arcadia House

Street 15 Forlease Road

Post town Maidenhead



County/Region Berkshire

Postcode S L 6 1 R X

Country

AM23

Notice of move from administration to dissolution

5 Administrator's name ①	
Full forename(s)	Frank
Surname	Wessely
① Other administrator Use this section to tell us about another administrator.	
6 Administrator's address ②	
Building name/number	2nd Floor Arcadia House
Street	15 Forlease Road
Post town	M Maidenhead
County/Region	Berkshire
Postcode	S L 6 1 R X
Country	
② Other administrator Use this section to tell us about another administrator.	
7 Final progress report	
<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8 Sign and date	
Administrator's signature	<div>Signature</div> <div>X   X</div>
Signature date	<div>^d 1 ^d 2 ^m 0 ^m 6 ^y 2 ^y 0 ^y 2 ^y 3</div>

**Presenter information**

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

Contact name **Maryam Khan**

Company name **Quantuma Advisory Limited**

Address **2nd Floor**

Arcadia House

15 Forlease Road

Post town **Maidenhead**

County/Region **Berkshire**

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

IN THE HIGH COURT OF JUSTICE - BUSINESS AND PROPERTY COURTS
CR-2022-000440

FOAM COMPANY LIMITED (THE)
(IN ADMINISTRATION)

THE JOINT ADMINISTRATORS' FINAL ACCOUNT

12 June 2023

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Chris Newell and Frank Wessely were appointed Joint Administrators of Foam Company Limited (The) on 28 February 2022. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

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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 Frank Wessely of Quantuma Advisory Limited
"the Company"	Foam Company Limited (The) (in Administration)
"the Court"	High Court of Justice - Business and Property Courts 2022-000440
"SIP"	Statement of Insolvency Practice (England & Wales)
"Review Period"	Period covered by the report from 27 February 2023 to 12 June 2023

INTRODUCTION

This report has been prepared to provide creditors with an update on the progress of the Administration of the Company since our last report dated 22 March 2023.

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

The report has been prepared in accordance with insolvency legislation to provide members and creditors, the Registrar of Companies and the Court with details of the progress made during the Review Period and with an overview of the conduct of the Administration and summary of the information provided in the progress report(s) that have been issued during the Administration. Copies of these reports are available on request.

The Joint Administrators' proposals were deemed approved on 29 April 2022. A formal notice confirming this was sent to all creditors on 6 May 2022. Attached at Appendix 2 is a summary of the Joint Administrators Proposals, as approved.

The Administration was scheduled to end on 27 February 2023 but the term of the Administration was extended by 12 months with the consent of the relevant creditors on 27 January 2024 and thus the Administration was scheduled to end on 27 February 2024. However, the filing of the Notice of move to Dissolution will bring the Administration to an end.

Details of the appointment of the Joint Administrators

Chris Newell and Frank Wessely of Quantuma Advisory Limited were appointed Joint Administrators of the Company on 28 February 2022.

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

THE PROGRESS OF THE ADMINISTRATION

The Joint **Administrators'** final receipts and payments account

Attached at Appendix 3 is a receipts and payments account covering the period from 28 February 2023 to 5 June 2023 together with a summary of the transactions in the previous review periods. The Joint Administrators confirm that the account has been reconciled with that held at the bank.

In this section, a summary of main asset realisations during the Review Period and in the Administration as a whole, together with details of the associated costs incurred has been provided. For a detailed list of work undertaken by the Joint Administrators as a whole, please see Appendix 5.

Administration (including statutory reporting)

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.

During the Review Period, primarily these tasks have included:

- Considering which exit route from Administration is appropriate and drafting this final report;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
- Reviewing and adjudicating preferential and secondary preferential claims;
- Preparation of preferential distribution calculation;
- Preparation of correspondence to preferential creditors announcing declaration of distribution;

- Preparation of cheques/BACS to pay preferential distribution;
- Preparation of correspondence to preferential creditors enclosing payment of distribution
- Preparation of secondary preferential creditor distribution calculation;
- Preparation of correspondence to secondary preferential creditor announcing declaration of distribution;
- Preparation of BACS to pay secondary preferential creditor;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments;
- Instructing and liaising with accountants to prepare and submit corporation tax return;
- Completing periodic VAT returns; and
- Preparation of Final Report

Realisation of assets

No assets were realised during the Review Period.

The only receipt in the Review Period was bank interest in the sum of £15.42.

Sale of Assets

The Joint Administrators instructed Hilco Capital ("Hilco"), who are professional independent agents with adequate professional indemnity insurance, to dispose of the Company's assets using the most advantageous method available.

As previously reported, the Company's assets listed below was sold to GNG Group Limited for £33,875 plus VAT on 14 March 2022.

The sale consideration has been allocated as follows:

Office Furniture and Equipment (floating charge)	£1,375 plus VAT
Motor Vehicles (floating charge)	£2,500 plus VAT
Stock (floating charge)	£25,000 plus VAT
IPR, Company name, Trademarks, Database	
Website (floating charge)	£5,000 plus VAT

As previously reported, the Company's shareholder Ravenbrook (Holdings) Limited also entered into the sale agreement between the Company and GNG Group Limited who offered to acquire the plant and machinery. Accordingly, the plant and machinery of Ravenbrook (Holdings) Limited was sold to GNG Group Limited for £247,350 inclusive of VAT. Barclays Bank advised that they transferred £38,972.75 with respect to the sale of these assets to the Company's current account. Barclays Sale Invoice Finance offset these sums against their debt from the security within the Company's shareholder Ravenbrook (Holdings) Limited.

Stock- Mammoth cases

The Company had stock principally made up of Mammoth items. Hilco realised £12,190 plus VAT from the sales of stock.

Book Debts

The Company factored its book debts and as a result, they were held as security by Barclays Sale Invoice Finance ("BSIF"). Atlantic Risk Management Services ("Atlantic") were instructed by BSIF to collect the book debts.

During the Administration, BSIF's debt was repaid in full. Atlantic were retained by the Joint Administrators to assist with the collection of the remaining ledger.

Book debts totalling £774,550 have been collected by Atlantic. The Administration received a total surplus of £92,320 with respect to these book debt recoveries to the Administration estate account.

Magrath Sheldrick LLP, were instructed by the Joint Administrators to pursue some debts as the Joint Administrators were frustrated by the lack of progress and cooperation received. They recovered £16,000 representing the settlement of two of the debts.

Atlantic and Magrath Sheldrick LLP advised that no further recoveries are possible.

Cash in Hand

These funds represented cheques paid by the Company's debtors and were sent to Atlantic Risk Management Services accordingly.

Cash at Bank

Barclays Bank Plc ("Barclays") advised that the total cash at bank at the date of the appointment of the Joint Administrators was £44,989. As earlier reported, the cash at bank was technically a floating charge asset but Barclays Bank exercised their right to set off regarding these monies. Further details are available in the next section of this report.

The Joint Administrators were contacted by Barclays to advised that there was a balance totalling £859.68, which was received in the Administration estate account.

Inter Company Debtor: Ravenbrook (Holdings) Limited

Creditors will recall that the Company has an intercompany debtor totalling £306,763 owed by its 100% shareholder, Ravenbrook (Holdings) Limited ("the Debtor").

This debt was created after a transfer of the Company's plant and machinery with a value of £306,763 was made to the Debtor in March 2021. At the time of the transaction, Barclays ("the Bank") obtained a cross-company guarantee and debenture from both the Company and the Debtor.

The Joint Administrators determined that the Debtor was insolvent and unable to repay the debt it owes to the Company. Upon legal advice as to how best it should seek to recover the amount due to the Company, the Debtor was placed into Liquidation on 24 March 2022. Separate individuals from Quantuma Advisory Limited were appointed as liquidators of the Debtor, given that there will be a requirement to adjudicate the Company's creditor claim in the Debtor's liquidation.

The Joint Liquidator of the Debtor, rejected the Company's claim in the sum of £306,763 against such estate to the extent of £13,000 on the following grounds:

- £10,000: Unbilled Rentals for January and February 2022. The Foam Company was placed in administration on 28 February 2022 thus rentals for February are to be considered fully accrued. Set-off applies.
- £2,000: VAT charged on unbilled rentals.
- £1,000: transfer of VAT money identified on the Company's bank statement which does not bear any commercial explanation and was not accounted towards the purchase price.

For these reasons the Company's claim was admitted to the extent of £293,763.

Subsequently, a first and final dividend of £71,080 being 24.20 pence in the pound was declared on the claims of unsecured creditors admitted in the Debtor's Liquidation and paid to the Administration estate account.

Insurance Refund

During the Administration, the Company has received two premium refunds from the Company's former insurance brokers totalling £1,432.91.

Rent Deposit

The Company provided the landlord with a rent deposit in the sum of £6,600. The sums due to the Landlord's outweighed the deposit and ss such, no realisations are anticipated in this regard.

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 yet been discharged. Further details of these costs are set out in section 'The Joint Administrators' Fees and Expenses' below.

CREDITORS: CLAIMS AND DISTRIBUTIONS

Secured creditors

The Company had granted the following security:

Type of charge	Date created	Beneficiary	Amount outstanding at 28/02/2022
Fixed and Floating charge	1 July 1986, 13 August 2018 19 March 2021	Barclays Bank	95,953.77*
Confidential Invoice Discount Facility	1 July 1986, 13 August 2018 19 March 2021	Barclays Sale Invoice Finance	680,354.29**

The Joint Administrators' legal advisors, Blake Morgan LLP, have confirmed the validity of the charge granted to Barclays.

*As previously reported, the £95,953.77 debt was repaid in full from the cash at bank/ book debts totalling £44,989.38 and £50,964.39 from the security within Ravenbrook (Holdings) Limited with respect to the sale of assets. This is, therefore, why it has not been reflected in the Receipts and Payments Account.

**As mentioned earlier in the report, the Barclays Sale Invoice Finance has been repaid in full, £641,767.56 from book debt recoveries by Atlantic and £38,972.75 from the security within Ravenbrook (Holdings) Limited with respect to the sale of assets.

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/pension contributions were estimated at £34,894 in the Director's Estimated Statement of Affairs 16 claims were received totalling £29,355. A dividend of 100p in the £ was paid to preferential creditors on 30 May 2023.

Secondary Preferential creditors

In any insolvency process started from 1 December 2020, HMRC is a secondary preferential creditor for the following liabilities:

- VAT
- PAYE Income Tax
- Employees' NIC
- CIS deductions
- student loan deductions

This will mean that, if there are sufficient funds available, any of the above amounts owed by the Company will be paid after the preferential creditors have been paid in full.

The Joint Administrators and their staff have incurred time costs in finalising HMRCs claim.

Secondary Preferential claims relating to VAT and PAYE were estimated at £246,115 in the Director's Estimated Statement of Affairs. HMRC have submitted a claim totalling £372,535 in respect of their secondary preferential claim. A dividend of 5.98p in the £ was paid to secondary preferential creditors on 30 May 2023.

Prescribed Part

The secured creditor's claim has been discharged in full from the recovery of book debts and consequently there was no prescribed part in this Administration.

Unsecured creditors

Unsecured claims were estimated at £2,069,422 in the Directors' Estimated Statement of Affairs and to date, 65 claims have been received totalling £1,717,370.80.

There were insufficient asset realisations to pay a dividend to unsecured creditors.

INVESTIGATIONS

Investigations

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

In this regard, a confidential report was submitted to The Insolvency Service on 25 May 2022.

Initial Assessment of Potential Recoveries

As part of our duties as Joint Administrators, we reviewed shortly after appointment all the information available to us and conducted an initial assessment of whether there were any matters which may have led to any recoveries for the benefit of creditors.

As previously reported, the Joint Administrators as part of their investigations were investigating the transfer of the Company's plant and machinery to the Debtor in March 2021.

The Joint Administrator sought legal advice as to how best it should seek to recover the amount due to the Company from the Debtor once it was determined that the Debtor is insolvent. Blake Morgan Solicitors advised that as the Company is an unsecured creditor of the Debtor, a direct transfer back of the assets, would potentially be regarded as a preference (being a claim that could potentially have an impact on the Company, rather than the directors of the Debtor).

Blake Morgan Solicitors advised that the most beneficial outcome for creditors would be for the directors to place the Debtor into Creditors' Voluntary Liquidation. This would involve the Debtor also entering into the sale agreement between the Company and GNG Group Limited who offered to acquire the plant and machinery. Accordingly, the plant and machinery of Ravenbrook (Holdings) Limited were sold to GNG Group Limited for £247,350 inclusive of VAT.

The Joint Administrators proposed that no further action be taken. This is because, although no funds were paid to the Company, a debt was created of £306,763. Further, the assets have now been sold through agents and the Debtor has received the proceeds. There were minimal costs to be incurred before the Company receives the proceeds from the Debtor's liquidation. As mentioned earlier in this report, the Administration received a first and final dividend of £71,080.

We confirm that we did not identify any further assets or actions which would lead to a recovery for creditors.

ETHICS

Please also be advised that Joint Administrator is bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

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.

Other Information

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-notice>.

Further Information

Creditors should note that the Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. Additionally, the Joint Administrators are also bound by the regulations of their Licensing Bodies.

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

THE JOINT ADMINISTRATORS' FEES AND EXPENSES

Pre-Administration Costs

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

Party instructed	Amount approved (£)	Date approved
Joint Administrators' pre-administration remuneration	15,721.00	9 May 2022
Blake Morgan LLP– Solicitors' Fees	5,017.50	9 May 2022
Blake Morgan LLP– Solicitors' Expenses	54.80	9 May 2022
Hilco Capital – Agents' Fees	4,750.00	9 May 2022
Hilco Capital – Agents' Expenses	258.84	9 May 2022
TOTAL APPROVED	£25,802.14	

The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed by resolution of creditors on 9 May 2022 as follows:

- That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken, capped at £90,000 plus VAT.

On 21 October 2022 creditors approved further fees in excess of the fees estimate which allowed the Joint Administrators to draw fees to a limit of £110,000 plus VAT.

As reflected on the Receipts & Payments Account, the fees drawn during the Review Period are £2,721 plus VAT and to date £110,000 plus VAT.

The Joint Administrators believe this case generally to be of average complexity and no extraordinary responsibility has to date fallen upon them.

A breakdown of the time costs incurred during the Review Period and for the Administration as a whole is provided at Appendix 4. A detailed narrative explanation of the time costs during the Review Period is provided at Appendix 5.

“A Creditors’ Guide to Administrators’ Remuneration” effective from 1 April 2021 is available for download at <http://www.quantuma.com/guide/creditors-guide-fees> together with «GENERAL_COMP»’s Schedule of Current Charge Out Rates and Chargeable Expenses.

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

Comparison of estimates

The Joint Administrators’ time costs incurred to date (whether or not they have been charged to the Administration estate) are compared with the adjusted fees estimate as follows:

	Adjusted fees estimate			Actual time costs incurred during the Review Period			Actual time costs incurred to date		
Work category	Number of hours	Blended hourly rate £	Total fees £	Number of hours	Average hourly rate £	Total time costs £	Number of hours	Average hourly rate £	Total time costs £
Administration & Planning	124.45	196.36	24,436.75	17.30	242.49	4,195.00	109.20	242.20	26,448.50
Creditors	203.53	191.44	38,963.10	34.20	226.58	7,749.00	195.85	227.26	44,509.00
Investigations	44.40	189.75	8,425.00	0.30	160.00	48.00	39.35	214.32	8,433.50
Realisation of Assets	133.90	238.45	31,928.90	0.00	0.00	0.00	110.90	301.52	33,439.00
Cashiering	32.50	160.65	5,221.25	5.60	178.84	1,001.50	42.35	206.01	8,724.50
Closing Procedures	6.60	155.30	1,025.00	0.70	200.00	140.00	0.70	200.00	140.00
TOTAL	545.38	201.69	110,000.00	58.10	226.05	13,133.50	498.35	244.19	121,694.50

Joint Administrators’ Expenses

The expenses, which include disbursements that have been incurred and paid during the period are detailed below. This also includes a comparison of the expenses likely to be incurred in the Liquidation as a whole with the original expenses estimate, together with reasons where any expenses exceeded that estimate.

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Category 1 expenses:				
Legal costs- Blake Morgan LLP	7,765.50	-	15,629.80	Higher than anticipated costs in providing advice and assistance in respect of the validity of the security, retention of title, sale of the assets,

				potential rights of action and surrender of the Company's former leasehold premises.
Agents and Valuers- Hilco Capital	12,592.63	-	15,382.39	Higher than anticipated costs incurred by agents in dealing with the sale of the Company's assets.
Debt collection agents- Atlantic Risk Management Services	43,161.00	-	38,727.51	
Debt collection agents- Magrath Sheldrick LLP	-	-	2,400	Costs not anticipated at the outset. Magrath Sheldrick LLP were instructed to expedite book debt collections.
Accountants- Rouse Partners LLP	1,500.00	1,500	3,000.00	Further costs incurred with respect to the preparation and submission of the Company's post appointment tax return
Pension Specialists- Evolve IS Limited	750.00	-	650.00	
Consultant- Sally Eyre	1,000.00	-	1,000.00	
Statutory Advertising	92.00	-	191.80	
Printing & Postage costs of external provider	500.00	-	645.87	
Bond premium	135.00	-	135.00	
Mail Redirection	432.00	-	432.00	
Record listing, storage & retrieval	2,200.00	-	1,674.97	
Insurance of Assets	1,246.56	-	1,246.56	
Accountancy Software fees- Datafile Software Solutions Ltd	560.00	-	560.00	
Category 2 expenses:				
Mileage incurred as a result of necessary travel as per HMRC's approved rate (per mile)	72.27	-	72.27	
TOTAL	72,006.96	1,500	77,242.99	

The category 1 expenses paid for in the Review Period total £1,500 and represent payments to parties not associated with the firm, who have provided services or goods for the administration of the assignment. The total amount paid in respect of Category 1 expenses is £77,170.72.

No category 2 expenses were incurred during the Review Period. The basis of calculation of this category of expense was disclosed to creditors prior to their approval, which was given on 9 May 2022. The total amount paid in respect of Category 2 expenses is £72.27.

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

- the adjusted fees estimate has been exceeded; and
- the original expenses estimate has been exceeded for the reasons given above.

The main reasons why the fees estimate has been exceeded is due to significant unforeseen cost in the areas of statutory administration and planning, consisting primarily of additional file reviews and statutory reporting to creditors, which were not originally envisaged. The additional administration and reporting have been incurred due to the additional time and work carried out in respect of investigations and asset realisation.

Additional time has also been spent in respect of the creditors work category which has mainly relates to dealing with a large volume of creditor correspondence. This includes taking calls from creditors, reviewing employee claim information with the redundancy payments service, and keeping creditors updated on the position of the Administration. This work has been necessary to comply with my duties

as an office holder. In addition, higher than anticipated costs were incurred in calculating, declaring and paying a dividend to the preferential and secondary preferential creditors. The additional time was spent adjudicating those creditors' claims to ensure that the funds are distributed in accordance with each creditor's statutory entitlement.

However, given the limited realisations in this case, the Joint Administrators have not drawn fees in excess of the fees estimate.

Other professional costs

Accountants

Rouse Partners LLP were instructed to provide accountancy services including the preparation and submission of Corporation Tax return and assisting the Directors in preparing the Statement of Affairs. Their costs have been agreed as a fixed fee and amount to £1,500 plus VAT during the Review Period and £3,000 plus VAT from the date of appointment and they have been paid in full.

Solicitors

As previously advised, Blake Morgan LLP were instructed by the Joint Administrators to advise on appropriate legal matters including providing advice in respect of the validity of the security, retention of title, sale of the assets, potential rights of action and surrender of the Company's former leasehold premises. Their costs have been agreed on the basis of their standard hourly charge out rates, plus expenses and VAT. The Solicitors' total time costs from the date of appointment amount to £15,630 plus VAT and they have been paid in full.

Agents & Valuers

As previously advised, Hilco Capital were instructed as agents and valuers of the Company's chattels and intangible assets where appropriate. The agents also advised on the best method of disposal of those assets and assisted in their disposal, as well as assisted with claims of retention of title and security. Their costs have been agreed on the basis of their standard sales commission rate of 10% and time-cost basis, plus expenses and VAT. The Agent's fees from the date of appointment amounted to £15,382.39 plus VAT and they have been paid in full.

Debt Collectors

As previously advised, Atlantic Risk Management were retained as debt collectors. The fees were agreed at 5% plus VAT of all book debts collected. Their fees from the date of appointment amount to £38,728 plus VAT and they have been paid in full.

Magrath Sheldrick were instructed by the Joint Administrators to advise and assist with book debt recoveries. Their costs have been agreed as a percentage of recoveries, namely 15%, plus VAT. Their total costs from the date of appointment amount to £2,400 plus VAT and was paid on receipt of the settlement monies.

Datafile Software Solutions Ltd

Datafile Software Solutions ("DSS") was the Company's software provider. This represents the fees for DSS to extract and transfer the information on the Company's server. DSS costs were agreed as a fixed fee of £560 plus VAT and have been paid in full.

Consultancy Fees

Sally Eyre, a former consultant of the Company was instructed to assist the Joint Administrators and Hilco with respect to the sale of the Company's IPR, Company name, Trademarks, Database, and Website. Ms Eyre's fees amounted to £1,000 and they have been paid in full.

Evolve IS Limited

Evolve IS Limited were instructed to assist the Joint Administrators with making claims for any unpaid pension contributions with the Redundancy Payments service on the behalf of the employees and

winding up the Company's pension scheme. Their costs were agreed as a fixed fee of £650 plus VAT and they have been paid in full.

All professional costs were reviewed and analysed before payment was approved.

Information about this insolvency process may be found on the R3 website here <http://www.creditorinsolvencyguide.co.uk>. A copy of 'A Creditors Guide to Administrators Fees' effective from 1 April 2021 together with Quantuma Advisory Limited current and historic charge-out rate and expenses policies may be found at <http://www.quantuma.com/guide/creditors-guide-fees>. A hard copy of both the Creditors' Guide and the charge-out rate and expenses policies may be obtained on request.

Payment of the Joint Administrators' unpaid fees and costs

In accordance with the Insolvency Act 1986, all unpaid fees (subject to any approved fees estimate) and costs, as described in the sections above, are charged on and payable out of the Company's property. Thus, the Joint Administrators will be responsible for discharging these sums from the assets and funds handed over to them by the Joint Administrators.

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 fees 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 fees 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 fees 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 fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

THE OUTCOME OF THE ADMINISTRATION

Comparison of the outcome with the Joint Administrators' Proposals

Attached at Appendix 2 is a summary of the Joint Administrators' Proposals as approved.

It had been envisaged that the third Administration objective would be achieved, namely that property would be realised in order to make a distribution to one or more secured or preferential creditors. As described above, it can be seen that this Administration objective was achieved.

The Joint Administrators are now in the process of filing Notice of the Move to Dissolution, which will bring their office and the Administration to an end.

If you require any further information please contact Sean Cox on 01628 478100.



Christopher Newell
Joint Administrator

Foam Company Limited (The)
(IN ADMINISTRATION)

APPENDIX 1

STATUTORY INFORMATION

Company Name	Foam Company Limited (The)
Previous Names	Asset Sold
Proceedings	In Administration
Court	High Court of Justice - Business and Property Courts
Court Reference	CR-2022-000440
Date of Appointment	28 February 2022
Joint Administrators	Chris Newell Frank Wessely 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	02067653
Appointment by	Ian Perry, Director
Changes in Office Holder	-

Foam Company Limited (The)
(IN ADMINISTRATION)

APPENDIX 2

THE JOINT ADMINISTRATORS' PROPOSALS, AS APPROVED

Schedule of Agreed Proposals of
Foam Company Limited **(The) (in Administration) ("the Company")**
in accordance with the Insolvency Act 1986 **("the Act") and the Insolvency (England & Wales)
Rules 2016 ("the Rules")**

The following summary Statement of Proposals was deemed approved by creditors on 29 April 2022:

In order to achieve the purpose of the Administration:

- the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they collect the remaining book debts and receive any distribution from the Liquidation of Ravenbrook (Holdings) Limited;
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - (iii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
- The Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
- The Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:
 - (i) however, in the unlikely event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
 - (ii) however, in the unlikely event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Chris Newell and Frank Wessely will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 10; or
 - (iii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Chris Newell and Frank Wessely may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator; or
 - (iv) in the event that the Joint Administrators think that the purpose of the Administration has been sufficiently achieved and that control of the Company should be returned to the Company directors, they shall apply to the court to bring the Administration to an end in accordance with Paragraph 79(3) of Schedule B1 of the Act

Foam Company Limited (The)
(IN ADMINISTRATION)

APPENDIX 3

THE JOINT ADMINISTRATORS' FINAL RECEIPTS AND PAYMENTS ACCOUNT

Foam Company Limited (The)
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 28/02/2023 To 12/06/2023 £	From 28/02/2022 To 12/06/2023 £
	SECURED ASSETS		
863,225.00	Book Debts	NIL	790,550.24
	Cash at Bank	NIL	38,972.75
		NIL	829,522.99
	COSTS OF REALISATION		
	Debt Collection Fees	NIL	34,040.47
		NIL	(34,040.47)
	SECURED CREDITORS		
(572,063.00)	Barclays Sales Finance	NIL	680,354.29
(85,865.22)	Barclays Bank Loan	NIL	NIL
		NIL	(680,354.29)
	ASSET REALISATIONS		
	Bank Interest Gross	15.42	18.75
50,000.00	Cash at Bank	NIL	859.68
1,200.00	Cash in Hand	NIL	NIL
	Insurance Refund	NIL	1,432.91
5,000.00	IPR, Company name, Trademarks, Da	NIL	5,000.00
2,500.00	Motor Vehicle	NIL	2,500.00
1,375.00	Office Furniture & Equipment	NIL	1,375.00
87,172.00	Ravenbrook (Holdings) Limited	NIL	71,080.05
NIL	Rent Deposit	NIL	NIL
25,000.00	Stock	NIL	25,000.00
3,690.00	Stock- mammoth cases	NIL	12,190.00
		15.42	119,456.39
	COST OF REALISATIONS		
	Accountants fees	1,500.00	3,000.00
	Agents/Valuers Fees	NIL	20,391.23
	Consultancy Fees	NIL	1,000.00
	Datafile Software Solutions Ltd	NIL	560.00
	Debt collection Agent Fees	NIL	7,087.04
	Evolve IS Limited	NIL	650.00
	Insurance of Assets	NIL	1,246.56
	Legal Costs	NIL	20,702.10
	Mileage	NIL	72.27
	Office Holders Fees	2,721.00	110,000.00
	Postage	5.28	428.96
	Pre appointment Fees	NIL	15,721.00
	Re-Direction of Mail	NIL	432.00
	Specific Bond	NIL	135.00
	Statutory Advertising	NIL	191.80
	Storage Costs	NIL	1,674.97
	VAT Irrecoverable	845.26	845.26
		(5,071.54)	(184,138.19)
	PREFERENTIAL CREDITORS		
(34,893.86)	Employee Arrears/Hol Pay	29,355.34	29,355.34
		(29,355.34)	(29,355.34)
	SECONDARY PREFERENTIAL CREDITORS		
(191,389.05)	HMRC - VAT	18,498.94	18,498.94
(54,725.55)	HMRC PAYE/NIC (Employees)	2,592.15	2,592.15
		(21,091.09)	(21,091.09)
	UNSECURED CREDITORS		
(442,729.89)	Consumer Creditor	NIL	NIL

Foam Company Limited (The)
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 28/02/2023 To 12/06/2023 £	From 28/02/2022 To 12/06/2023 £
(317,958.65)	Employees	NIL	NIL
(203,124.87)	Funding Circle CBILS Loan	NIL	NIL
(195,747.14)	Nucleus Cashflow Finance	NIL	NIL
(904,976.33)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
(1,964,311.56)		(55,502.55)	(0.00)
	REPRESENTED BY		
			NIL

Chris Newell
Joint Administrator

Foam Company Limited (The)
(IN ADMINISTRATION)

APPENDIX 4

THE JOINT **ADMINISTRATORS' TIME COSTS**

Time Entry - SIP9 Time & Cost Summary

6010690 - Foam Company Limited (The)
Project Code: POST
From: 28/02/2023 To: 12/06/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.10	4.30	8.70	3.20	17.30	4,195.00	242.49
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.40	0.50	0.90	3.80	5.60	1,001.50	178.84
Closing Procedures	0.00	0.00	0.70	0.00	0.70	140.00	200.00
Creditors	0.70	6.40	20.40	6.70	34.20	7,749.00	226.58
Investigations	0.00	0.00	0.00	0.30	0.30	48.00	160.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.20	11.20	30.70	14.00	58.10	13,133.50	226.05
Total Fees Claimed						2,721.00	
Total Disbursements Claimed						5.28	

Time Entry - SIP9 Time & Cost Summary

6010690 - Foam Company Limited (The)
Project Code: POST
From: 28/02/2022 To: 12/06/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	12.65	26.80	36.15	33.60	109.20	26,448.50	242.20
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	3.30	9.20	6.35	23.50	42.35	8,724.50	206.01
Closing Procedures	0.00	0.00	0.70	0.00	0.70	140.00	200.00
Creditors	9.20	34.80	130.35	21.50	195.85	44,509.00	227.26
Investigations	0.80	5.40	28.55	4.60	39.35	8,433.50	214.32
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	28.80	27.00	55.10	0.00	110.90	33,439.00	301.52
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	54.75	103.20	257.20	83.20	498.35	121,694.50	244.19
Total Fees Claimed						110,000.00	
Total Disbursements Claimed						2,403.20	

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

Description of work undertaken	Includes
<u>ADMINISTRATION & PLANNING</u>	
Maintaining a specific penalty bond.	
Maintaining the company's books and records.	Ongoing maintenance of company books and records
Maintaining up electronic case files and electronic case details on IPS.	
General Administration - Dealing with all routine correspondence and emails relating to the case.	
Case strategy & completing file reviews at 1 month, 2 months & 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
Final Reports	
Payment of Dividends - calculating, paying a dividend to creditors & issuing the declaration notice.	Preparation of distribution calculation to preferential and secondary preferential creditors Preparation of correspondence to preferential and secondary preferential creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Seeking unique tax reference from HMRC, submitting information on PAYE/NI deductions from employee distributions and paying over to HMRC
Notice of Intended Dividend - issuing a notice of intended dividend to creditors and advertising where appropriate	Preparation of correspondence to creditors advising of intention to declare distribution Advertisement of notice of proposed distribution
Reviewing and adjudicating preferential and secondary preferential creditors' claims - adjudicating claims	Agreeing allocation of realisations and costs between fixed and floating charges Receipt of claims Adjudicating claims Request further information from claimants regarding POD Preparation of correspondence to preferential and secondary preferential creditors advising outcome of adjudication

Description of work undertaken	Includes
Dealing with HMRC/RPO claims	
Annual/Progress Reports	Preparing, circulating and filing progress reports.
<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	
<u>CLOSING PROCEDURES</u>	
Filing final statutory returns at Companies House/Court	Preparing and filing statutory receipts and payments accounts at Companies House

Current Charge-out Rates of the staff who have worked 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 may have been subject to periodic increase.

Staff	Charge out rates after 1 June 2023 £	Charge out rates between 23 June 2022 to 1 June 2023 £	Charge out rates prior 23 June 2022 £
CEO/Managing Directors	£545.00	£495.00	£480.00 – £580.00
Director	£450.00	£400.00	£370.00 – £475.00
Senior Manager	£400.00	£345.00	£340.00 – £415.00
Manager	£360.00	£325.00	£310.00 - £375.00
Assistant Manager	£325.00	£295.00	£195.00 – £335.00
Senior Administrator	£275.00	£250.00	£275.00 – £335.00
Administrator	£220.00	£200.00	£200.00 – £240.00
Assistant Administrator	£175.00	£160.00	£135.00 - £160.00
Case Accountant	£120.00	£110.00	£135.00
Support Staff/Executive Assistant	£120.00	£110.00	100.00 – 135.00

Foam Company Limited (The)
(IN ADMINISTRATION)

APPENDIX 6


NOTICE OF NO FURTHER DIVIDEND

Company Name: Foam Company Limited (The) (**In Administration**) ("**the Company**")
Company Number: 02067653
In the High Court of Justice - Business and Property Courts

This Notice is given under Rule 14.37 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrator of the Company, Chris Newell, of Quantum Advisory Limited 2nd Floor, Arcadia House, 15 Forlease Road, Maidenhead, SL6 1RX (telephone number: 01628 478100), who was appointed by the directors of the Company.

The Joint Administrator gives notice confirming that no further dividend will be declared in the Administration of the Company.

The funds realised have already been distributed or used or allocated for paying the expenses of the Administration.

Signed: 

Christopher Newell
Joint Administrator

Dated: 12 June 2023