

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

THURSDAY



A15 *A7GUF3PM* 18/10/2018 #138
COMPANIES HOUSE

1 Company details

Company number 0 8 4 6 6 5 7 4

Company name in full TheVibe Limited

→ Filing in this form
Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, Business & Property Courts in
Manchester, Insolvency & Companies List (ChD)

Court case number 2 4 2 3 2 0 1 8

3 Administrator's name

Full forename(s) Jason Mark

Surname Elliott

4 Administrator's address

Building name/number Regency House

Street

Post town 45-53 Chorley New Road

County/Region Bolton

Postcode B L 1 4 Q R

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5 Administrator's name ①

Full forename(s) Craig

Surname Johns

① Other administrator
Use this section to tell us about another administrator.

6 Administrator's address ②

Building name/number Regency House

Street

Post town 45-53 Chorley New Road

County/Region Bolton

Postcode B L 1 4 Q R

Country

② Other administrator
Use this section to tell us about another administrator.

7 Appointor/applicant's name

Give the name of the person who made the appointment or the administration application.

Full forename(s) Ultimate Invoice Finance

Surname Limited

8 Proposed liquidator's name

Full forename(s) Jason Mark

Surname Elliott

Insolvency practitioner number 9 4 9 6

9 Proposed liquidator's address

Building name/number Regency House

Street 45-51 Chorley New Road

Post town Bolton

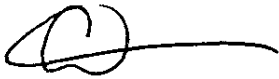
County/Region

Postcode B L 1 4 Q R

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

10	Proposed liquidator's name^①		① Other liquidator Use this section to tell us about another liquidator.
Full forename(s)	Craig		
Surname	Johns		
Insolvency practitioner number	0 1 3 1 5 2		
11	Proposed liquidator's address^②		② Other liquidator Use this section to tell us about another liquidator.
Building name/number	Regency House		
Street	45-51 Chorley New Road		
Post town	Bolton		
County/Region			
Postcode	B L 1 4 Q R		
Country			
12	Period of progress report		
From date	d 3 0 m 0 4 y 2 0 y 1 8		
To date	d 1 7 m 1 0 y 2 0 y 1 8		
13	Final progress report		
<input checked="" type="checkbox"/> I have attached a copy of the final progress report.			
14	Sign and date		
Administrator's signature	Signature X  X		
Signature date	d 1 7 m 1 0 y 2 0 y 1 8		

**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 **Gill Leigh**

Company name **Cowgill Holloway Business
Recovery LLP**

Address **Regency House
45-53 Chorley New Road**

Post town **Bolton**

County/Region

Postcode **B L 1 4 Q R**

Country

DX

Telephone **0161 827 1200**

**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 and dated 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

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. Attach this to the relevant form. ^①
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

① 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) **Benjamin**

Surname **Cowgill**

3 Insolvency practitioner's address

Building name/number **Regency House**

Street **45-53 Chorley New Road**

Post town **Bolton**

County/Region

Postcode **B L 1 4 Q R**

Country

TheVibe Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 30/04/2018 To 17/10/2018 £	From 30/04/2018 To 17/10/2018 £
	FLOATING CHARGE RECEIPTS	
	Seller's Records	1.00
	Goodwill, IP & Salesforce Contract	149,998.00
	Business Information	1.00
10,000.00	Computer Equipment & Office Furniture	10,000.00
3,254.00	Book Debts	NIL
10,508.00	VAT Refund	NIL
10,825.00	Cash at Bank	17,744.66
	Rent Deposit	6,000.00
	Reimbursement of Pre-Appointment Wage	26,460.94
	Contribution to Pension Arrears	1,001.94
		<u>211,207.54</u>
	FLOATING CHARGE PAYMENTS	
	Specific Bond	312.00
	Joint Administrators' Pre Appt Fees	8,718.50
	Joint Administrators' Post Appt Fees	45,425.00
	Agents' Fees - Pre Appt	5,000.00
	Legal Fees - Pre Appt	7,500.00
	Legal Disbursements - Pre Appt	50.00
	Legal Fees - Post Appt	1,717.00
	Statutory Advertising	84.60
		<u>(68,807.10)</u>
	PREFERENTIAL CREDITORS	
	Pension Schemes (Note 1)	1,468.53
		<u>(1,468.53)</u>
	DISTRIBUTIONS	
(261.03)	Ordinary Shareholders	NIL
		<u>NIL</u>
34,325.97		140,931.91
	REPRESENTED BY	
	VAT Receivable	4,285.00
	Bank 1 Current - Non-Interest Bearing	136,646.91
		<u>140,931.91</u>

Note:

Note 1. On 10 October 2018 a first and final dividend was paid to preferential creditors, calculated at a rate of 100 pence in the pound.

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. Attach this to the relevant form. ①
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

① 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) Benjamin

Surname Cowgill

3 Insolvency practitioner's address

Building name/number Regency House

Street 45-53 Chorley New Road

Post town Bolton

County/Region

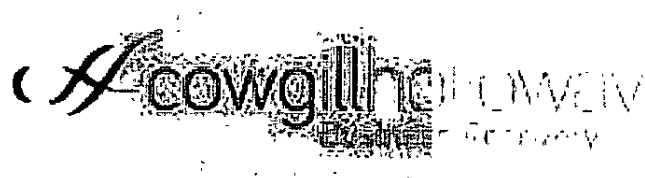
Postcode B L 1 4 Q R

Country

Joint Administrators' Final Progress Report

**TheVibe Limited –
In Administration**

17 October 2018



THEVIBE LIMITED - IN ADMINISTRATION

CONTENTS

- 1** Introduction
- 2** Progress of the Administration
- 3** Unrealised Assets
- 4** Outcome for Creditors
- 5** Joint Administrators' Remuneration
- 6** Creditors' Rights
- 7** Ending the Administration

APPENDICES

- A** Joint Administrators' Receipts and Payments Account for the Period from 5 May 2018 to 17 October 2018, together with a Cumulative Receipts and Payments Account for the Period from 30 April 2018 to 17 October 2018.
- B** Joint Administrators' Time Analysis for the Period from 5 May 2018 to 17 October 2018.
- C** Joint Administrators' Cumulative Time Analysis for the Period from 30 April 2018 to 17 October 2018.
- D** Outcome Statement as at 17 October 2018.
- E** Additional information in relation to Joint Administrators' Fees, Expenses & Disbursements

THEVIBE LIMITED - IN ADMINISTRATION

1 Introduction

- 1.1 Jason Mark Elliott, Craig Johns and Benjamin Cowgill were appointed Joint Administrators of TheVibe Limited (the "Company") on 30 April 2018. The appointment was made by the Company's Directors.
- 1.2 This Administration is being handled by Cowgill Holloway Business Recovery LLP ("CHBR") at Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR. The Joint Administrators' contact details are by phone on 0161 827 1200 or via email at gill.leigh@cowgills.co.uk. The Administration is registered in the High Court of Justice, Business & Property Courts in Manchester, Insolvency & Companies List (ChD), with reference number 2423 of 2018.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://www.cowgills.co.uk/services/business-recovery/privacy-notice/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The trading address and registered office address of the Company was The Storey, Meeting House Lane, Lancaster, LA1 1TH.
- 1.5 The registered office of the Company has since been changed to Regency House, 45-53 Chorley New Road, Bolton, Greater Manchester, BL1 4QR and its registered number is 08466574.
- 1.6 As the Administration has now completed, we are required to provide a progress report covering the period since our Report and Statement of Proposals Pursuant to Paragraph 49 of Schedule B1 ("Proposals") which were issued on 4 May 2018.
- 1.7 This is our final report in the Administration and covers the period from 5 May 2018 to 17 October 2018 (the "Period") and should be read in conjunction with our Proposals, which were available for creditors to view and download on 4 May 2018.

2 Progress of the Administration

- 2.1 This section of the report provides creditors with an overview of the progress made in the Period, both in terms of the statutory objective, but also work which is required of us under other related legislation.
- 2.2 At Appendix A is our Receipts and Payments Account covering the Period, together with a Cumulative Receipts and Payments Account from the date of our appointment to the conclusion of the Administration.
- 2.3 At Appendix B is a time analysis outlining the time spent by us and our staff during the Period, together with a cumulative time analysis from the date of our appointment to the conclusion of the Administration at Appendix C.
- 2.4 Further particulars about the basis of our remuneration agreed in this case and our fees estimate can be found in Section 5 of this report, together with any relevant information about revisions to our initial estimate, where applicable.

THEVIBE LIMITED - IN ADMINISTRATION

- 2.5 As noted previously in the Proposals, the statutory objective pursued in the Administration was the second objective of achieving a better result than would be likely if the Company were wound up (without first being in Administration). This is because the pre-packaged sale of the Company's business and assets to Vibe Tickets Limited ("VTL") has generated significantly higher net asset realisations in comparison to a shutdown sale in Liquidation and as a consequence, a 100 pence in the pound dividend to preferential creditors has occurred and a dividend to unsecured creditors will be issued in the subsequent Liquidation.
- 2.6 In addition to the pursuance of this statutory objective, we have duties imposed by insolvency and other legislation, some of which may not have provided any financial benefit to creditors.

Administration (including statutory compliance & reporting)

- 2.7 As noted previously, we must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work undertaken in this regard has been outlined previously.
- 2.8 Where the overall costs of statutory compliance work or reporting to creditors has exceeded the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on us.
- 2.9 As noted in our initial fees estimate/information, this work has not necessarily brought any financial benefit to creditors, but is work required on every case by statute.

Realisation of Assets

Pre-Packaged Sale

- 2.10 As previously detailed in our Proposals, the following Company assets were sold to a connected entity, Vibe Tickets Limited (previously defined as VTL) on 30 April 2018 in the sum of £160,000.

Asset Type	Sold Price Exd VAT (£)
Business Information	1
Computer System and Fixtures, Fittings and Equipment	10,000
Goodwill, Intellectual Property and Salesforce Contract	149,998
Seller's Records	1
Total Asset Sale	£160,000

- 2.11 The sales consideration was paid by VTL in full on the day of the sale to our instructed solicitors client account.
- 2.12 Upon our appointment as Joint Administrators, we opened a specialist non-interest bearing bank account and requested a transfer of the sales consideration. In the Period, net sales consideration totalling £160,000 was received by us.
- 2.13 Further particulars regarding the circumstances leading up to the pre-packaged sale to VTL can be found at Appendix G of our Proposals.

Cash at Bank

- 2.14 As detailed in the Proposals, the Company utilised a current business banking account with Barclays Bank PLC ("Barclays"), which was understood to hold a credit balance in the amount of £18,872.
- 2.15 In the Period, we wrote to Barclays to request that the credit balance be forwarded to us and the sum of £17,745 was subsequently received by us. Encompassed within this amount was a VAT Refund totalling £10,508.
- 2.16 The account has now been closed and there will be no further realisations from this asset class.

Rent Deposit

- 2.17 Pursuant to the Sale and Purchase Agreement involving VTL and the Company, the sum of £6,000 would be paid to us in relation to the repayment of a rent deposit, which had previously paid by the Company in relation to leasehold premises situated in London.
- 2.18 We would confirm that in the Period, the sum of £6,000 has been received by us from VTL. There will no further realisations from this asset class.

Reimbursement of Pre-Appointment Wages

- 2.20 On the date of our appointment, being 30 April 2018, the Company paid wages to its staff totalling £26,461.
- 2.21 Pursuant to the sale, VTL was obligated to pay these wages. Accordingly, we requested repayment of £26,461 and can confirm that in the Period, the sum of £26,461 was paid to us by VTL.
- 2.22 This now concludes recoveries in respect of this asset class.

Contribution to Pension Arrears

- 2.23 In the Period, we became aware of unpaid pension contributions totalling £1,469, of which the sum of £1,002 was incurred in the month of April 2018.
- 2.24 As previously discussed directly above, VTL were obligated to discharge the Company's payroll liabilities in the month of April, which included any pension contributions.
- 2.25 Accordingly, we requested payment of £1,002 and can confirm that in the Period, the sum of £1,002 was paid to us by VTL.
- 2.26 This now concludes recoveries in respect of this asset class.

Creditors (claims and distributions)

- 2.27 Further information on the outcome for creditors in this case can be found at Section 4 of this report. We are not only required to deal with correspondence and claims from unsecured and preferential creditors of the Company. This may involve dealing with distributions from asset realisations as well as dealing with the general handling of communications with stakeholders, such as customers and suppliers.

THEVIBE LIMITED - IN ADMINISTRATION

- 2.28 Claims from preferential creditors in this case has comprised of unpaid pension contributions, and we would confirm that these were repaid in full in the Period via a first and final preferential dividend.
- 2.29 The above work will not necessarily bring any financial benefit to creditors generally and the more creditors there are on an assignment, the higher the resultant cost will usually be however we are required by statute to undertake this work.

Investigations

- 2.30 You may recall from our Proposals that some of the work that we are required to undertake was to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA 1986") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless those investigations revealed potential asset recoveries that could have been pursued for the benefit of creditors.
- 2.31 Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.
- 2.32 We would confirm that our investigations identified the following claims against VTL:
- Payment of pre-appointment wages, which were paid out of the Company's bank account on 30 April 2018. This action contradicted an agreement reached involving CHBR and VTL, whereby VTL undertook to pay the wages; and
 - The non-payment of pension contributions, which were incurred in the payroll month of April 2018, and thereby should have been discharged by VTL.
- 2.33 As creditors will have noted from the 'Realisation of Assets' Section, VTL has since reimbursed us for the payroll and pension contributions.
- 2.34 No further asset realisations have come to light that may be pursued by us for the benefit of creditors and our investigations are now concluded.

Connected party transactions

- 2.35 In accordance with Statement of Insolvency Practice 13, we would advise you that the following assets were sold to a connected entity, by way of a common director:

Date of transaction	Assets involved & nature of transaction	Consideration paid & date	Sold to	Relationship
30 April 2018	Business Information, Computer System, Fixtures, Fittings and Equipment, Goodwill, Intellectual Property, Salesforce Contract and Seller's Records	£160,000 paid on 30 April 2018	Vibe Tickets Limited (defined as VTL)	Connected entity by way of a common director and shareholder, Luke Massie

THEVIBE LIMITED - IN ADMINISTRATION

- 2.36 As noted above, the connected party transaction occurred on 30 April 2018 to VTL, a connected party by way of a common director and shareholder, Luke Massie. We would confirm the following;

VTL were advised by DWF LLP and the Company was independently advised by Wignall Brownlow LLP ("WB"), in respect of the value of the Company's business and assets.

A review of the asset valuation was undertaken by us, with no issues being raised.

- 2.37 WB advised that the sale to VTL was appropriate as the sale proceeds are considerably higher as opposed to a forced sale scenario and VTL's offer was considered more appropriate than that of another party, for reasons previously disclosed in our Proposals.
- 2.38 Full information on the sale pursuant to the requirements of Statement of Insolvency Practice 16 can be found at Appendix G of our Proposals.

3 Unrealised Assets

Debtors

- 3.1 The Company's books and records and the director's Statement of Affairs evidenced an amount due to the Company from an associated entity, Vibe Pay Limited.
- 3.2 From a review of the Company's management accounting information, together with enquiries made with the Company's former accountant, the net position of the loan was £3,074 owing to the Company.
- 3.3 We would confirm that efforts are being made to recover this sum. We are not aware of any disputes and are continuing to collect this amount in full.
- 3.4 Creditors will be updated on this asset class recovery in the subsequently appointed Liquidators next report.

4 Outcome for Creditors

- 4.1 An Outcome Statement as at 17 October 2018 is attached at Appendix D.

Secured Creditors

- 4.2 There are no charges registered at Companies House and no secured creditors have come to light in the Period.
- 4.3 Accordingly, there are no secured creditors.

Preferential Creditors

- 4.4 We would confirm that the only known preferential creditor is B&CE Holdings Limited ("B&CE") in relation to unpaid pension contributions.
- 4.5 B&CE have confirmed that there were unpaid pension contributions totalling £1,468.53, and this amount was subsequently agreed.

THEVIBE LIMITED - IN ADMINISTRATION

4.6 The only known preferential creditor was paid in full on 10 October 2018.

Unsecured Creditors

4.7 At the date of this report we have received claims totalling £10,267 from two unsecured creditors.

4.8 The Company did not grant any floating charges. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**).

4.9 We would confirm that there are sufficient funds available to pay a dividend to unsecured creditors. Based upon current estimations, such a dividend is likely to equate to approximately 98 pence in the pound.

4.10 We will write to creditors separately when we are in position to declare and pay a dividend.

5 Joint Administrators' Remuneration

Pre-administration Costs

5.1 Pre-administration costs are defined as:

- (i) Fees charged, and
- (ii) Expenses incurred.

by us, or another person qualified to act as an insolvency practitioner before the company entered Administration (but with a view to its doing so), and "unpaid pre-administration costs" are pre-administration costs which had not been paid when the company entered Administration.

5.2 WB were instructed to provide the following assistance in relation to the eventual pre-packaged sale of the Company's business and assets to VTL:

- valuation advice;
- marketing advice;
- assistance with marketing;
- Liaising with and negotiating with interested parties; and
- advising on the suitability of various offers received from two interested parties.

5.3 Turner Parkinson LLP ("TP") were formally engaged to prepare appointment documentation and the Sale and Purchase Agreement involving the Company, CHBR and VTL.

5.4 Below is information on the pre-administration costs incurred in this case, together with details of any amounts which remain unpaid, where applicable. Pre-appointment fees charged and expenses incurred by the Joint Administrators are detailed in the table shown overleaf.

THEVIBE LIMITED - IN ADMINISTRATION

Charged by	Brief description of services provided	Total amount charged £	Amount paid £	Amount unpaid £
CHBR	Attending meetings and providing advice to the Company, understanding the position as regards to the Company's assets, reviewing and approving the marketing documentation, instructing agents to conduct a valuation on the Company's business and assets, circulating the advert, liaising with prospective purchasers, assessing offers received in conjunction with WB and TP	£8,718.50 plus VAT	Nil	£8,718.50 plus VAT
WB	Valuation advice of the Company's business and assets, marketing advice and assistance, liaising with and negotiating with interested parties and advising on the suitability of various offers received from two interested parties	£5,000 plus VAT	Nil	£5,000 plus VAT
TP	Preparation of the SPA and preparing documentation to place the Company into Administration	£7,500 plus VAT	Nil	£7,500 plus VAT

- 5.5 The payment of the unpaid pre-administration costs set out above as an expense of the Administration has been approved by creditors following a decision by correspondence on 28 May 2018.

Post appointment Costs

- 5.6 The basis of the Joint Administrators fees was fixed in the Administration by reference to the time properly spent by us and our staff in managing the Administration.
- 5.7 Our time costs for the Period are £45,978. This represents 169 hours at an average rate of £272 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this final period in respect of the costs fixed by reference to time properly spent by us in managing the Administration. A narrative explanation of the work undertaken by us during the Period can be found at Section 2 of this report.
- 5.8 Attached as Appendix C is a cumulative Time Analysis for the period from the date of our appointment to 17 October 2018 which provides details of our total time costs in the Administration. These time costs total £47,130 which represents 174 hours at an average rate of £271 per hour.
- 5.9 You will recall that we provided creditors with our fees estimate prior to the agreement of the basis of our remuneration as time costs. We would confirm that it was not necessary during the Administration to seek further approval to increase this estimate. The approved fees estimate in force at the end of the Administration imposed an overall cap on our fees of £45,425.
- 5.10 We would confirm that £45,425 plus VAT has been drawn against our accrued time costs, which is at the level of the fees estimate approved by creditors. The balance of our unbilled time costs will be written off.
- 5.11 Attached at Appendix E is additional information in relation to our fees and the expenses and disbursements incurred in the Administration.

THEVIBE LIMITED - IN ADMINISTRATION

- 5.12 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://www.cowgills.co.uk/wp-content/uploads/2016/01/Creditors-Guide-to-Administrators-fees.pdf>.

6 Creditors' rights

- 6.1 Within 21 days of the receipt of this report, an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that we provide further information about our remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 6.2 An unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for our remuneration is inappropriate and/or the remuneration charged or the expenses incurred by us, as set out in this progress report, are excessive.

7 Ending the Administration

- 7.1 A copy of the notice bringing the Administration to an end and moving the Company into Creditors' Voluntary Liquidation is enclosed with this report, which has been sent to the Registrar of Companies for filing. Once this notice is registered, the Company will be in Liquidation and we would confirm that we will become the appointed Joint Liquidators, as agreed in our Proposals.
- 7.2 As Joint Liquidators, we will be required to report to creditors on the progress of the Liquidation within two months of the anniversary of our appointment. If a dividend is to be declared sooner, we will write to creditors to provide appropriate details in the intervening period.
- 7.3 **If any creditors have not yet submitted their proof of debt, please ensure this is forwarded to our office as soon as possible in order that your claim can be admitted for dividend purposes.**
- 7.4 We would confirm that the basis of our remuneration as Joint Liquidators remains the same as in the Administration. Our fees estimate for the work we anticipate will be required in the Liquidation and details of the expenses we anticipate will be, or are likely to be, incurred will be forwarded to creditors for approval in due course.
- 7.5 We will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon our appointment as Joint Administrators ceasing to have effect.

Yours faithfully
For and on behalf of
TheVibe Limited



Craig Johns
Joint Administrator

Joint Administrators' Receipts and Payments Account from 5 May 2018 to 17 October 2018 together with a Cumulative Receipts and Payments Account for Period from 30 April 2018 to 17 October 2018

TheVibe Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 05/05/2018 To 17/10/2018 £	From 30/04/2018 To 17/10/2018 £
	FLOATING CHARGE RECEIPTS	
	Seller's Records	1.00
	Goodwill, IP & Salesforce Contract	149,998.00
	Business Information	1.00
10,000.00	Computer Equipment & Office Furniture	10,000.00
3,254.00	Book Debts	NIL
10,508.00	VAT Refund	NIL
10,825.00	Cash at Bank	17,744.66
	Rent Deposit	6,000.00
	Reimbursement of Pre-Appointment Wage	26,460.94
	Contribution to Pension Arrears	1,001.94
		<u>211,207.54</u>
	FLOATING CHARGE PAYMENTS	
	Specific Bond	312.00
	Joint Administrators' Pre Appt Fees	8,718.50
	Joint Administrators' Post Appt Fees	45,425.00
	Agents' Fees - Pre Appt	5,000.00
	Legal Fees - Pre Appt	7,500.00
	Legal Disbursements - Pre Appt	50.00
	Legal Fees - Post Appt	1,717.00
	Statutory Advertising	84.60
		<u>(68,807.10)</u>
	PREFERENTIAL CREDITORS	
	Pension Schemes (Note 1)	1,468.53
		<u>(1,468.53)</u>
	DISTRIBUTIONS	
(261.03)	Ordinary Shareholders	NIL
		<u>NIL</u>
34,325.97		140,931.91
	REPRESENTED BY	
	VAT Receivable	4,285.00
	Bank 1 Current - Non-Interest Bearing	136,646.91
		<u>140,931.91</u>

Note:

Note 1. On 10 October 2018 a first and final dividend was paid to preferential creditors, calculated at a rate of 100 pence in the pound.

Appendix B

Time Analysis for the Period from 5 May 2018 to 17 October 2018

	Partner	Director	Manager	Senior Administrator	Administrator	Junior Administrator	Cashier	Total hours	Total Cost £	Average Cost £
Administration (inc statutory compliance & reporting)	17.50	25.90	16.60	52.60	-	1.20	7.60	121.40	28,982.50	238.74
Realisation of assets	-	2.70	18.50	1.90	-	-	-	23.10	5,777.00	250.09
Creditors (claims & distributions)	1.60	-	5.00	3.10	-	-	0.20	9.90	2,432.00	245.66
Investigations	5.30	12.60	6.10	8.30	-	-	-	14.40	8,786.50	610.17
Trading (where applicable)										
Case specific matters (where applicable)										
Total Hours/Cost	24.40	41.20	46.20	65.90	-	1.20	7.80	168.80	45,978.00	272.38
Current Chargeout Rates	375.00	300.00	250.00	180.00	150.00	100.00	120.00			

Cumulative Time Analysis for the Period from 30 April 2018 to 17 October 2018

	Partner	Director	Manager	Senior Administrator	Administrator	Junior Administrator	Cashier	Total hours	Total Cost £	Average Cost £
Administration (inc statutory compliance & reporting)	17.50	27.70	16.60	56.00	-	1.20	7.60	126.60	30,134.50	238.03
Realisation of assets	-	2.70	18.50	1.90	-	-	-	23.10	5,777.00	250.09
Creditors (claims & distributions)	1.60	-	5.00	3.10	-	-	0.20	9.90	2,432.00	245.66
Investigations	5.30	12.60	6.10	8.30	-	-	-	14.40	8,786.50	610.17
Trading (where applicable)										
Case specific matters (where applicable)										
Total Hours/Cost	24.40	43.00	46.20	69.30	-	1.20	7.80	174.00	47,130.00	270.86
Current Chargeout Rates	375.00	300.00	250.00	180.00	150.00	100.00	120.00			

Appendix D

Outcome Statement as at 17 October 2018

	Notes	Administration/£
Assets Subject to Floating Charge		
Cash held by the Joint Administrators as at 17 October 2018	1	136,647
VAT Receivable	2	4,285
Debtors	3	3,074
		144,006
Less: Costs of Subsequent Liquidation	4	(25,497)
Estimated funds available for Preferential Creditors		118,509
Less: Unsecured Creditors:		
Trade & Expense Creditors	5	(34,452)
HM Revenue & Customs - PAYE/NIC	5	(57,194)
Director's Loan Account - Luke Massie	5	(29,007)
Loan - Mobilivty (UK) Limited	5	(750)
Total Unsecured Creditors		(121,403)
Estimated Shortfall to Unsecured Creditors		(2,893)
Estimated Distribution to Unsecured Creditors (p/£)		98 p/£
Notes		
1. The cash held by the Joint Administrators will be transferred to a specialised Liquidation bank account 2. The VAT element will be reclaimed from HM Revenue & Customs shortly. 3. An amount of £3,074 is owing to the company from Vibe Pay Limited 4. See Costs of Subsequent Liquidation below. 5. The amount shown has been extracted from the company's books and records and from formal claims received to date.		
Costs of Subsequent Liquidation		
Joint Liquidator's Remuneration		(25,000)
Joint Liquidators' Bond		(312)
Statutory Advertising		(85)
Storage Costs		(100)
		(25,497)

Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We have not utilised the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment, we used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them.

Name of Professional Advisor	Basis of Fee Arrangement
Turner Parkinson Solicitors LLP (legal advice in connection with investigations)	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Joint Administrators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors when the basis of our fees were approved, a copy of which is set out below:

Expense	Provider	Basis of fee arrangement	Cost to date £
Statutory advertising	Courts Advertising Limited	Set Fee = £253.80 plus VAT	84.60 plus VAT
Administrators' bond	AUA Insolvency Risk Services	Risk Based Premium = £186.00 plus VAT	312
Document storage	Re-store Plc	Estimate = £100 plus VAT	Nil

Summary of Joint Administrators' expenses

- 3.2 Details of the expenses paid by us during the Period can be found in the Receipts and Payments account at Appendix A. An outline of the total expenses paid during the Administration can be found in the Cumulative Receipts and Payments account also at Appendix A.
- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case.
- 3.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Administrators' fees were approved by creditors.
- 3.5 The Joint Administrators have not and do not intend to incur any Category 2 disbursements.

4 Charge-Out Rates

- 4.1 Cowgill Holloway Business Recovery LLP's current charge-out rates effective from 1 March 2012 are detailed below.
- 4.2 Please note this firm records its time in minimum units of 6 minutes.

Staff Grade	Rate per Hour
Partner	£375
Consultant	£300
Director	£300
Manager	£250
Senior Administrator	£180
Administrator	£150
Cashier/Support	£120
Junior Administrator	£100