

# WU07

## Notice of progress report in a winding-up by the court



Companies House

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[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 8 8 4 0 9 6 5

Company name in full SCL Commercial Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Vincent John

Surname Green

### 3 Liquidator's address

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E

Country

### 4 Liquidator's name ①

Full forename(s) Steven

Surname Edwards

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E

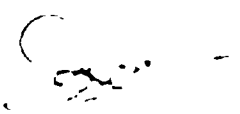
Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

WU07

Notice of progress report in a winding-up by the court

|                                                                     |                                                                                                                                             |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |  |
|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|--|
| <b>6</b>                                                            | <b>Period of progress report</b>                                                                                                            |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |  |
| From date                                                           | <sup>d</sup>                                                                                                                                | 1 | <sup>d</sup> | 7 | <sup>m</sup> | 0 | <sup>m</sup> | 4 | <sup>y</sup> | 2 | <sup>y</sup> | 0 | <sup>y</sup> | 2 | <sup>y</sup> | 2 |  |
| To date                                                             | <sup>d</sup>                                                                                                                                | 1 | <sup>d</sup> | 6 | <sup>m</sup> | 0 | <sup>m</sup> | 4 | <sup>y</sup> | 2 | <sup>y</sup> | 0 | <sup>y</sup> | 2 | <sup>y</sup> | 3 |  |
| <b>7</b>                                                            | <b>Progress report</b>                                                                                                                      |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |  |
| <input checked="" type="checkbox"/> The progress report is attached |                                                                                                                                             |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |  |
| <b>8</b>                                                            | <b>Sign and date</b>                                                                                                                        |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |  |
| Liquidator's signature                                              | <div>Signature</div> <div>X</div> <div></div> <div>X</div> |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |  |
| Signature date                                                      | <sup>d</sup>                                                                                                                                | 1 | <sup>d</sup> | 6 | <sup>m</sup> | 0 | <sup>m</sup> | 6 | <sup>y</sup> | 2 | <sup>y</sup> | 0 | <sup>y</sup> | 2 | <sup>y</sup> | 3 |  |

**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 **Joe Longhurst**

Company name **Crowe U.K. LLP**

Address **4 Mount Ephraim Road**

**Tunbridge Wells**

Post town **Kent**

County/Region

Postcode **T N 1 1 E E**

Country

DX

Telephone **01892 700200**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

# Crowe

**In the High Court of Justice Reference No. 2018-006696**

**SCL Commercial Limited  
(In Liquidation)**

**Annual Progress Report to 16 April 2023**

**Vincent John Green  
Steven Edwards**

**Crowe U.K. LLP  
4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE**

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## 1. INTRODUCTION

On 17 April 2019, Vincent John Green and Mark Newman of Crowe U.K. LLP were appointed Joint Liquidators of SCL Commercial Limited ("the Company") by the Court. Under the terms of a Block Transfer Order, Steven Edwards was appointed Joint Liquidator on 29 July 2021, replacing Mark Newman.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to their appointment. Prior to the Joint Liquidators' appointment, a review of ethical issues was undertaken and no ethical threats were identified. Since their appointment the Joint Liquidators have continued to undertake periodic reviews of ethical matters and no ethical threats have been identified.

This Progress Report summarises the progress of the Liquidation for the period from 17 April 2022 to 16 April 2023 ("the Reporting Period").

Statutory information relating to the Company is attached at **Appendix I**.

## 2. ADMINISTRATION AND PLANNING

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progression of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks can be found at **Appendix II**.

### Reporting

The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Reporting Period, the following key documents have been issued:

- The progress report for the period 17 April 2021 to 16 April 2022

### Other administrative tasks

During the Reporting Period, the following material tasks in this category were carried out:

- Conducting periodic case reviews to ensure that the Liquidation is progressing efficiently, effectively and in line with statutory requirements;
- Maintaining case files, including documenting decisions made by the Joint Liquidators that materially affect the Liquidation

### The Information Commissioners Office ("the ICO") and Company Data

The Joint Liquidators continue to make enquiries and review the Company's data, books and records with a view to increasing asset realisations for the benefit of the general body of creditors. So not to prejudice the outcome of any recovery action that may yet be taken, we are unable to release any additional information at this stage. We expect to report fully in respect of these enquiries in subsequent reports to creditors.

### 3. ENQUIRIES AND INVESTIGATIONS

An initial investigation into the Company's affairs was undertaken to establish whether there were any potential asset recoveries or conduct matters that justified further investigation. This initial assessment revealed matters that the Joint Liquidators considers merit further investigation.

The Joint Liquidators continue to investigate the accounting and other information of the Company with a view to enhancing the extent of realisations. So not to prejudice the outcome of any recovery action that may yet be taken, we are unable to release any additional information at this stage. We expect to report fully in respect of these enquiries in subsequent reports to creditors.

Following the conversion to Liquidation, the Joint Liquidators have and will continue, within jurisdiction, to provide assistance to various U.K. and international authorities in their investigations as appropriate. The Joint Liquidators were also assisted in their investigation by the Public Interest Official Receiver. The Public Interest Official Receiver is a civil servant in The Insolvency Service. The Insolvency Service itself is part of the Government Agency, The Department for Business, Energy and Industrial Strategy.

### 4. REALISATION OF ASSETS

The Joint Liquidators' Receipts and Payments account is attached at **Appendix III**. This account has been reconciled to the Insolvency Service Account held by the Secretary of State.

Detailed below is key information about asset realisations and the Joint Liquidators' strategy, however, more details about the work undertaken can be found at **Appendix II**. The Joint Liquidators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

#### Assignment Rights

As previously reported, there has been an assignment of all causes of action available to the Company, Cambridge Analytica (UK) Limited, SCL Analytics Limited, SCL Elections Limited, SCL Group Limited and SCL Social Limited (together "the Companies"), or any of them, against Alexander James Ashburner Nix insofar as capable of assignment by law.

In return, the Joint Liquidators received £110,000 and 10% of the recovery made in any litigation brought pursuant to the causes of action, having first netted off legal costs, disbursements and the other costs of that litigation.

As a condition of the assignment, the £110,000 has been provided on the understanding that the funds are to be distributed to discharge the Companies creditors in such a manner as the Joint Liquidators, acting in accordance with their obligations, deem appropriate.

The Insolvency Act 1986 and the Insolvency (England & Wales) Rules 2016 provide a statutory scheme for how the Joint Liquidators must apply assets to meet creditor claims. The scheme puts creditors into different classes and the Joint Liquidators apply a descending order of priority. The Joint Liquidators cannot distribute asset realisations to a class of creditors until they have repaid in full the claims of all creditors in the prior ranking class. As a simple summary, the priority of payments is as follows, secured creditors followed by preferential creditors and subsequently unsecured creditors.

In accordance with the above, across the Companies there are no secured creditors and the only entity to have preferential creditors is SCL Elections Limited. Accordingly, the funds have been attributed to SCL Elections Limited in the first instance and subject to further legal advice, in order to meet the sum of preferential claims. It is currently uncertain whether this sum will enable a payment in full of preferential claims.

No realisations have been received in the Reporting Period and we expect to report fully in subsequent reports to creditors.

## Assets still to be recovered

### *Trade debtors*

According to the director's Statement of Affairs ("SofA"), the trade debtors consist of seven individual balances with a total book value ("BV") of £224,632. The director has shown an estimated to realise value of £80,000.

The debtor balances of £224,632 relates to the net balance of seven accounts. However, following a review of the trade debtors and the balances shown in the Company SAGE and NetSuite accounting software, the amended balance due appears to total £187,854.

As conflicting information relating to the balances has been received the matter remains under review and we expect to report fully in subsequent reports to creditors.

### *SCL Social Limited*

According to the director's SofA, the BV balance due from SCL Social Limited is £32,189, with an estimated to realise value of nil.

A reconciliation remains ongoing between the intercompany balances. A claim will therefore be submitted in the estate of SCL Social Limited, should distributions become available to unsecured creditors in the course of SCL Social Limited's Liquidation.

### *Emerdata Limited*

According to the director's SofA, the BV balance due from Emerdata Limited ("Emerdata"), the ultimate parent company, is £134,997 and has been estimated to be realisable in full.

Communications are being held with Emerdata Limited regarding the balance. No realisations have been received in this matter during the Reporting Period, the matter remains under review.

### *SCL Insight Limited*

According to the director's SofA, the BV balance due from SCL Insight Limited is £50,000, with an estimated to realise value of £25,000.

SCL Insight Limited is not subject to an insolvency procedure. Following receipt of information provided by the director, correspondence has been entered into with SCL Insight Limited in relation to the balance due.

No realisations have been received in the Reporting Period. The balance shown as being outstanding remains under review and we expect to report fully in subsequent reports to creditors.

### *VAT Balances*

The Company was part of a group VAT registration. Other than the Company, the VAT Group consists of SCL Elections Limited, SCL Social Limited and Cambridge Analytica (UK) Limited ("the VAT Group").

According to the director's SofA, the BV balance of VAT receivable was £136,918 estimated to be realisable in full. The director has anticipated a full recovery of this asset but this is dependent upon VAT returns to the date of Administration being agreed by HM Revenue & Customs ("HMRC") for the VAT Group.

VAT return forms for the pre-appointment period have been completed by the director and submitted by the Joint Liquidators' to HMRC. However, VAT Officer Assessments have been made against the VAT Group and it is possible that the VAT refund will be set off against any sums due to HMRC. A request for a breakdown of the VAT Officer Assessments has been made.

The Joint Liquidators' continue to liaise with HMRC in respect of the VAT reclaim and we expect to fully report in subsequent reports.

## 5. CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed at **Appendix II**. The following sections explain the anticipated outcomes to creditors and any distributions paid.

### Secured Creditors

The Company has not granted any charges over its assets.

### Preferential Creditors

The Company had no employees and instead relied upon the resources of staff employed by SCL Elections Limited. As the Company had no employees, there are no known preferential creditors.

### Unsecured Creditors

According to the SofA, the director has shown 4 unsecured creditors with a BV of £462,891.

To date claims from 2 unsecured creditors (excluding HMRC) have been received totalling £36,912. Of this sum, 1 claim totalling £35,000 was received from a creditor not included on the SofA. Accordingly, the Joint Liquidators have not received claims from 3 unsecured creditors with original estimated claims in the SofA to date.

Please be advised that proofs of debt may still be received and therefore the total value of unsecured claims is not known at present.

### *HMRC*

According to the SofA, HMRC was shown to be owed £27,974. A claim has been received from HMRC specifically in the name of the Company in the sum of £141,235.

As detailed above, the Company is part of a VAT Group. A claim has been received from HMRC in respect of the VAT Group in the sum of £301,130.03, £141,235.32 of which relates to VAT. It is currently being determined how much relates solely to the Company and not the other members of the VAT Group. A breakdown of the claim submitted is currently awaited.

The remaining £159,895 claimed by HMRC relates to direct taxes, being PAYE and Corporation Tax. A breakdown has been requested, but to date the only response has been advised that the majority (no exact sums have been provided) relates to PAYE rather than Corporation Tax. Considering the Company had no employees, it is therefore assumed that the majority of the remaining £159,895 claimed by HMRC does not relate to the Company.

### Dividend Prospects

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

The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently the prescribed part provisions do not apply.

Any dividend to the unsecured creditors is dependent upon the recoverability of assets, the costs of Administration and the Liquidation and the other outstanding matters detailed within the body of this report. Accordingly, it is currently uncertain whether funds will be available to pay a dividend to the unsecured creditors.

## 6. FEES AND EXPENSES

### The Joint Administrators' and Joint Liquidators' Fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or partner.

The Joint Administrators' fees were approved by creditors on 11 July 2018 on a fixed fee basis of £100,000 plus VAT. This authorisation carries over to the Liquidation.

As previously reported, funds have been paid directly by Emerdata Limited to a client account operated by Crowe U.K. LLP. These monies were advanced to partially discharge the Joint Administrators' and Joint Liquidators' costs for each of the U.K. subsidiaries.

In the Reporting Period, no fees have been paid from asset realisations.

Any costs discharged by Emerdata Limited do not fall under the fee approval agreed by creditors on 11 July 2018 as the funds used to discharge these costs are being supplied by a third party. For the avoidance of doubt, should asset realisations be achieved sufficient to repay Emerdata Limited for the funds paid to discharge the Joint Administrators' costs, these will be limited to the £100,000 fixed fee approval given by creditors.

### Expenses

Expenses are amounts payable by the Joint Liquidators from the Liquidation estate which are not otherwise categorised as the Joint Liquidators' remuneration or as a distribution to a creditor or creditors.

Category 1 expenses are payments to entities providing a service to which the expense relates who are not associates and where the specific expenditure is directly referable to the Liquidation. These expenses are charged to the estate at cost. Liquidators may discharge Category 1 expenses from the funds held in the Liquidation without further recourse to creditors.

Category 2 expenses are other expenses which are payable to associates or which have an element of shared cost. Payments may only be made in relation to Category 2 expenses if the creditors have approved the bases of their calculation. Category 2 expenses were approved by creditors on 11 July 2018.

Details of the expenses incurred and paid in the Reporting Period and also since the commencement of the Liquidation are detailed at **Appendix IV**.

### Specialist Advice and Services

When instructing third parties or associates to provide specialist advice and/or services the Joint Liquidators are obligated to ensure that the work is warranted and that the work undertaken provides good value. In each case, when considering which specialist to instruct, the Joint Liquidators take into

account the experience and knowledge of the specialist, the likely cost to the Liquidation estate and whether the cost of the instruction is proportionate to the likely benefit.

Guidance in respect of insolvency practitioners' fees is available to download at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

Information about insolvency processes can be found on the R3 website at:

<http://www.creditorinsolvencyguide.co.uk/>

A hard copy of this guidance information will be provided on request.

Crowe U.K. LLP's charge out rate and disbursements policy is attached at **Appendix VI**.

## 7. CREDITORS' RIGHTS

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 Joint Liquidators' remuneration and expenses within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to Court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

## 8. CONCLUSION

The administration of the Liquidation will continue in order to finalise the following outstanding matters that are preventing the case from being closed:

- Pursuit of the various assets detailed in the body of this report.
- Pursuit and progression of the investigative matters.
- If possible, the payment of a distributions to unsecured creditors.

The Joint Liquidators anticipate that the Liquidation will remain open for a further 24 months to enable these matters to be dealt with.

Should you have any queries, please contact Joe Longhurst at this office.



Signed \_\_\_\_\_

Vincent Green  
Joint Liquidator

Date 16 June 2023

## Appendix I

### Statutory Information

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Court Reference           | In the High Court of Justice Reference No. 2018-006696                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Title of Proceedings      | I [The Honourable Mr Justice Norris] shall therefore appoint the Joint Administrators to be the joint liquidators of the Relevant Companies in the expectation that they will conduct the liquidations for the benefit of the creditors as a whole, faithfully discharging their statutory reporting duties, and generally co-operating with the supervisory authorities (including in particular the Official Receiver) to the extent that their resources permit, even though there may be no direct economic benefit to the general body of creditors. |
| Company Name              | SCL Commercial Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Company Number            | 08840965                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Registered Office         | 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Former Registered Office  | c/o PKF Littlejohn LLP, 1 Westferry Circus, London, W11 4RD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Nature of Business        | Data Analytics                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Office holders            | Vincent John Green and Steven Edwards                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Office holders' address   | Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Office holders' telephone | 01892 700 200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Date of appointment       | 17 April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## Appendix II

### List of Work Undertaken in Reporting Period

| General Description                           | Includes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Administration and Planning</b>            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Statutory/advertising                         | Filing of documents to meet statutory requirements<br>Advertising in accordance with statutory requirements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Document maintenance/file review/checklist    | Filing of documents<br>Periodic file reviews<br>Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards<br>Maintenance of statutory and case progression task lists/diaries<br>Updating checklists                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Bank account administration                   | Preparing and submitting correspondence to the Insolvency Service<br>Bank account reconciliations<br>Correspondence with the Insolvency Service regarding specific transfers<br>Maintenance of the estate cash book<br>Banking remittances and issuing payment requisitions to the Insolvency Service                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Planning / Review                             | Discussions regarding strategies to be pursued<br>Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Books and records / storage                   | Dealing with records in storage<br>Sending job files to storage<br>Dealing with Data records<br>Sending Data records for storage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Creditor reports                              | Preparing annual progress report, investigation, meeting and general reports to creditors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Investigations</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Statutory reporting on conduct of director(s) | Preparing adhoc reports<br>Assisting the Insolvency Service with its investigations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Litigation / Recoveries                       | Strategy meeting regarding litigation<br>Seeking funding from creditors<br>Liaising with solicitors regarding recovery actions<br>Attending to negotiations<br>Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors<br>Seeking information and explanations from the director (and senior employees) relating to asset, financial and employee matters<br>Endeavouring to reconcile SAGE and NetSuite accounting records to establish the financial position of the Company<br>Reconciliation of the Company's bank accounts with the Company's accounting records.<br>Making enquires of the Company's interim financial accountant regarding financial transactions, employee matters and physical and intangible assets<br>Making enquiries of the Company's accountants and bookkeepers<br>Reviewing information received from creditors<br>Collecting and examining the Company's bank statements, accounts and other records<br>Instructing specialist IT agents to secure and confidentially collect information held on the Company's IT systems and platforms for investigative purposes<br>Liaising with specialist IT agents to interrogate information held on the Company's IT systems and platforms. |
| <b>Realisation of Assets</b>                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Debtors                                       | Collecting supporting documentation<br>Reviewing and assessing debtors' ledgers<br>Liaising with solicitors<br>Reviewing & assessing Company records and bank transactions relating to debtors<br>Preparing strategy notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Other assets                                  | VAT reclaims relating to Third Party Funds<br>Liaising with HMRC regarding reclaim<br>Pre-Appointment VAT reclaims<br>Liaising with Director to complete returns<br>Submitting returns to HMRC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Insurance                                     | Correspondence with insurer regarding initial and ongoing insurance requirements<br>Reviewing insurance policies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

| General Description                                                                                                                     | Includes                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Creditors</b><br>Creditor Communication<br>Dealing with proofs of debt<br><b>Creditors Committee</b><br><b>Case Specific Matters</b> |                                                                                                                                                                                                                                                                                                                        |
|                                                                                                                                         | Receive and follow up creditor enquiries via telephone                                                                                                                                                                                                                                                                 |
|                                                                                                                                         | Review and prepare correspondence to creditors and their representatives via email and post                                                                                                                                                                                                                            |
|                                                                                                                                         | Receipting and filing claims when not related to a dividend                                                                                                                                                                                                                                                            |
|                                                                                                                                         | Answering committee member queries                                                                                                                                                                                                                                                                                     |
|                                                                                                                                         | Dealing, considering and responding to legal matters and enquiries<br>Making enquires of the director regarding various matters including press enquiries, the ICO investigation, financial transactions, employee matters and physical and intangible assets<br>Dealing with substantial media coverage and responses |



**Appendix III**

**Receipts & Payments Account**

SCL Commercial Limited  
(In Liquidation)  
Joint Liquidators' Summary of Receipts & Payments

| Statement<br>of Affairs<br>£ | From 17/04/2022<br>To 16/04/2023<br>£ | From 17/04/2019<br>To 16/04/2023<br>£ |
|------------------------------|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS           |                                       |                                       |
| Transfer from Admin a/c      | NIL                                   | 3.16                                  |
|                              | NIL                                   | 3.16                                  |
| COST OF REALISATIONS         |                                       |                                       |
| ISA Balance on Appointment   | NIL                                   | 9,400.00                              |
| ISA Banking Fees             | 88.00                                 | 352.00                                |
|                              | (88.00)                               | (9,752.00)                            |
|                              | (88.00)                               | (9,748.84)                            |
| REPRESENTED BY               |                                       |                                       |
| ISA IB                       |                                       | (9,748.84)                            |
|                              |                                       | (9,748.84)                            |



## **Appendix IV**

### **Expenses Information**

Expenses Information

The following sums have been paid in the Reporting Period and the entire period of the Liquidation relating to the following agents or professional advisors used by the Joint Administrators/Liquidators since their appointment.

| Professional Advisor                          | Nature of Work                 | Basis of Fees              | Carried forward from ADM Period | Actual Expenses incurred in the Reporting Period | Actual Expenses incurred to Date | Actual Expenses paid in the Reporting Period |                                      |                                     | Actual Expenses paid to Date |                                      |                                     | Amount still to be paid |
|-----------------------------------------------|--------------------------------|----------------------------|---------------------------------|--------------------------------------------------|----------------------------------|----------------------------------------------|--------------------------------------|-------------------------------------|------------------------------|--------------------------------------|-------------------------------------|-------------------------|
|                                               |                                |                            |                                 |                                                  |                                  | <i>Paid by Third Party</i>                   | <i>Paid by other U.K. subsidiary</i> | <i>Paid from Asset Realisations</i> | <i>Paid by Third Party</i>   | <i>Paid by other U.K. subsidiary</i> | <i>Paid from Asset Realisations</i> |                         |
| Law Abroad Limited t/as Underwoods Solicitors | Legal Advice & Counsel         | Time Costs & Disbursements | £94,761.55                      | £0.00                                            | £105,161.22                      | £0.00                                        | £0.00                                | £0.00                               | £105,161.22                  | £0.00                                | £0.00                               | £0.00                   |
| Howard Kennedy LLP                            | Counsel                        | Disbursements              |                                 |                                                  |                                  |                                              |                                      |                                     |                              |                                      |                                     |                         |
|                                               | Legal Advice                   | Time Costs & Disbursements | £0.00                           | £15,565.00                                       | £101,015.50                      | £18,085.50                                   | £0.00                                | £0.00                               | £93,759.00                   | £7,256.50                            | £0.00                               | £0.00                   |
| Oracle Corporation UK Ltd / Netsuite          | Accounting Software            | Fixed Fee                  | £0.00                           | £8,486.40                                        | £27,141.12                       | £8,486.40                                    | £0.00                                | £0.00                               | £27,141.12                   | £0.00                                | £0.00                               | £0.00                   |
| Disklabs Ltd                                  | Data Storage / Investigation   | Fixed Fee / Time Costs     | £0.00                           | £89,740.00                                       | £139,410.00                      | £84,460.00                                   | £0.00                                | £0.00                               | £134,130.00                  | £0.00                                | £0.00                               | £5,280.00               |
| Specialist IT Agents GWT Media                | Gmail Data Extraction / Export | Fixed Fee                  | £0.00                           | £410.00                                          | £710.00                          | £300.00                                      | £0.00                                | £0.00                               | £300.00                      | £0.00                                | £0.00                               | £410.00                 |
| Total                                         |                                |                            | £94,761.55                      | £114,201.40                                      | £373,437.84                      | £111,331.90                                  | £0.00                                | £0.00                               | £360,491.34                  | £7,256.50                            | £0.00                               | £5,690.00               |

The above sums are exclusive of VAT.

The choice of professionals was based on the Joint Liquidators' perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. The Joint Liquidators also considered that the basis on which they will charge their fees represented value for money. The Joint Liquidators have reviewed the charges they have made and are satisfied that they are reasonable in the circumstances of this case.

The agents and professional advisors costs as detailed in the columns named "Paid by Third Party" above have to been settled by third parties, namely Emerdata Limited or Dynamo Recoveris Limited.

The agents and professional advisors costs as detailed in the column named "Paid by other U.K. subsidiary" above have to been settled by other U.K. subsidiaries, in this case all funds within this column have been discharged by SCL Elections Limited. For the avoidance of doubt, the costs discharged by SCL Elections Limited have been of direct benefit to SCL Elections Limited and have only been of benefit to the Company and the other U.K subsidiaries as a consequence.

The column named "Paid from Asset Realisations" funds have been paid out of asset realisations in respect of these costs.

## **Expenses Information Cont.**

Expenses do not have to be approved, but when reporting to the committee and creditors during the course of the Liquidation the actual expenses incurred will be compared with the original estimate provided and we will explain any material differences (e.g. where legal costs rise due to escalated recovery action).

As previously reported, in this case, the original estimates as detailed in the Administrators' proposals were based on the information held by the Joint Administrators at that time. As further information has come to light and additional investigative enquiries and potential actions have been identified, the original estimates do not encompass the matters that have subsequently arisen. As a result, the original expenses estimates have been significantly exceeded with additional expense types being incurred. For example, legal costs have been incurred above those originally estimated, primarily as a result of the applications of the contingent creditor as commented on in prior reports. Additionally, the Joint Liquidators have required legal advice that could not have been anticipated at the outset of the Administration, including but not limited to:

- External/International Subject Access Requests and information requests
- the return of the Company's physical and electronic records and equipment from professional advisors and the ICO
- potential actions to be undertaken (including the assignment of rights as commented on in the body of this report)
- advice on court applications made to review Company records
- data protection advice relating to information held in the Company's records
- enquiries and review of significant volumes of electronic data via third parties engaged (e.g. Disklabs).
- Seeking legal advice and continuing enquiries of former Company officers via their legal representatives as part of ongoing enquiries and recovery Company records
- Liaising with the Insolvency Service regarding ongoing enquiries, reporting and disclosure requests

### Law Abroad Limited t/as Underwoods Solicitors ("Underwoods")

As previously advised, the Joint Administrators instructed Solicitors, being Underwoods, to assist them during the Administration period. This instruction continued in the Liquidation. The work undertaken on the Joint Administrators' and Joint Liquidators' behalf is included in the body of this report.

However, for the avoidance of doubt, legal advice has been provided to the Joint Administrators/Liquidators in regards to claims made against the Company and the U.K. subsidiaries prior to and also during the Administration/Liquidation mostly relating to the alleged misuse of data, communications with the ICO, clarity on the position of not being Data Controllers, on case strategy, general employment advice, legal advice on the legal action against the Company in relation to an alleged failure to comply with the Enforcement Notice, legal advice on the Joint Administrators' Proposals, assistance with applications to Court to place the Companies into Compulsory Liquidation and the resulting costs applications following the appointment of Joint Liquidators.

Of the £105,161 paid by Emerdata Limited to Underwoods, £62,575 relates to Counsel's fees. No further costs are anticipated to be incurred or paid to Underwoods.

### Howard Kennedy LLP

The Joint Liquidators have instructed Solicitors, being Howard Kennedy LLP, to assist them during the Liquidation period. This instruction has been given to provide legal advice in regard to claims made against the Company and the U.K. subsidiaries prior to and also during the Administration/Liquidation mostly relating to the alleged misuse of data, communications with the ICO, on case strategy and investigations including legal advice on potential actions to be undertaken, including the assignment

of causes, application by the majority creditor of SCL Elections Limited for a public examination of Alexander Nix.

## NetSuite/Oracle

The Joint Liquidators have retained access to the Companies NetSuite cloud accounting services provided by Oracle to assist their investigations.

## Disklabs

The Joint Liquidators have engaged Disklabs to securely store the materials (including the Company's servers which contain approximately 700 terabytes of information) and assist the Joint Liquidators in their investigations.

In the Reporting Period, Disklabs have been paid £84,460 plus VAT in relation to the processing and analysis of data for the production of a summary of the exhibits for the Joint Liquidators' review. In total, £134,130 plus VAT has been paid to Disklabs for the storage, imaging, processing and searching of the data in support of the ongoing enquiries. These costs, have been paid to Disklabs by funds received from Emerdata Limited and Dynamo Recoveries into the Liquidation estate of SCL Elections Limited specifically for this purpose.

## Specialist IT Agents

GWT Media have been instructed by the Joint Liquidators to extract and export certain email data to support with the Joint Liquidators ongoing enquiries and investigations.

## **Disbursement Information**

The following category 1 expenses have been incurred and paid by the Joint Liquidators since their appointment:

| Type of expense         | Incurred in the review period | Incurred to Date | Paid in the review period | Paid by Third Party | Paid from Asset Realisations | Total Expenses paid to Date | Amount still to be paid |
|-------------------------|-------------------------------|------------------|---------------------------|---------------------|------------------------------|-----------------------------|-------------------------|
| ISA Balance on Handover | £0.00                         | £9,400.00        | £0.00                     | £3.16               | £0.00                        | £3.16                       | £9,396.84               |
| ISA Bank Charges        | £88.00                        | £352.00          | £0.00                     | £0.00               | £0.00                        | £0.00                       | £352.00                 |
| Postage                 | £0.00                         | £21.24           | £0.00                     | £21.24              | £0.00                        | £21.24                      | £0.00                   |
| Statutory Advertising   | £0.00                         | £73.55           | £0.00                     | £73.55              | £0.00                        | £73.55                      | £0.00                   |
| Online Reporting Fee    | £0.00                         | £10.00           | £0.00                     | £10.00              | £0.00                        | £10.00                      | £0.00                   |
| <b>Total</b>            | <b>£88.00</b>                 | <b>£9,856.79</b> | <b>£0.00</b>              | <b>£107.95</b>      | <b>£0.00</b>                 | <b>£107.95</b>              | <b>£9,748.84</b>        |

## Insolvency Service accounts ("ISA") balance on handover

Administration and General fees of £5,000 and £6,000 respectively are charged to Insolvency Service accounts ("ISA") in respect of compulsory liquidations. Following the reduction of the Petition costs of £1,600 incurred by the Joint Administrators to facilitate the petition for winding-up by the Court, a debit balance of £9,400 was held on the account when the case was handed over by the Official Receiver.

## ISA Bank Charges

The Secretary of State charges a quarterly banking fee in respect of the ISA for the duration of the Liquidation. The fee payable is currently £22 per quarter. Banking fees of £88 have been charged in the Reporting Period.

## Appendix V

### Charge out rate and Expenses Policy

The table below sets out the charge-out rates utilised by Recovery Solutions at Crowe U.K. LLP for charging staff time:-

|                                  |               |
|----------------------------------|---------------|
| Partner                          | £435 per hour |
| Director- Appointment Taker      | £375 per hour |
| Director – Non-appointment Taker | £360 per hour |
| Senior Manager                   | £325 per hour |
| Manager                          | £275 per hour |
| Assistant Manager                | £250 per hour |
| Senior Administrator             | £200 per hour |
| Administrator                    | £180 per hour |
| Cashier                          | £175 per hour |
| MVL Administrator                | £100 per hour |
| Trainee/Support Staff            | £80 per hour  |

It should be noted that the above rates may increase from time to time over the period of the administration of each insolvency case. The above rates are effective from 1 April 2023. Time is charged in six minute units.

### Expenses

Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or member. These may include, but are not limited to, legal fees, agents' fees, trading expenses and tax liabilities.

Category 1 expenses are payments to entities providing a service to which the expense relates who are not associates and where the specific expenditure is directly referable to the appointment in question. These are charged to the estate at cost, with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that office holders may discharge Category 1 expenses from the funds held in the estate without further recourse to creditors or members.

Category 2 expenses are other expenses which are payable to associates or which have an element of shared cost. Payments may only be made in relation to Category 2 expenses after the creditors or members have approved the bases of their calculation.

### Further Guidance

Guidance in respect of insolvency practitioners' fees is available to download at:  
<https://insolvency-practitioners.org.uk/regulation-and-guidance/creditors-guides-to-fees/>

Information about insolvency processes can be found on the R3 website at:  
<http://www.creditorinsolvencyguide.co.uk/>