



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

1 Company details

Company number 1 0 1 6 1 8 9 8

Company name in full Oxto Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) David

Surname Elliott

3 Administrator's address

Building name/number Innovation Centre Medway

Street Maidstone Road

Post town Chatham

County/Region Kent

Postcode M E 5 9 F D

Country

4 Administrator's name ①

Full forename(s) Bai

Surname Cham

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Innovation Centre Medway

Street Maidstone Road

Post town Chatham

County/Region Kent

Postcode M E 5 9 F D

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 1	^m 0	^m 3	^y 2	^y 0	^y 2	^y 2
To date	^d 1	^d 0	^m 0	^m 9	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 2	^d 1	^m 0	^m 9	^y 2	^y 0	^y 2	^y 2
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**Presenter information**

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

Contact name **Ben Parsons**

Company name **Begbies Traynor (Central) LLP**

Address **Innovation Centre Medway
Maidstone Road**

Post town **Chatham**

County/Region **Kent**

Postcode **M E 5 9 F D**

Country

DX

Telephone **01634 975440**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

David Elliott and Bai Cham were appointed Joint Administrators of the Company on 11 March 2022.

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability.

Oxto Ltd T/A Oxto Energy
(in Administration)
("the Company")

Progress report of the Joint Administrators

Period: 11 March 2022 to 10 September 2022

Important Notice

This progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Oxto Ltd (In Administration) t/a Oxto Energy
"the administration"	The appointment of the Joint Administrators under Schedule B1 to the Insolvency Act 1986 on 11 March 2022
"the administrators" "we" "our" and "us"	David Elliott and Bai Cham of Begbies Traynor (Central) LLP, Innovation Centre Medway, Maidstone Road, Chatham, Kent, ME5 9FD
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986
"the purchaser"	Epsilon Ten Limited, registered company number 13249048, of 176 High Street, Guildford, Surrey, England, GU1 3HW

2. STATUTORY INFORMATION

Name of Company	Oxto Ltd
Trading name(s):	Oxto Energy
Date of Incorporation:	4 May 2016
Company registered number:	10161898
Company registered office:	c/o Begbies Traynor, Innovation Centre Medway, Maidstone Road, Chatham, Kent, ME5 9FD

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the Joint Administrators:	David Elliott and Bai Cham, Licensed Insolvency Practitioners of Begbies Traynor (Central) LLP, Innovation Centre Medway, Maidstone Road, Chatham, Kent, ME5 9FD
Date of Joint Administrators' appointment:	11 March 2022
Court:	High Court, Business & Property Courts of England and Wales
Court Case Number:	000687 of 2022
Person(s) making appointment / application:	EM3 SME Finance II Limited, Riverside House, 4 Meadows Business Park, Station Approach, Camberley, Surrey, GU17 9AB, as the secured creditor.
Acts of the Joint Administrators:	The Joint Administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
Type of Proceedings:	The proceedings will be COMI proceedings, as defined by the Insolvency (England and Wales) Rules 2016 (as amended)
Extensions of the administration period	There have been no previous extensions to the administration period.

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 11 March 2022 to 10 September 2022.

Receipts

Business Intellectual Property Rights, Goodwill, Rent Deposit, Plant and Machinery, Stock, The benefit but not the burden of the Contracts and Vehicles (together being the sold assets)

As detailed in the Joint Administrator's Proposals, the offer of £355,080.64 from Epsilon Ten Limited ("the Purchaser") was accepted. To date, £55,080.64 has been realised in this regard, and payment of the residual balance has been agreed to be settled by way of six consecutive calendar monthly payments of £50,000. We have had confirmation from our instructed solicitors that the first tranche of deferred consideration in this regard has been received and is being held on account of the Joint Administrators' instructions.

Cash at Bank

Following the appointment of the Joint Administrators, the residual balance of £609.73 held in the Company's pre-appointment bank account was transferred to the administration estate account.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. The details below relate to the work undertaken in the period of the report only.

General case administration and planning

Insolvency Practitioners are required to maintain records to demonstrate how the case is administered, and to document any decision that materially affect the case. The case will subject to regular reviews to ensure case progression and the files will be kept up to date. Work in this category relates mainly to routine and statutory functions. The work carried out to date is as follows:

- Maintenance of statutory and case progression task lists/diaries
- Updating checklists
- Preparing correspondence opening accounts
- Requesting bank statements
- Bank account reconciliations
- Correspondence with the bank regarding specific transfers
- Maintenance of the estate cash book
- Banking remittances and issuing cheques/BACS payments
- Discussions regarding strategies to be pursued
- Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. We have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. We are also required to notify various bodies of our appointment, including creditors, Companies House, and advertise our appointment in the London Gazette.

We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

Work in this category relates mainly to routine and statutory functions. The work carried out to date is as follows:

- Filing of documents to meet statutory requirements
- Advertising in accordance with statutory requirements
- Reviews of the application of ethical, anti-money laundering and anti-bribery safeguards
- The preparing of this progress report to creditors

This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

Investigations

Within three months of our appointment, we are required to submit an online conduct report in accordance with the Company Directors Disqualification Act. In order to fulfil this duty, we will seek to recover the Company books and records, both hard copy and electronic, from the directors in order to carry out our investigations. Any person who is or has been a director is considered as a de facto or shadow director of the Company in the three years prior to the insolvency event are also asked to complete a questionnaire to assist with our investigations.

We have a duty to examine the conduct of the Company and its directors in order to identify what assets may be available for realising, including any actions against directors or other parties which may lead to further recoveries into the estate. Such investigations may include analysis of the Company's bank statements, reviewing information provided by third parties and analysis of the Company's management accounting systems. Where appropriate creditors or other parties may be asked to come forward with information.

The work carried out to date in respect of this category is as follows:

- Liaising with the Purchaser to ascertain the Company's books and records
- Correspondence to request information on the company's dealings, and making further enquiries of third parties
- Reviewing questionnaires submitted by creditors and directors
- Making enquiries into the company's affairs prior to the appointment of the Joint Administrators

Any financial benefit to creditors in carrying out the above work is unclear at present however creditors will receive updates on these matters in our progress reports.

Realisation of assets

Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors. In order to do this, we may need to consider instruction professional agents to carry out negotiations, provide inventories and valuations. We may also need to instruct solicitors to complete sales. We may need assistance with debt collection exercises.

The work carried out to date in respect of this category is as follows:

- Instructing and liaising with agents to carry out the sale of the Company's business
- Liaising with potential purchasers
- Assessment and review of offers received in respect of the purchase of the Company's business
- Negotiating with intended purchaser
- Liaising with solicitors to agree the sale of the Company's business
- Exchanges with solicitors to agree and finalise the sale and purchase agreement
- Identification of potential issues requiring attention of insurance specialists
- Correspondence with insurer regarding initial and ongoing insurance requirements
- Reviewing of insurance policies for any premium refunds due

All work carried out in respect of the asset realisation is for the purpose of realising property and assets for the benefit of creditors generally.

Dealing with all creditors' claims (including employees), correspondence and distributions

If there is likely to be a distribution, creditors will be made aware of this at the earliest possibility, whether it be detailed in our initial correspondence, a progress report or by notice of intended dividend issued during the course of administering the case. Creditors' claims will be dealt with in accordance with the order of priority, and therefore only if there is a prospect of a dividend in the insolvency proceedings, will those specific claims be adjudicated on.

The government will initially review and make payment of the claims of the employees, (up to their maximum allowances), and any shortfall on those claims will be a claim in the insolvency proceedings.

This involves work in dealing with creditor queries and correspondence, including preparing the Joint Administrator's proposals. This may also involve assisting employees. Specific work is detailed below:

- Reviewing and preparing correspondence to creditors and their representatives via email and post
- Receiving and following up creditor enquiries via telephone and email
- Consultation with staff regarding TUPE and outstanding pay
- Issuing of employment related correspondence to employees (P60s, payslips)
- Preparation of correspondence to potential creditors inviting submission of proof of debts
- Taking receipt of proof of debts and supporting evidences

In this case we have secured, preferential and unsecured creditors. Time will be spent dealing with creditor queries as and when required.

Other matters which includes seeking decisions of creditors via deemed consent procedure and/or decision procedures, tax, litigation, pensions and travel

During the course of administering the case, the Insolvency Practitioner will be required to seek decisions from creditors on various proposed resolutions, including the basis of our remuneration and whether a creditors committee is formed. We are also required to submit VAT and Tax returns when appropriate in order to reclaim monies for the estate and pay over any taxes due to HMRC. As detailed above, we are also duty bound to provide notifications and further assistance to pensions departments where applicable. The work carried out to date in respect of this category is as follows:

- Dealing with specific matters relating to the employment of contracted employees of the company and establishing their position within the company by seeking employment advice
- Liaising with HMRC in respect of the outstanding VAT debt payable by the Company
- Corresponding with the Pension Administrator, PPF and the Pensions Regulator
- Liaising with the Pension Administrator as to the outstanding unpaid pension contributions

There may not be any obvious financial benefit to creditors, but all work carried out would likely be considered necessary for the administration and progression of the case. Creditors will be notified of all our actions in the progress and/or final reports issued.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

EM3 SME Finance II Limited hold a charge over the Company and are owed £312,727.40 under this charge. The validity of the charge and supplemental documents have been confirmed by SBP Law.

Based on realisations to date, and future expected realisations, it is anticipated that there will be sufficient funds to make a distribution to EM3 SME Finance II Limited, albeit this debt will not be paid in full.

Preferential creditors

There are no known preferential creditors in this matter.

Secondary preferential creditors

Based upon realisations to date and estimated future realisations, there will be insufficient funds available to enable a dividend to be paid to HM Revenue & Customs as secondary preferential creditor.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £800,000

An administrator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the administrator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

In this matter, the prescribed part will not apply as a result of the net property available falls below the statutory minimum amount and the cost of making such a distribution will be disproportionate to the cost. .

Unsecured creditors

Based upon realisations to date and estimated future realisations there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

Effect of administration on limitation periods under the Limitation Act 1980

As we have previously confirmed, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

6. PRE-ADMINISTRATION COSTS

On 2 May 2022 the following amounts in respect of unpaid pre-administration costs were approved by the secured creditor:

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Our fees in relation to the Work	Begbies Traynor	17,219.50	3,443.90	20,663.40
Legal costs	SBP Law	6,950.00	1,390.00	8,340.00
Legal Disbursements	SBP Law	50.00	10.00	60.00

Agent's Fees	Lambert Smith Hampton	3,080.00	616.00	3,696.00
Agent's Disbursements	Lambert Smith Hampton	924.50	184.90	1,109.40
TOTAL UNPAID PRE-ADMINISTRATION COSTS		28,224.00	5,644.80	33,868.80

As at the date of this report, the following pre-appointment costs have been paid:

- We, Begbies Traynor, have drawn £17,219.50 plus VAT in respect of our fees in relation to the pre-appointment work as outlined in the Joint Administrators' proposals;
- Lambert Smith Hampton have received £3,080 plus VAT in respect of their unpaid fees for undertaking the valuation and marketing of the business; and Lambert Smith Hampton have also received £803.48 plus VAT in respect of their unpaid disbursements in carrying out the above work (there are no further amounts due in this regard, despite the difference in figure approved above).

Further detail on the approval of these costs is provided in Section 7 of this report.

7. JOINT ADMINISTRATORS' REMUNERATION

We notified creditors of our appointment and the Joint Administrators' proposals on 2 May 2022, being after the sale had completed, and approval was sought on the basis of our remuneration. As it is considered that the Company has insufficient property to enable a distribution to be made to unsecured creditors, and there is no creditors' committee, it is for each secured creditor to determine the basis of our remuneration under Rule 18.18 of the Insolvency (England and Wales) Rules 2016.

The Joint Administrators wrote to the secured creditors on 2 May 2022 requesting that the following resolutions be considered:

- 1) That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters as set out in the fees estimate.
- 2) That the joint administrators be authorised to draw expenses for services provided by their firm and/or entities within the Begbies Traynor group, in accordance with their firm's policy, details of which accompanied their Statement of proposals for achieving the purpose of administration.
- 3) That the unpaid pre-administration costs as detailed in the joint administrators' Statement of proposals for achieving the purpose of administration, be approved for payment.
- 4) That the joint administrators be and they are hereby discharged from liability in respect of any actions of theirs as administrators, pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, with effect from the date their appointment as joint administrators ceases to have effect.

EM3 SME Finance II Limited, being the only secured creditor, has agreed the proposed resolutions and as such the resolutions were deemed passed on 2 May 2022.

Our time costs for the period from 11 March 2022 to 10 September 2022 amount to £28,369.00 which represents 92 hours at an average rate of £308.36 per hour.

The following further information in relation to our time costs and expenses is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 11 March 2022 to 10 September 2022
- ☐ Begbies Traynor (Central) LLP's charging policy

To 10 September 2022, we are yet to draw any funds on account of our remuneration.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the administration. Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

8. JOINT ADMINISTRATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 2. During the reporting period, we have paid £5,960.00 in respect of the following, in addition to those listed in Section 6 and 7:

Agent / Valuers Fees

In addition to the sums paid in respect of pre-appointment work, Lambert Smith Hampton have been paid a further £5,310.00 plus VAT in respect of their work in assisting the Joint Administrators with finalising the sale of the Company's assets.

Insurance of Assets

The sum of £650.00 has been paid to Eddisons in respects of insuring the Company's assets.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the administration would total £22,632.00. That estimate has not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

9. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

As detailed in the Joint Administrators' estimated outcome statement, the assets of the Company consisted of the business intellectual property rights, goodwill, rent deposit, plant and machinery, stock, the benefit but not the burden of the contracts and the motor vehicles. As referenced earlier in this report, the offer of £355,080.64 received from Epsilon Ten Limited was accepted and it was agreed that payment would be made by way of six consecutive calendar monthly payments of £50,000. To date, the sum of £55,080.64 has been realised, and a further £20,000 is being held on account by the Joint Administrators' instructed solicitors.

Upon realisation of the above sale proceeds in full, there will be no further assets remaining to be realised (subject to the outcome of any ongoing investigations).

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

The work undertaken to date as detailed under this heading in Section 4 of this report is ongoing and will continue to be ongoing until the Administration ends, and the matters are concluded.

Compliance with the Insolvency Act, Rules and best practice

The work undertaken to date as detailed under this heading in Section 4 of this report is ongoing and will continue to be ongoing until the Administration ends, and the matters are concluded.

In addition, the time spent in preparing this progress report will also be recorded under this heading. The preparation, filing and circulation of this report is a requirement under the Act and Rules.

Investigations

The work undertaken to date as detailed under this heading in Section 4 of this report is ongoing and will continue to be ongoing until the matters are concluded.

Realisation of assets

We are continuing to liaise with the Purchaser as outlined above.

Dealing with all creditors' claims (including employees), correspondence and distributions

During the review period, time has been spent in dealing with creditor correspondence received and addressing individual queries on the progression of the Administration.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, tax, litigation, pensions and travel

We will continue to deal with the Company's tax affairs, including corporation tax which will be due on the sale of assets.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been completed. As you know, this work is necessary in order that I may complete the administration as envisaged. The cost of completing this work will not exceed any amounts approved by creditors previously.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors on 2 May 2022 which included all of the expenses that we anticipate that we will incur throughout the administration.

What is the anticipated payment for administering the case in full?

We estimated that the cost of administering the case would be in the region of £27,202.87, and subsequently you have provided approval for us to draw our remuneration up to that level. However, as you are aware, the remuneration that we can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the administration, I can estimate that total remuneration drawn will be in the region of £27,202.87. Costs incurred over and above our approval will be written off.

However, please note that should there be additional or unexpected asset realisations, we will look to draw our remuneration from those too, capped at the level that the creditors approve.

10. OTHER RELEVANT INFORMATION

Connected party transactions

In accordance with Statement of Insolvency Practice 13, we confirm that the following assets were sold:

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
26 April 2022	Business Intellectual Property Rights, Goodwill, Rent Deposit, Plant and Machinery, Stock, The benefit but not the burden of the Contracts and Vehicles	£355,080.64	Epsilon Ten Limited	See below notes

As reported, a sale of the above assets was completed on 26 April 2022. Epsilon Ten Limited is an entity in which Mr George Prassinis, a shareholder of the Company is also a shareholder. It should be noted that all employees were transferred to the Purchaser pursuant to TUPE Regulations, and that Mr George Prassinis (director of the Company) forms part of the management team. As highlighted in the Joint Administrators' proposals, offers for the purchase of the Company's assets were received and of those offers the highest offer was from Epsilon Ten Limited. The acceptance of this offer allowed for the greatest return to the Company.

Proposed exit route from administration

It is proposed that the proposed exit route from Administration will be by way of a move to dissolution.

Use of personal information

Please note that in the course of discharging our statutory duties as Joint Administrators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

11. CREDITORS' RIGHTS

Right to request further information


Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses (other than pre-administration costs) which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

12. CONCLUSION

We will report again in approximately six months time or at the conclusion of the administration, whichever is the sooner.

A handwritten signature in black ink, appearing to read 'D Elliott', with a stylized flourish at the end.

David Elliott
Joint Administrator

Dated: 21 September 2022

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 11 March 2022 to 10 September 2022

S of A £		£	£
	SECURED ASSETS		
NIL	Goodwill	<u>20,000.00</u>	20,000.00
	COSTS OF REALISATION		
	Post-Appointment Agents Fees	5,310.00	(5,310.00)
	SECURED CREDITORS		
(300,000.00)	EM3 SME Finance II Limited	<u>NIL</u>	(NIL)
	HIRE PURCHASE		
40,000.00	Plant and Machinery	40,000.00	
(37,000.00)	(Paragon Business Finance Plc)	(37,000.00)	
22,000.00	Motor Vehicles	22,000.00	
(20,586.00)	Blackhorse Limited	<u>(19,500.00)</u>	5,500.00
	ASSET REALISATIONS		
7,730.00	Plant & Machinery	14,000.00	
875.00	Furniture & Equipment	3,000.00	
450.00	Stock	5,000.00	
	Rent Deposit	5,080.64	
	Contracts	2,500.00	
	Cash at Bank	<u>609.73</u>	29,580.64
	COSTS OF REALISATION		
	Joint Administrators' Pre-App Fees	17,219.50	
	Agents' Pre-App Fees	3,080.00	
	Agents' Pre-App Expenses	803.48	
	Insurance Costs	<u>650.00</u>	(21,752.98)
	UNSECURED CREDITORS		
(560,560.00)	Trade Creditors	NIL	
(52,000.00)	Directors	NIL	
(60,017.00)	Banks/ Institutions	<u>NIL</u>	NIL
	DISTRIBUTIONS		
(2,943.38.00)	Ordinary Shareholders	<u>NIL</u>	NIL
<u>(962,051.38)</u>			<u><u>28,017.66</u></u>

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 11 March 2022 to 10 September 2022

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 disbursements (approval not required) - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 disbursements (approval required) - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- ❑ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £150 per meeting;
- ❑ Car mileage is charged at the rate of 45 pence per mile;
- ❑ Storage of books and records (when not chargeable as a Category 1 disbursement) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates
- ❑ Plain/headed paper including photocopying – 12p per side
- ❑ Envelopes – 12p each
- ❑ Postage – Actual cost

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying for work undertaken by staff based in our Medway office (being the location from which the appointment will primarily be administered), as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 1 January 2022 until further notice
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SIP9 Oxtol Ltd - Administration - 04OX026.ADM
Time Costs Analysis From 11/03/2022 To 10/09/2022

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	0.3						0.7			1.0	300.00	300.00
	Administration					1.3	10.8	12.1	8.7	0.1	33.0	6,673.00	202.21
	Total for General Case Administration and Planning:	0.3				1.3	10.8	12.8	8.7	0.1	34.0	6,973.00	205.09
Compliance with the Insolvency Act, Rules and best practice	Appointment						2.0				2.0	480.00	240.00
	Banking and Bonding	0.2							0.2	2.2	2.6	481.00	185.00
	Case Closure												0.00
	Statutory reporting and statement of affairs	3.2					10.0				13.2	4,144.00	313.94
	Total for Compliance with the Insolvency Act, Rules and best practice:	3.4					12.0		0.2	2.2	17.8	5,105.00	286.80
Investigations	CDDA and investigations	1.3					2.9	4.3			8.5	2,243.00	263.88
	Total for Investigations:	1.3					2.9	4.3			8.5	2,243.00	263.88
Realisation of assets	Debt collection												0.00
	Property, business and asset sales	19.8				1.0	8.6				29.4	13,130.00	446.60
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:	19.8				1.0	8.6				29.4	13,130.00	446.60
Trading	Trading												0.00
	Total for Trading:												0.00
	Secured												0.00
	Others	1.2					1.1				2.3	918.00	399.13

[illegible]

STATEMENT OF JOINT ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Agents/Valuers Fees	Lambert Smith Hampton	£8,390.00	£8,390.00	£0.00
Agents/Valuers Expenses	Lambert Smith Hampton	£803.48	£803.48	£0.00
Insurance of Assets	Eddisons	£650.00	£650.00	£0.00
Statutory Advertising	Courts Advertising	£282.30	£0.00	£282.30
Statutory Bonding	AUA	£148.00	£0.00	£148.00
Storage	Total Data Management	£149.34	£0.00	£149.34
TOTAL		£10,423.12	£9,843.48	£579.64