



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 Oxo Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Bai

Surname Cham

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) David

Surname Elliott

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Basepoint, Dartford Business Park

Street Victoria Road

Post town Dartford

County/Region Kent

Postcode D A 1 5 F S

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

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 2	^d 5	^m 0	^m 9	^y 2	^y 0	^y 2	^y 3
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**Presenter information**

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

Contact name **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

Oxto Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 11/03/2023 To 10/09/2023 £	From 11/03/2022 To 10/09/2023 £
	SECURED ASSETS	
	Goodwill	NIL
		40,000.00
		NIL
		40,000.00
	COSTS OF REALISATION	
	Post-Appointment Legal Fees	NIL
	Post-Appointment Agents Fees	10,985.00
		NIL
		5,310.00
		NIL
		(16,295.00)
	SECURED CREDITORS	
(300,000.00)	EM3 SME Finance II Limited	NIL
		20,000.00
		NIL
		(20,000.00)
	HIRE PURCHASE	
40,000.00	Plant & Machinery	NIL
(37,000.00)	Paragon Business Finance Plc	40,000.00
22,000.00	Motor Vehicle	(37,000.00)
(20,586.00)	Blackhorse Limited	22,000.00
		NIL
		(19,500.00)
		NIL
		5,500.00
	ASSET REALISATIONS	
	Bank Interest Gross	NIL
	Cash at Bank	0.06
	Contracts	NIL
		609.73
875.00	Furniture & Equipment	NIL
7,730.00	Plant & Machinery	2,500.00
	Rent Deposit	NIL
450.00	Stock	3,000.00
		NIL
		14,000.00
		NIL
		5,080.64
		NIL
		5,000.00
		NIL
		30,190.43
	COST OF REALISATIONS	
	Administrators' Fees	1,674.62
	Insurance of Assets	NIL
	Joint Administrators' Pre-App Fee	10,047.75
	Pre-Appointment Agents Disbursemen	NIL
	Pre-appointment Agents Fees	650.00
	Pre-Appointment Legal Disbs	NIL
	Pre-Appointment Legal Fees	17,219.50
	Specific Bond	NIL
	Statutory Advertising	803.48
	Storage Costs	NIL
		3,080.00
		NIL
		65.00
		NIL
		6,950.00
		NIL
		148.00
		NIL
		282.30
		NIL
		149.34
		(1,674.62)
		(39,395.37)
	UNSECURED CREDITORS	
(60,017.00)	Banks/Institutions	NIL
(52,000.00)	Directors	NIL
(560,560.00)	Trade Creditors	NIL
		NIL
		NIL
	DISTRIBUTIONS	
(2,943.38)	Ordinary Shareholders	NIL
		NIL
		NIL
		NIL
(962,051.38)		(1,674.62)
	REPRESENTED BY	
	Barclays FL current account NIB	0.06
	Vat Control Account	(2,009.55)
	Vat Receivable	2,009.55
		0.06

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 2023 to 10 September 2023

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.

Contents

- ❑ Interpretation
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- ❑ Joint Administrators' expenses
- ❑ Assets that remain to be realised and work that remains to be done
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- ❑ Appendices
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 - 2. Time costs information
 - 3. Statement of Joint Administrators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Oxto Ltd (In Administration)
"the administration"	The appointment of the Joint Administrators under Schedule B1 to the Insolvency Act 1986 on 11 March 2022.
"the Joint Administrators" "we" "our" and "us"	Bai Cham of Begbies Traynor (Central) LLP, Innovation Centre Medway, Maidstone Road, Chatham, Kent, ME5 9FD and David Elliott of Valentine & Co., Basepoint, Dartford Business Park, Victoria Road, Dartford, Kent, DA1 5FS
"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 Review Period"	11 March 2023 to 10 September 2023

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 JOINT ADMINISTRATORS

Names of the Joint Administrators:	Bai Cham, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Innovation Centre Medway, Maidstone Road, Chatham, Kent, ME5 9FD and David Elliott, a Licensed Insolvency Practitioner of Valentine & Co., Basepoint, Dartford Business Park, Victoria Road, Dartford, Kent, DA1 5FS
Date of Joint Administrators' appointment:	11 March 2022
Court:	The 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	The administration period was extended with the consent of creditors for a period of 12 months.

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 2023 to 10 September 2023.

There have been no receipts or payments made in the Review Period.

What work has been done by Begbies Traynor & Valentine & Co 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. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment.

The details below relate to the work undertaken in the period of the report only. Our previous reports contains details of the work undertaken since our appointment.

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 during this period is as follows:

- Maintenance of statutory and case progression task lists/diaries;
- Compiling case reviews and progress reports; keeping them up to date with the period;
- Discussions regarding strategies to be pursued;
- Bank receipt report analysis; and
- Banking remittances and issuing cheques/BACS payments.

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 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;
- Reviews of the application of ethical, anti-money laundering and anti-bribery safeguards; and
- The preparation 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.

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
- Preparation of correspondence to potential creditors inviting submission of proof of debts
- Taking receipt of proof of debts and supporting evidences
- Liaising with the secured creditor and providing regular updates

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, meetings, 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:

- Filing VAT returns for the relevant period with HM Revenue and Customs; and
- Liaising with HMRC in respect of their enquiries relating to the VAT reclaim payable to the Company.

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 should be sufficient funds to make a distribution to EM3 SME Finance II Limited, albeit this debt will not be paid in full. To date, £20,000.00 of fixed charge realisations have been distributed to EM3 SME Finance II Limited.

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

Details of how the prescribed part for unsecured creditors is calculated were provided in our statement of proposals and in previous progress reports.

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 would 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. 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.

Begbies Traynor

Our time costs for the period from 11 March 2023 to 10 September 2023 amount to £3,248.50 which represents 15.2 hours at an average rate of £213.72 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 2023 to 10 September 2023

- ☐ Time Costs Analysis for the full period since the appointment date
- ☐ Begbies Traynor (Central) LLP's charging policy

To 10 September 2023, we have drawn the total sum of £10,047.75 on account of our remuneration, against total time costs of £40,863.50 incurred since the date of our appointment.

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 each analysis provides details of the work undertaken by us and our staff following our appointment only.

As can be seen from the information above, we have exceeded the limit of our approved remuneration. For the avoidance of any doubt, we have not drawn any remuneration in excess of the level approved. The reason why the approved level of remuneration has been exceeded are as follows:

- ☐ As detailed in the Joint Administrators' previous progress report, a sale of the Company's business and assets was made to Epsilon Ten Limited totalling £355,080.64. The Joint Administrators have spent considerable time liaising with the Purchaser as to payment of the unpaid deferred consideration and work in this regard is ongoing.

For the avoidance of doubt, albeit the current time costs have exceeded the level of our approved remuneration, the Joint Administrators do not intend to seek a fee uplift and any costs incurred over and above our approval will be written off.

Please note that each 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.

Valentine & Co. ("Valentine")

Valentine's time costs for the period from 11 March 2023 to 10 September 2023 amount to £4,628.00 which represents 9.35 hours at an average rate of £495.00 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 2023 to 10 September 2023
- ☐ Time Costs Analysis for the full period since the appointment date
- ☐ Valentine & Co charging policy

To 10 September 2023, we have not drawn any remuneration, against total time costs of £5,148.00 incurred.

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.

7. JOINT ADMINISTRATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement of expenses also appears at Appendix 3 which details the expenses incurred since the date of our appointment.

No Category 1 or Category 2 expenses have been paid in the Review Period.

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.

8. 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 £50,000.00. To date, the sum of £75,080.64 has been realised.

During the period under review, the Joint Administrators have been in regular contact with the director of Epsilon Ten Limited. He has provided updates on progress being made with both customers and investors. Whilst there have been regular updates, no significant progress has been made in identifying if and when any further payments will be made in relation to the deferred consideration.

As a result, the Joint Administrators are considering what steps may be taken in order to realise further sums from the intellectual property owned by the Company. The secured lender, EM3 SME Finance II Limited, has been kept apprised of the present situation and further discussions will be held with them in due course. At this stage, the Joint Administrators consider that any further comment could be detrimental to future outcomes.

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.

Realisation of assets

As detailed above, the Joint Administrators will continue to liaise with the Purchaser and solicitors as to the payment of the consideration due for the purchase of the Company's assets, as detailed above. In addition, the Joint Administrators will continue to review all other options for the realisation of assets.

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.

9. OTHER RELEVANT INFORMATION

Connected party transactions

Please refer to the Joint Administrators' progress report for the period 11 September 2023 to 10 March 2023 for information pertaining to connected party transactions. There have been no connected party transactions in the period.

Extension of administration

The administration has been extended for a period of 12 months with the consent of creditors.

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.

10. 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.

11. CONCLUSION

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



David Elliott
Joint Administrator

Dated: 25 September 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 11 March 2023 to 10 September 2023

S of A £		From 11/03/2023 To 10/09/2023 £	From 11/03/2022 To 10/09/2023 £
	SECURED ASSETS		
	Goodwill	-	40,000.00
			40,000.00
	COSTS OF REALISATION		
	Post-Appointment Legal Fees	-	10,985.00
	Post-Appointment Agents' Fees	-	5,310.00
		-	(16,295.00)
	SECURED CREDITORS		
(300,000.00)	EM3 SME Finance II Limited	-	20,000.00
		-	(20,000.00)
	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	-	(19,500.00)
		-	5,500.00
	ASSET REALISATIONS		
	Bank Interest Gross	-	0.06
	Cash at Bank	-	609.73
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
		-	30,190.43
	COSTS OF REALISATION		
	Administrators' Fees	-	10,047.75
	Insurance of Assets	-	650.00
	Joint Administrators' Pre-App Fees	-	17,219.50
	Pre-App Agents Disbursements	-	803.48
	Pre-App Agents Fees	-	3,080.00
	Pre-App Legal Disbursements	-	50.00
	Post-App Legal Disbursements	-	15.00
	Pre-App Legal Fees	-	6,950.00

	Specific Bond	-	148.00
	Statutory Advertising	-	282.30
	Storage Costs	-	149.34
		-	(39,395.37)
	UNSECURED CREDITORS		
(560,560.00)	Trade Creditors	-	-
(52,000.00)	Directors	-	-
(60,017.00)	Banks/ Institutions	-	-
		-	-
	DISTRIBUTIONS		
(2,943.38.00)	Ordinary Shareholders	-	-
		-	-
(962,051.38)		-	0.06
	BALANCE – 10 September 2023		0.06

BEGBIES TRAYNOR COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 11 March 2023 to 10 September 2023; and
- c. Cumulative Time Costs Analysis for the period from 11 March 2022 to 10 September 2023.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy 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 creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this policy 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. Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

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 their 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 in 6 minute units 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

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 expenses (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 expenses (approval required) - Items of expenditure that are directly related to the case and either:
 - (i) 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; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and 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 £100 (London £150) per meeting; and
- ❑ Car mileage which is charged at the rate of 45 pence per mile.

General Office Overheads.

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 expense:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

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 to the Medway office as at the date of this report are as follows:

Grade of staff	Charge-out rate range (£ per hour) 10 th July 2023 until further notice
Appointment taker/partner	560-640
Managers/directors	415-540
Other professional	215-300
Junior professional/support	170

Prior to 10th July 2023, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
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.

As detailed above, time is recorded in 6 minute units.

SIP9 Oxtol Ltd – in Administration: Time Costs Analysis From 11/03/2023 To 10/09/2023

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						0.5			0.5	97.50	195.00
	Administration	0.5		0.2			0.3	0.1		1.1	434.00	394.55
	Total for General Case Administration and Planning:	0.5		0.2			0.8	0.1		1.6	531.50	332.19
Compliance with the Insolvency Act, Rules and best practice	Appointment							0.3		0.3	46.50	155.00
	Banking and Bonding							0.2	0.3	0.5	77.50	155.00
	Case Closure											0.00
	Statutory reporting and statement of affairs	0.3			1.5		4.7	4.8		11.3	2,236.50	197.92
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.3			1.5		4.7	5.3	0.3	12.1	2,360.50	195.08
Investigations	CDDA and investigations											0.00
	Total for Investigations:											0.00
Realisation of assets	Debt collection											0.00
	Property, business and asset sales											0.00
	Retention of Title/Third party assets											0.00
	Total for Realisation of assets:											0.00
Trading	Trading											0.00
	Total for Trading:											0.00
	Secured											0.00
	Others			0.2	0.5		0.3			1.0	279.00	279.00

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SIP9 Oxtol Ltd – in Administration: Time Costs Analysis From 11/03/2022 To 10/09/2023

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	0.4						2.2			2.6	647.00	248.85
	Administration	0.7			0.2	7.3	10.8	17.2	13.5	0.1	49.8	10,530.50	211.46
	Total for General Case Administration and Planning:	1.1			0.2	7.3	10.8	19.4	13.5	0.1	52.4	11,177.50	213.31
Compliance with the Insolvency Act, Rules and best practice	Appointment						2.0		0.3		2.3	526.50	228.91
	Banking and Bonding	0.3							1.0	4.3	5.6	985.00	175.89
	Case Closure												0.00
	Statutory reporting and statement of affairs	4.4				3.5	10.0	4.7	4.8		27.4	7,421.00	270.84
	Total for Compliance with the Insolvency Act, Rules and best practice:	4.7				3.5	12.0	4.7	6.1	4.3	35.3	8,932.50	253.05
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	26.5				2.1	8.6				37.2	17,084.00	459.25
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:	26.5				2.1	8.6				37.2	17,084.00	459.25
Trading	Trading												0.00
	Total for Trading:												0.00
	Secured												0.00
	Others	1.3			0.2	0.5	1.1	0.3			3.4	1,251.50	368.09

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VALENTINE & CO. COSTS AND EXPENSES

- a. Valentine & Co. charging policy;
- b. Time Costs Analysis for the period from 11 March 2023 to 10 September 2023; and
- c. Cumulative Time Costs Analysis for the period from 11 March 2022 to 10 September 2023.

Additional Information In Relation To Administrator's Fees Pursuant To Statement Of Insolvency Practice 9 (SIP 9)

CHARGE OUT RATES & POLICY REGARDING THE RECOVERY OF EXPENSES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

The following information applies to all appointments of Insolvency Practitioners of Valentine & Co to act as any of the following: -

Administrator, Receiver, Administrator or Administrative Receiver of a Limited Company
Trustee in Bankruptcy
Supervisor of an Individual, Company or Partnership Voluntary Arrangement
Administrator under the Insolvent Estates Order
Monitor

When acting as Nominee, the provisions of the Insolvency Act require that the amount of the fees payable to the Office-holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office-holder's expected time costs arising as referred to below.

1. POLICY ON FEES

Fees are either fixed by reference to time costs, or as a percentage of realisations and distributions, or a set amount or any combination of all three. Where fees are agreed on a time cost basis, rates may be varied from time to time, at the sole discretion of Valentine & Co, and such changes will be notified in retrospect with each report to Creditors. It is the policy of Valentine & Co to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum.

1.1. CHARGE-OUT RATES

Where the approved basis of remuneration is on a time costs basis, work undertaken on cases is recorded in 6-minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of this firm's charge-out rates are as follows:

	Rate from 1 April 2022 per hour (£)
Managing Director	525
Other Directors/Consultant	375-495
Manager	285 -375
Senior	195-250
Administrator	150-195
Support	50

Rates vary between individuals, reflecting experience and qualification. Please note that support staff time is charged to the case at the rate indicated. Rates are subject to review and may increase periodically. Any change in rates will be advised to creditors.

For further information on the manner in which an Office Holder's fees may be fixed, please refer to the guidance notes in relation to fees which can be downloaded from www.valentine-co.com/resources

1.2. FIXED AND % FEES

Where fees are authorised and approved as a fixed fee and/or % fee this fee is to cover the costs incurred by the Insolvency Practitioner and his staff and does not include any additional direct costs.

2. RECOVERY OF EXPENSES

An expense is a directly attributable cost to the estate which is neither an office holder's remuneration nor a distribution to creditors or members. Expenses can include disbursements, payments met by the office holder and subsequently recovered from the estate, and are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Category 1 expenses are payments to independent third parties and do not have to be approved prior to payment, but when reporting to the creditors committee and creditors during the course of the administration the actual expenses incurred will be compared with the original estimate provided with any material difference explained (e.g. where legal costs rise due to escalated recovery action).

Category 2 expenses are payments to associates, or parties with a professional or personal relationship, or payments which have an element of shared costs. These expenses require approval in the same manner as an office holder's remuneration. This will include any case related travel or subsistence incurred by staff working on this case. Where it is necessary for staff to travel from the office, business mileage may be charged at the HMRC rate of 45p per mile.

An estimate of expenses (including disbursements) is provided to creditors when the basis of the office-holder's fees are proposed.

The expenses recovered by Valentine & Co are as follows: -

Expenses	Charge
Bond	At cost
Statutory Advertising	At cost
Postage/postworks (see below)	At cost
External storage	At cost
Mileage (where any staff of office holder of Valentine & Co utilises their own vehicle)	45p/mile
Other travel charges are recharged at 100% of the fare/cost incurred by the office holder, his staff or relevant party	At cost in accordance with internal policy
Subsistence and any other miscellaneous disbursements, where appropriately incurred, are charged/recharged at 100% of the cost incurred by the office holder, his staff or relevant party	At cost in accordance with internal policy

It should be noted that the firm now uses the services of a postal communication agent for delivery of documents. Where this is used the fee is a category 1 expense and recharged to the estate. The rate charged is regularly reviewed to ensure it provides best value for creditors at a fair market rate.

3. Professional Advisors

On occasion it is necessary for the office holder to engage with specialist professional advisers. Professional advisers are selected with regard to the specific requirements and based upon the office-holders professional judgement of their experience and ability to perform the necessary work, the complexity and nature of the assignment and the basis of the fee arrangement with to ensure a fair and reasonable cost to the estate.

Expenses incurred in respect of specialist advisers are subject to independent assessment prior to engagement and reported in accordance with current guidance. Unless a significant personal or professional relationship, that may give rise to a potential threat or conflict, has been identified with any Advisor their costs are regarded as category 1 expenses.

4. The use of Subcontractors

The Administrator may sub-contract some of the work required to be undertaken to specialist providers where the Administrator is satisfied that taking this approach ensures that the best value and service is provided to creditors and it is more cost effective for the estate. The rates charged are comparable with the market rate for such services and the work to be undertaken. The need for the work and the cost are reported to creditors.

There is no duplication of costs with work undertaken by the Administrator and his staff however it is still necessary for the Administrator to oversee and review the work undertaken as part of his statutory duties.

Valentine & Co

SIP9 Oxtol Limit

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SIP9 Oxtol Limited - Administration: Time Costs Analysis From 11/03/2023 To 10/09/2023

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STATEMENT OF 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				
Storage	Total Data Management	2.00	0.00	2.00
TOTAL		2.00	0.00	2.00

CUMULATIVE STATEMENT OF 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	£282.30	£0.00
Statutory Bonding	AUA	£148.00	£148.00	£0.00
Storage Costs	Total Data Management	£153.34	£149.34	£4.00
Pre-Apppt Legal Fees	SBP Law	£6,950.00	£6,950.00	£0.00
Pre-App Legal Disbursements	SBP Law	£65.00	£65.00	£0.00
Legal Fees	SBP Law	£10,985.00	£10,985.00	£0.00
Legal Disbursements	SBP Law	£15.00	£15.00	£0.00
TOTAL		£28,442.12	£28,438.12	£4.00