

AM10

Notice of administrator's progress report



Companies House



1 Company details

Company number

Company name in full

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

2 Administrator's name

Full forename(s)

Surname

3 Administrator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

4 Administrator's name ①

Full forename(s)

Surname

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

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

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 0	^d 5	^m 0	^m 2	^y 2	^y 0	^y 2	^y 1
To date	^d 0	^d 4	^m 0	^m 8	^y 2	^y 0	^y 2	^y 1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 0	^d 4	^m 0	^m 8	^y 2	^y 0	^y 2	^y 1
-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

**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 **Glenn Adams**

Company name **Quantuma Advisory Limited**

Address **1st floor**

21 Station Road

Post town **Watford**

County/Region **Herts**

Postcode

W	D	1	7		1	A	P
---	---	---	---	--	---	---	---

Country

DX

Telephone **01923 954170**

**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

Clear Artificial Intelligence Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 05/02/2021 To 04/08/2021 £	From 05/08/2020 To 04/08/2021 £
	SECURED ASSETS		
Uncertain	Intellectual Property	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	0.13	0.40
Uncertain	Cash at Bank	NIL	19,609.34
Uncertain	Debtors	NIL	NIL
Uncertain	Deposit - Rent	NIL	NIL
Uncertain	Furniture & Equipment	NIL	NIL
Uncertain	VAT Refund	NIL	NIL
		0.13	19,609.74
	COST OF REALISATIONS		
	AML Search Fee	NIL	3.00
	Legal Fees (1)	NIL	3,307.36
	Office Holders Fees	2,000.00	2,000.00
	Postage	NIL	177.84
	Pre Appointment Fee	NIL	10,000.00
	Specific Bond	NIL	135.00
	Statutory Advertising	NIL	84.60
	Storage Costs	NIL	105.01
		(2,000.00)	(15,812.81)
	PREFERENTIAL CREDITORS		
(20,000.00)	Employee Wage Arrears	NIL	NIL
(97,457.00)	Employees Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(300,482.00)	Employees Notice Pay	NIL	NIL
(9,684.00)	Employees Redundancy	NIL	NIL
(655,840.00)	Employees Wage Arrears	NIL	NIL
(19,320.00)	HM Revenue and Customs - Corporati	NIL	NIL
(64,829.00)	HM Revenue and Customs - PAYE/NI	NIL	NIL
(234,297.00)	Trade & Expense Creditors	NIL	NIL
(1,065,393.00)	US Investors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(26.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(2,467,328.00)		(1,999.87)	3,796.93
	REPRESENTED BY		
	Bank 1 Current		644.37
	Vat Control Account		2,752.56
	Vat Receivable		400.00
			3,796.93

Clear Artificial Intelligence Limited

(In Administration)

("the Company")

In the High Court of Justice - Business and Property Courts 003267

THE JOINT ADMINISTRATORS' PROGRESS REPORT FOR THE PERIOD 5 FEBRUARY 2021 TO 4 AUGUST 2021

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

Nicholas Simmonds and Chris Newell of Quantuma Advisory Limited, 1st floor, 21 Station Road, Watford, Herts, WD17 1AP, were appointed Joint Administrators of Clear Artificial Intelligence Limited on 05 August 2020.

The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

Nicholas Simmonds is licensed to act as an insolvency practitioner by the Insolvency Practitioners Association and Chris Newell is licensed to act as an insolvency practitioner by the Insolvency Practitioners Association



CONTENTS

INTRODUCTION

THE PROGRESS OF THE ADMINISTRATION

CREDITORS: CLAIMS AND DISTRIBUTIONS

OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

ETHICS

PRE-ADMINISTRATION COSTS

THE JOINT ADMINISTRATORS' FEES AND EXPENSES

APPENDICES

Appendix 1 Statutory information

Appendix 2 The Joint Administrators' receipts and payments account as at 4 August 2021

Appendix 3 The Joint Administrators' estimated outcome statement as at 23 September 2020

Appendix 4 Schedule of Joint Administrators' time costs

Appendix 5 Detailed narrative list of work undertaken by the Joint Administrators during the Review Period

Appendix 6 Proof of Debt

ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used:

"the Act"	Insolvency Act 1986
"the Rules"	Insolvency (England and Wales) Rules 2016
"the Joint Administrators"	Nicholas Simmonds and Chris Newell of Quantuma Advisory Limited
"the Company"	Clear Artificial Intelligence Limited (in Administration)
"the Court"	High Court of Justice - Business and Property Courts 003267
"EOS"	Estimated Outcome Statement
"SIP"	Statement of Insolvency Practice (England & Wales)
"SoA"	Statement of Affairs
"Review Period"	Period covered by the report from 5 February 2021 4 August 2021

INTRODUCTION

This report has been prepared to provide creditors with an update on the progress of the Administration of the Company since our last report to creditors dated 1 March 2021.

Please be aware that on 1 August 2020, Quantuma LLP transferred its business to Quantuma Advisory Limited.

Given the information previously provided to creditors in our earlier report to creditors, we have not included detailed background information in respect of the Company and have focussed on progress of the Administration subsequent to that report.

The Joint Administrators' proposals were deemed approved. A formal notice confirming this was sent to all creditors on 24 September 2020.

An extension to the period of Administration of 12 months was granted by the relevant creditors on 25 June 2021.

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

Details of the appointment of the Joint Administrators

Nicholas Simmonds and Chris Newell of Quantuma Advisory Limited were appointed Joint Administrators of the Company on 05 August 2020.

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

PROGRESS OF THE ADMINISTRATION

The Joint Administrators' receipts and payments account

Attached at Appendix 2 is a receipts and payments account for the Review Period together with a summary of the transactions in the previous review period. In accordance with the requirements of SIP 7, I confirm that the account has been reconciled with that held at the bank.

An EOS as at 23 September 2020 is attached at Appendix 3.

The rest of this report describes the key developments in the Administration over the Review Period.

For a detailed list of work undertaken by the Joint Administrators during the Review Period, see Appendix 4.

We have also summarised the main asset realisations during the Review Period and an estimation of those assets yet to be realised, together with details of costs incurred but as yet remaining unpaid.

VAT Basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

Administrative, Statutory & Regulatory Tasks

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

-
- Considering whether an extension to the Administration is necessary and, if so, seeking approval for this via creditors or the court and issuing notice of the outcome;
 - Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
 - Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
 - Monitoring and maintaining an adequate statutory bond;
 - Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
 - Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
 - Completing periodic tax returns.

Realisation of assets

Bank Interest Gross

During the Review Period, gross interest in the sum of £0.13 has accrued, which is held in an interest-bearing account. To date, realisations under this heading total £0.40.

Intellectual property

As advised in the last report, The Joint Administrators instructed Richard Birch & Company, who are professional independent agents with adequate professional indemnity insurance, to dispose of the Company's assets using the most advantageous method available.

Tradeshift Holdings Inc. ("Tradeshift") contracted the Company to develop IP on its behalf. Upon administration Tradeshift expressed an interest in recovering / purchasing the Company's intellectual property. Tradeshift was invited to contact Richard Birch & Co direct to progress their interest. This matter is still on-going and is being progressed with our agent.

Tradeshift is considered a connected party as Ian Swycher, a former director of the Company, is on the board at Tradeshift.

Tradeshift have confirmed that they are not interested in the IP and therefore no realisations will be made under this heading.

Estimated future realisations

Rent Deposit

As advised in the last report, the Company's landlord currently holds a rent deposit deed in the amount of £16,260 in relation to the Company's rent agreement for the address of 12 David Mews, Marylebone, London W1U 6EG. The landlord has advised that the Company is in rents arrears and will not return the rent deposit.

The Joint Administrators instructed Brechers LLP who are an independent law firm to write to the landlord requesting the rent deposit be returned. Brechers LLP are still in communication with the Landlords solicitors in order to see if they are able to collect the rent deposit.

Furniture & Equipment

As previously advised in the proposals the Company had Computer Equipment. The Computer Equipment comprised of laptops, which were given to all Employees. Some of these laptops were left in the Company's office and the rest were taken home by the employees.

The Joint Administrators instructed Richard Birch & Company, to collect the laptops from the employees as well as collect the laptops from the Company's office.

Due to the nature of the business, the Company had specialised laptops from an IT Management company, GitHub which had their own security and software built into them. The laptops could only be used if the Company had kept up with the paying Simple MDM invoices.

Our agents are still in correspondence with Simple MDM in order to get the laptops unlocked.

In addition, we are continuing to pursue a number of former employees who are believed to not have returned laptops that were in their possession.

Payments

No payments have been made in the review period.

Costs incurred but remaining unpaid

Included within the EOS at Appendix 3 are costs incurred during the Review Period, but which as yet remain unpaid. These costs are separately detailed below:

Cost Description	Amount (£)
Postage	20.90
Storage	3.10
TOTAL	24.00

During the Review Period, the Joint Administrators have also incurred time costs and direct expenses, not all of which have yet been discharged. Further details of these costs are set out below.

CREDITORS: CLAIMS AND DISTRIBUTIONS

Secured creditors

The Company has not got any secured creditors.

Preferential creditors

The Joint Administrators and their staff have incurred significant time costs in assisting employees to obtain payments from the Redundancy Payments Office.

Preferential claims relating to unpaid holiday pay and wage arrears were estimated at £117,457 in the Director's Estimated Statement of Affairs. To date, I have received a claim from the RPO in the amount of £21,229.53.

At this stage, the prospect of a distribution becoming available to the preferential creditors is uncertain.

Prescribed Part

Under Section 176A of the Insolvency Act 1986, where after 15 September 2003 a company has granted to a creditor a floating charge, a proportion of the net property of the company must be made available purely for the unsecured creditors. This equates to:

- 50% of net property up to £10,000;
- Plus, 20% of net property in excess of £10,000.
- Subject to a maximum of £600,000.

The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently there will be no prescribed part in this administration.

Unsecured creditors

Unsecured claims were estimated at £2,349,845 in the Director's Estimated Statement of Affairs and to date 13 claims have been received from unsecured creditors totalling £3,216,461.46.

It is not currently anticipated that a dividend will be paid to unsecured creditors.

OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

Investigations

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

In this regard, a confidential report was submitted to The Insolvency Service on 5 November 2020.

Initial Assessment of Potential Recoveries

During the last review period, the Joint Administrators identified transactions being made out of the Company's bank account in which need will need an explanation from the Management Team/Directors.

We are currently still finalising these transactions in order to establish whether or not these may lead to any recoveries for the benefit of creditors.

Should creditors have any information in relation to the above which you feel we should be made aware of, please contact us as a matter of urgency.

General Data Protection Legislation

In compliance with general data protection legislation, creditors, employees, shareholders, directors and any other stakeholder who is an individual (i.e. not a corporate entity) in these insolvency proceedings is referred to the Privacy Notice in respect of Insolvency Appointments, which can be found at this link <http://www.quantuma.com/legal-notice>.

Further Information

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

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

Information about this insolvency process may be found on the R3 website at www.creditorinsolvencyguide.co.uk.

ETHICS

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

General ethical considerations

During the Review Period, no new threats to compliance with the Code of Ethics have been identified.

Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Administrator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below

PRE-ADMINISTRATION COSTS

Included within the Joint Administrators' Proposals dated 13 October 2020 was a Statement of Pre-Administration Costs.

These costs were approved on 13 October 2020 as detailed below:

Party instructed	Amount approved (£)	Amount paid (£)	Date paid (£)	Remain unpaid (£)
Quantuma Advisory Limited – Pre Appointment Fees	12,518.25	10,000.00	18/11/2020	2,518.25
Quantuma Advisory Limited – Pre Appointment Expenses	3.00	3.00	18/11/2020	Nil
Brechers LLP	2,800.00	2,800.00	28/10/2020	Nil
TOTAL APPROVED	15,321.25	12,803.00		2,518.25

THE JOINT ADMINISTRATORS' FEES AND EXPENSES

A copy of 'A Creditors Guide to Administrators' Fees' effective from 1 April 2021, together with the firm's current schedule of charge-out rates and chargeable expenses, may be found at <http://www.quantuma.com/guide/creditors-guide-fees>. A hard copy of both the Creditors' Guide and the firm's charge-out rate and disbursement policy may be obtained on request at no cost.

The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 13 October 2020 by the resolution of creditors as follows:

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

No fees have been drawn to date.

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

Comparison of estimates

The Joint Administrators' time costs incurred to date (whether or not they have been charged to the Administration estate) are compared with the original fees estimate as follows. The fee estimate covered the period to the end of the Administration.

For a detailed schedule of work undertaken by the Joint Administrators during the Review Period and for the period of the Administration as a whole, see Appendix 4. A detailed narrative list of the work undertaken during the Review Period is provided at Appendix 5.

Work category	Original fees estimate			Actual time costs incurred during the Review Period			Actual time costs incurred to date		
	No. of hours	Blended hourly rate £ per hour	Total fees £	No. of hours	Average hourly rate £ per hour	Total time costs £	No. of hours	Average hourly rate £ per hour	Total time costs £
Admin & Planning	33.50	200.22	6,707.50	9.00	202.44	1,822.00	75.30	233.35	17,571.50
Cashiering	4.00	275.00	1,100.00	1.60	159.38	255.00	5.60	155.89	873.00
Closing Procedures	6.00	254.17	1,525.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	51.50	211.31	10,882.50	23.50	210.72	4,952.00	130.29	225.81	29,421.15
Investigations	18.00	173.61	3,125.00	0.50	135.00	67.50	26.50	198.68	5,265.00
Realisation of Assets	9.50	220.53	2,095.00	4.60	270.54	1,244.50	30.20	296.44	8,952.50
Total	122.50	207.63	25,435.00	39.20	212.78	8,341.00	267.89	231.75	62,083.15

Joint Administrators' Expenses

An amended Statement of Insolvency Practice (SIP), SIP 9, was issued on 1 April 2021. The amended SIP 9 has changed some of the terminology and introduced additional disclosure requirements. The information below may therefore not reflect the information previously provided.

The expenses, which include disbursements that have been incurred and not yet paid during the period are detailed below. Also below is a comparison of the expenses likely to be incurred in the Administration as a whole with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Insurance of Assets	400.00	-	-	
Postage	40.00	20.90	204.63	Higher than anticipated postage costs
Re-Direction of Mail	43.99	-	-	
Specific Bond	135.00	-	135.00	
Statutory Advertising	165.00	-	84.60	
Storage Costs	50.00	3.10	108.16	More records collected than anticipated
Category 2 expenses				

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
AML Electronic Identification Search	12.00	-	3.00	Please be advised that, whilst it was originally envisaged that these expenses would be charged to the estate, with effect from 1 April 2021 this is no longer allowed.
Photocopying	25.00	-	-	
Stationery	30.00	-	-	
TOTAL	900.99	24.00	535.39	

Please note that some category 2 expenses that have previously been approved and their estimated costs or basis of their cost provided as part of the expenses estimate may not be discharged from the estate from 1 April 2021 and these are detailed below.

AML Search

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

Costs to Closure

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

- the original fees estimate has been exceeded; and
- the original expenses estimate is unlikely to be exceeded.

The main reason why the fees estimate has been exceeded is due to ongoing asset realisations as detailed above together with the amount of time that has been spent liaising with former employees over their Redundancy Claims. However, given the limited realisations in this case to date, the Joint Administrators do not propose to draw fees in excess of the fees estimate at present. The Joint Administrators will review the position as regards fees when the prospects of realising the remaining assets become clearer.

Other professional costs

Solicitors

Brecher LLP were instructed on 24 June 2020 to provide legal advice to the Company and the proposed Administrators. Their total pre appointment costs amounted to £2,800 plus VAT in connection with the following activities:

- Preparation and review of the relevant appointment documents
- Filing of the documents at Court
-

An additional £7.36 was paid in respect of a Search Fee by Brechers LLP.

IBB Law were instructed on 24 June 2020 to provide legal advice to the Company and the proposed Administrators. Their fixed fee amounted to £500 plus VAT in connection with writing to the Company's former management team in order for them to co-operate with the Joint Administrators.

Agents & Valuers

Richard Birch & Co were instructed on 24 June 2020 to carry out an inventory and valuation of the Company's assets on going concern (in situ and ex situ) bases and a forced sale basis, and to provide advice in respect of the Company for its assets.

Their costs have been agreed on the basis of their standard sales commission rate 10% of asset realisations, plus disbursements and VAT. To date, no sale of any assets has taken place, and as such no fee has been paid to Richard Birch & Co.

All professional costs are reviewed and analysed before payment is approved.

Creditors' rights to request information

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

Creditors' rights to challenge fees and/or expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

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

CONCLUSION

The Administration will continue until the matters above have been finalised.

General Data Protection Regulation

In compliance with the General Data Protection Regulation, creditors, employees, shareholders, directors and any other stakeholder who is an individual (i.e. not a corporate entity) in these insolvency proceedings is referred to the Privacy Notice in respect of Insolvency Appointments, which can be found at this link <http://www.quantuma.com/legal-notice>.

Should you have any queries in regard to any of the above please do not hesitate to contact Glenn Adams on 01923 954172 or by e-mail at Glenn.Adams@quantuma.com



Nicholas Simmonds
Joint Administrator

The affairs, business and property of Clear Artificial Intelligence Limited (in Administration) are managed by the Joint Administrators, who act as agents of the Company and without personal liability.

**Clear Artificial Intelligence Limited
(IN ADMINISTRATION)**
STATUTORY INFORMATION

Company Name	Clear Artificial Intelligence Limited
Previous Names	Intermesh Technologies Limited
Proceedings	In Administration
Court	High Court of Justice - Business and Property Courts
Court Reference	Reference No. 003267 of 2020
Date of Appointment	05 August 2020
Joint Administrators	Nicholas Simmonds Chris Newell Quantuma Advisory Limited 1st floor, 21 Station Road, Watford, Herts, WD17 1AP
Joint Administrators' functions	All functions, duties and powers may be exercised by either one or both of the Joint Administrators
Registered office address	c/o Quantuma Advisory Limited 1st floor, 21 Station Road, Watford, Herts, WD17 1AP
Company Number	11412332
Incorporation Date	13/06/2018
Directors at date of Appointment	Roa Dileswera Adatala Vivek Venkatesh Iyer (Resigned) Ian Irvin Swycher (Resigned)
Directors' Shareholdings	Anzen Limited – 10 Shares Clear Holdings Limited – 16 Shares

Clear Artificial Intelligence Limited

(In Administration)

Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 05/02/2021 To 04/08/2021 £	From 05/08/2020 To 04/08/2021 £
	SECURED ASSETS		
Uncertain	Intellectual Property	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	0.13	0.40
Uncertain	Cash at Bank	NIL	19,609.34
Uncertain	Debtors	NIL	NIL
Uncertain	Deposit - Rent	NIL	NIL
Uncertain	Furniture & Equipment	NIL	NIL
Uncertain	VAT Refund	NIL	NIL
		0.13	19,609.74
	COST OF REALISATIONS		
	AML Search Fee	NIL	3.00
	Legal Fees (1)	NIL	3,307.36
	Office Holders Fees	2,000.00	2,000.00
	Postage	NIL	177.84
	Pre Appointment Fee	NIL	10,000.00
	Specific Bond	NIL	135.00
	Statutory Advertising	NIL	84.60
	Storage Costs	NIL	105.01
		(2,000.00)	(15,812.81)
	PREFERENTIAL CREDITORS		
(20,000.00)	Employee Wage Arrears	NIL	NIL
(97,457.00)	Employees Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(300,482.00)	Employees Notice Pay	NIL	NIL
(9,684.00)	Employees Redundancy	NIL	NIL
(655,840.00)	Employees Wage Arrears	NIL	NIL
(19,320.00)	HM Revenue and Customs - Corporati	NIL	NIL
(64,829.00)	HM Revenue and Customs - PAYE/NI	NIL	NIL
(234,297.00)	Trade & Expense Creditors	NIL	NIL
(1,065,393.00)	US Investors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(26.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(2,467,328.00)		(1,999.87)	3,796.93
	REPRESENTED BY		
	Bank 1 Current		644.37
	Vat Control Account		2,752.56
	Vat Receivable		400.00
			3,796.93



CLEAR ARTIFICIAL INTELLIGENCE LIMITED - IN ADMINISTRATION

**ESTIMATED OUTCOME STATEMENT
AS AT 23 SEPTEMBER 2020**

	Note	Estimated to Realise
<u>Unencumbered Assets</u>		
Intellectual Property	1	Uncertain
Furniture & Equipment	1	Uncertain
Debtors	1	Uncertain
VAT refund	1	Uncertain
Cash at bank	1	Uncertain
Deposit	1	Uncertain
Total Assets		0
<u>Less Costs</u>		
Pre appointment costs: Quantuma LLP	2	(12,518)
Pre appointment expenses: Quantuma LLP	2	(3)
Pre appointment costs: legal fees & expenses	2	(2,800)
Joint Administrators' fees	3	(40,284)
Joint Administrators' disbursements	3	(623)
Legal fees & expenses	4	(1,500)
Agents Fees	5	(1,000)
Total Expenditure		(58,727)
Surplus available to preferential creditors		(58,727)
Preferential creditors	6	(117,457)
Estimated surplus available to floating charge creditor		n/a
Less: Estimated prescribed-part for unsecured creditors		n/a
Amount available to floating charge creditor		n/a
Shortfall to floating charge creditor c/d		n/a
Surplus available to unsecured creditors		-
Prescribed part b/f		n/a
Estimated funds available to unsecured creditors		0
Trade & Expense Creditors	7	(234,297)
Employees	8	(966,006)
US Investors	9	(1,065,393)
HM Revenue & Customs - Corporation Tax	10	(19,320)
HM Revenue & Customs - PAYE/NIC	10	(64,829)
Estimated total (deficiency) as regards to creditors		(2,349,845)
Estimated distribution to preferential creditors (p in £)		Uncertain
Estimated distribution to non-preferential unsecured creditors (p in £)		Uncertain

NB All figures are subject to change and they are shown exclusive of VAT

Notes

- 1 The value of the assets is currently uncertain as detailed in the Joint Administrators proposals
- 2 Pre-appointment fees are based on actual fees and costs incurred. These fees will be approved by creditors in due course
- 3 The Joint Administrators' fees and disbursements are the proposed basis. These fees will be approved by creditors in due course
- 4 Legal fees & expenses are based on costs to date and estimates to deal with remaining work
- 5 Agents fees are based on a valuation to date. Our agent will in addition charge 10% commission on any realisations. As realisations are uncertain, this extra figure has not been included
- 6 Estimated preferential claims of employees in respect wage arrears and holiday pay
- 7 Estimated trade & expense creditors extracted from Company's accounting software
- 8 Estimated unsecured claims of employees in respect wage arrears, notice pay and redundancy
- 9 US investors owed \$1,400,000. Historic exchange rate used as at date of administration £0.7609946431/\$1
- 10 Estimated claims extracted from Company's accounting software



**Clear Artificial Intelligence Limited
(IN ADMINISTRATION)**

Appendix 4

**SCHEDULE OF THE JOINT ADMINISTRATORS' TIME COSTS DURING THE REVIEW PERIOD AND
THE WHOLE PERIOD OF THE ADMINISTRATION**



Time Entry - SIP9 Time & Cost Summary + Cumulative

6006701 - Clear Artificial Intelligence Limited
Project Code: POST
From: 05/02/2021 To: 04/08/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Admin & Planning	0.70	0.20	5.10	3.00	9.00	1,822.00	202.44	75.30	17,571.50
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.60	1.00	1.60	255.00	159.38	5.60	873.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.60	0.00	20.30	1.60	23.50	4,952.00	210.72	130.29	29,421.15
Investigations	0.00	0.00	0.00	0.50	0.50	67.50	135.00	26.50	5,265.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	1.60	0.00	3.00	0.00	4.60	1,244.50	270.54	30.20	8,952.50
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours / Costs	3.90	0.20	29.00	6.10	39.20	8,341.00	212.78	267.89	62,083.15
Total Fees Claimed						2,000.00			
Total Disbursements Claimed						501.45			

Time Entry - SIP9 Time & Cost Summary + Cumulative

6006701 - Clear Artificial Intelligence Limited
 Project Code: POST
 From: 05/08/2020 To: 04/08/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Admin & Planning	15.70	3.60	42.60	13.40	75.30	17,571.50	233.35	75.30	17,571.50
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	1.80	3.80	5.60	873.00	155.89	5.60	873.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	23.30	0.00	96.50	10.49	130.29	29,421.15	225.81	130.29	29,421.15
Investigations	2.70	0.00	16.20	7.60	26.50	5,265.00	198.68	26.50	5,265.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	16.90	0.00	13.10	0.20	30.20	8,952.50	296.44	30.20	8,952.50
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours / Costs	58.60	3.60	170.20	35.49	267.89	62,083.15	231.75	267.89	62,083.15
Total Fees Claimed						2,000.00			
Total Disbursements Claimed						501.45			

**Clear Artificial Intelligence Limited
(IN ADMINISTRATION)**

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

Description of work undertaken	Includes
<u>ADMINISTRATION & PLANNING</u>	
Administration & Planning	
General Administration - Dealing with all routine correspondence and emails relating to the case.	
Case strategy & completing file reviews 6 months.	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
VAT & Corporation Tax matters and returns.	Preparation and filing of VAT Returns Preparation and filing of Corporation Tax Returns
<u>ADMINISTRATION & PLANNING TOTAL</u>	
<u>CREDITORS</u>	
Creditors	
ERA - completing documentation for submission to the Redundancy Payments Office ("RPO") and liaising with the RPO regarding employee claims	
Employees - obtaining information from records about employee claims and dealing with employee correspondence/calls regarding their claims	Assisting employees to pursue claims via the RPO
Dealing with creditor correspondence, emails and telephone conversations.	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via email and post
Dealing with Pension Schemes	Corresponding with the PPF and the Pensions Regulator
Dealing with HMRC/RPO claims	
Retention of Title - issuing ROT questionnaires to creditors, reviewing ROT claims & corresponding with creditors	Receive initial notification of creditor's intention to claim Provision of retention of title claim form to creditor Meeting claimant on site to identify goods Adjudicate retention of title claim Forward correspondence to claimant notifying outcome of adjudication Preparation of payment vouchers and correspondence to claimant to accompany payment of claim (if valid) Exchanges with solicitors in deciding claims and dealing with disputes
Creditors' Meeting	Preparation of meeting notices, proxies/voting forms and advertisements Notice of meeting to all known creditors

Description of work undertaken	Includes
	Collate and examine proofs and proxies/votes to decide on resolutions Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following meeting Issuing notice of result of meeting.
Secured Creditor Reports/Claims	Seeking solicitors' advice on the validity of secured creditors' claims. Paying distribution to secured creditors and seeking confirmation of discharged claims
Annual/Progress Reports	Preparing, circulating and filing progress reports. Disclosure of sales to connected parties
Initial Appointment Notification to Creditors - Preparing the documentation & sending out initial appointment notification to creditors	Preparing a fee estimate for inclusion with the report to creditors.
Interim Fee Report to Creditors	
SIP 16 Disclosure	
Para 49 Administrators' Proposals	
Para 53 Report of Initial Meeting/Deemed Approval Documentation	
CREDITORS TOTAL	
<u>INVESTIGATIONS</u>	
Investigations	
Investigating & Pursuing Antecedent Transactions	
<u>REALISATION OF ASSETS</u>	
Realisation of Assets	
Freehold/Leasehold Property	Correspondence with the landlord through the solicitors in respect of a rent deposit due
Plant & Machinery	Liaising with valuers, auctioneers and interested parties Reviewing asset listings Liaising with secured creditors and landlords
Intellectual Property	
<u>CASHIERING</u>	

Description of work undertaken	Includes
Opening, maintaining and managing the Office Holders' cashbook and bank account.	Preparing correspondence opening and closing accounts Requesting bank statements Correspondence with bank regarding specific transfers Maintenance of the estate cash book
Dealing with cheque requisitions	Issuing cheques/BACS payments
Dealing with deposit forms	Banking remittances
Bank Reconciliations	
Preparing & Filing statutory Receipts & Payments accounts	Preparing and filing statutory receipts and payments accounts at Companies House
CASHIERING TOTAL	
<u>CLOSING PROCEDURES</u>	
Filing final statutory returns at Companies House/Court	
CLOSING PROCEDURES TOTAL	

Current Charge-out Rates of the staff working on the case

Time charging policy

Support staff and executive assistants do not charge their time to each case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken

Support staff include secretarial and administrative support.

The minimum unit of time recorded is 6 minutes.

Rates are likely to be subject to periodic increase.

Staff	Charge out rates £
CEO/Managing Director	£480.00 - £580.00
Appointment Taking Director	£400.00 - £500.00
Director	£370.00 - £475.00
Senior Manager	£340.00 – £415.00
Manager	£310.00 - £375.00
Assistant Manager	£275.00 – £335.00
Senior Administrator	£235.00 – £285.00
Administrator	£200.00 – £240.00
Assistant Administrator	£135.00 - £160.00
Case Accountant	£135.00
Junior Administrator	£100.00 - £115.00