

# CVA3

## Notice of supervisor's progress report in voluntary arrangement



Companies House

TUESDAY



A23 \*A831QMYI\* #224  
09/04/2019  
COMPANIES HOUSE

### 1 Company details

Company number 0 6 8 6 0 3 8 0

Company name in full Ideonyx Ltd

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

### 2 Supervisor's name

Full forename(s) Michael David

Surname Rollings

### 3 Supervisor's address

Building name/number 6

Street Snow Hill

Post town London

County/Region

Postcode E C 1 A 2 A Y

Country United Kingdom

### 4 Supervisor's name <sup>①</sup>

Full forename(s) Steven Edward

Surname Butt

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

### 5 Supervisor's address <sup>②</sup>

Building name/number 6

Street Snow Hill

Post town London

County/Region

Postcode E C 1 A 2 A Y

Country United Kingdom

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

# CVA3

## Notice of supervisor's progress report in voluntary arrangement

### 6 Date of voluntary arrangement

Date 

d	0	d	8	m	0	m	2	y	2	y	0	y	1	y	8
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### 7 Period of progress report

Date from 

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

Date to 

d	0	d	7	m	0	m	2	y	2	y	0	y	1	y	9
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### 8 Progress report

I attach a copy of the progress report

### 9 Sign and date

Supervisor's signature

Signature

X  X

Signature date

d	0	d	5	m	0	m	4	y	2	y	0	y	1	y	9
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# CVA3

## Notice of supervisor's progress report in voluntary arrangement

### 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 **John Pierce**

Company name **Rollings Butt LLP**

Address **6 Snow Hill**

Post town **London**

County/Region

Postcode **E C 1 A 2 A Y**

Country **United Kingdom**

DX

Telephone **020 7002 7960**

### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

### Important information

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

### Where to send

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

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

### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

# **Joint Supervisors' Annual Progress Report to Creditors**

**Ideonyx Limited -  
Subject to a Company Voluntary Arrangement (“CVA”)**

**5 April 2019**

**CONTENTS**

- 1** Introduction
- 2** Progress of the CVA
- 3** Creditors
- 4** Joint Supervisor's remuneration
- 5** Supervisor's Expenses and Disbursements
- 6** Distributions

**APPENDICES**

- A** Receipts and payments account from 8 February 2018 to 7 February 2019
- B** Time analysis for the period 8 February 2018 to 7 February 2019
- C** Additional information in relation to Joint Supervisor's fees
- D** Estimated outcome statement as at 7 February 2019

## 1 Introduction

- 1.1 You will recall that I, together with my partner, Steve Butt, were appointed Joint Supervisors' of Ideonyx Limited's (the "Company") CVA, on 8 February 2018. By way of reminder, the CVA provided in the main for contributions of £50,000 per month for 2 years and 6 months funded by the parent company, Somo Global Ltd ("Global").
- 1.2 This report now provides an update on the progress in the CVA in accordance with R2.41 of the Insolvency (England & Wales) Rules 2016. At Appendix A, I have provided an account of my receipts and payments for the year from 8 February 2018 to 7 February 2019 (the "Period") with a comparison to the Directors' Statement of Affairs values.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://rollingsbutt.com/legal/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 As advised in our letter to creditors on 13 February 2018, all future documents relating to the CVA (but excluding notices regarding dividend or variations to the CVA proposals) will be posted onto a case specific website for viewing and downloading at <http://rollingsbutt.com/case-documents/ideonyx-limited>. I would advise creditors to check the website periodically for updates. Creditors may at any time request a hard copy of any documents currently available on the above websites and all future documents by contacting Carly Barrington on [carly.barrington@rollingsbutt.com](mailto:carly.barrington@rollingsbutt.com).
- 1.5 The EC Regulation on Insolvency Proceedings applies. These proceedings are main proceedings as defined in Article 3 of the Regulation. The Company's centre of main interest is within the United Kingdom.

## 2 Progress of the CVA

### *Voluntary Contributions*

- 2.1 To the end of the Period, I have received total contributions of £280,000.

### *Other Assets*

- 2.2 In addition to the monthly contributions, the Joint Supervisors also received cash at bank of £5,064.

### *Variation to the CVA*

- 2.3 On 1 November 2018, I wrote to all creditors bound by the CVA to advise that the monthly contributions funded by Global, as set out in the CVA Proposals ("Proposals") had fallen behind by more than 3 months and was therefore in breach of the arrangement. A letter of Breach was issued to the Company, giving 28 days to remedy the position.
- 2.4 Global wished to continue to make voluntary contributions but could not continue to do so based on the contributions set out in the Proposals. Therefore, the Company proposed a variation whereby Global's total further commitment to contributions be limited to £550,000 with revised monthly contributions of £10,000 from November 2018 and ending in May 2023.
- 2.5 The variation was accepted by the requisite majority of creditors bound by the CVA. I can confirm that monthly contributions have been paid since the variation.

**3 Creditors**

*Preferential Creditors*

3.1 There are no preferential creditors' claims in the CVA.

*Unsecured Creditors*

3.2 To date I have agreed 50 claims totalling c.£1.8m. I am not aware of any outstanding claims. Further details on the distributions to unsecured creditors to date can be found at Section 6.

**4 Joint Supervisors' Remuneration**

4.1 Creditors approved that the basis of the Joint Supervisors' remuneration be based on time spent by them and their staff in dealing with the CVA. The time costs incurred in the Period total £62,664 which represents 279 hours at an average rate of £225 per hour. To date, £53,066 has been drawn on account.

4.2 Attached at Appendix B is a time analysis which provide details of the activity costs incurred by staff grade for the Period.

4.3 Attached, as Appendix C is additional information in relation to our policy on staffing, the use of sub-contractors and the expenses and disbursements of the CVA.

4.4 A copy of the guide to insolvency practitioners' fees in a Voluntary Arrangement is available on request or can be downloaded from:

<https://www.r3.org.uk/media/documents/publications/professional/Voluntary%20Arrangement%20Creditor%20Fee%20Guide%20April%202017.pdf>

**5 Joint Supervisors' expenses and disbursements**

5.1 The following expenses and disbursements have been incurred and paid since my appointment as Supervisor:

	Paid in the Period £
Legal Fees	31,204
Bank Charges	195
Supervisors' Statutory Bond	2,700
Case Related Travel	16
Stationery & Postage	1,242
<b>Category 2 Disbursements</b>	
Printing	205

**6 Distributions**

6.1 To date, two interim dividends to creditors bound by the CVA have been declared and paid as per the schedule below:

Date	Dividend Amount (£)	p in the £ (to 4 dp)
28 June 2018	95,000	5.1187
26 March 2019	50,000	2.6826
	<b>145,000</b>	<b>7.8013</b>

- 6.2 **If you have been paid a dividend by cheque, I should be grateful if you would please bank your cheque as soon as possible.**
- 6.3 Please note that the second interim dividend declared and paid on 26 March 2019 falls outside of the reporting Period and so will not appear on the receipts and payments account at Appendix B.
- 6.4 It is my intention to pay a third interim dividend to unsecured creditors by the last quarter of 2019 in accordance with the CVA variation.
- 6.5 If you do not believe you are a creditor, I should be obliged if you would inform me if you have no claim in the CVA.
- 7. Estimated Outcome Statement ("EOS")**
- 7.1 Attached to this report at Appendix D is a revised EOS which gives an update on the realisations, anticipated costs of the CVA and the outcome for creditors.
- 7.2 Creditors should be aware that this is an estimation of potential outcomes and not an absolute projection of an anticipated return to creditors. Consequently, creditors should not rely on the numbers provided in the EOS for investment decision making purposes.
- 7.3 As set out in paragraph 2.4, and explained in the letter to creditors on 1 November 2018, the voluntary contributions from management have decreased from £50,000 per month to £10,000 per month. This has led to a reduction in the estimated realisations from £1,200,000 in the original EOS provided to creditors in the Proposals, to £805,000 in the EOS at Appendix D.
- 7.4 As a consequence of the level of correspondence with management being higher than anticipated, and the duration of the CVA being extended by 39 months, the Joint Supervisors' fees will now be higher than initially anticipated.

Should you require further information at any time, please do not hesitate to contact Carly Barrington on 0207 002 6962 or [carly.barrington@rollingsbutt.com](mailto:carly.barrington@rollingsbutt.com).

Yours faithfully  
For the Company



Mike Rollings  
Joint Supervisor



**Appendix A**

**Receipts and payments account for the Period from 8 February 2018 to 7 February 2019**

<b>RECEIPTS</b>	<b>Total (£)</b>
Cash at Bank	5,064.00
Third Party Funding	280,000.00
<b>Total Receipts</b>	<b><u>285,064.00</u></b>
<b>PAYMENTS</b>	
Nominees Fees	15,000.00
Supervisors' fees	53,065.50
Legal Fees	31,203.56
Supervisors' Statutory Bond	2,700.00
Stationery & Postage	1,447.21
Travel	15.60
Bank Charges	195.00
First dividend to unsecured creditors	95,404.53
<b>Total Payments</b>	<b><u>199,031.40</u></b>
<b>Balance In Hand</b>	<b><u>86,032.60</u></b>

**Appendix B**

**Time analysis for the Period from 8 February 2018 to 7 February 2019**

Classification of Work Function	Partner	Manager	Associate	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : Administration and Planning	0.10	20.20	0.80	21.10	6,252.00	296.30
102 : Appointment	2.50	0.00	9.00	11.50	2,615.00	227.39
104 : Case Management	0.20	4.90	0.10	5.20	1,471.00	282.88
105 : Case Planning	0.00	4.70	7.40	12.10	2,691.50	222.44
106 : Maintenance of Records	0.00	0.00	0.80	0.80	144.00	180.00
107 : Statutory Reporting	0.00	3.60	0.00	3.60	900.00	250.00
108 : Statutory Compliance	0.00	4.00	0.00	4.00	1,000.00	250.00
111 : Billing	0.00	2.30	6.30	8.60	1,786.50	207.73
112 : Post Appointment Tax	0.00	2.00	2.30	4.30	1,029.50	239.42
113 : Travel	0.00	0.00	1.50	1.50	240.00	160.00
116 : Case Accounting	0.00	0.50	4.90	5.40	880.00	162.96
117 : Bank Reconciliations	0.00	0.00	0.20	0.20	30.00	150.00
118 : Receipts and Payments	0.00	0.20	8.20	8.40	1,500.00	178.57
120 : Decision Procedures	0.00	0.00	0.10	0.10	20.00	200.00
702 : Liaison With Directors	0.00	0.10	0.00	0.10	31.00	310.00
<b>Administration and Planning</b>	<b>2.80</b>	<b>42.50</b>	<b>41.60</b>	<b>86.90</b>	<b>20,590.50</b>	<b>236.94</b>
600 : Case Specific	2.00	0.00	4.20	6.20	1,726.00	278.39
<b>Case Specific Matters</b>	<b>2.00</b>	<b>0.00</b>	<b>4.20</b>	<b>6.20</b>	<b>1,726.00</b>	<b>278.39</b>
500 : Creditors	1.50	37.20	1.40	40.10	11,862.50	295.82
501 : Communication With Creditors	0.50	0.20	2.20	2.90	636.00	219.31
502 : Creditors Claims	1.10	0.00	21.40	22.50	4,032.50	179.22
509 : Unsecured Creditors	2.00	7.60	100.40	110.00	20,870.00	189.73
510 : Pre Appointment Tax	0.00	0.50	0.80	1.30	293.00	225.38
<b>Creditors</b>	<b>5.10</b>	<b>45.50</b>	<b>126.20</b>	<b>176.80</b>	<b>37,694.00</b>	<b>213.20</b>
300 : Realisation of Assets	0.00	2.70	0.00	2.70	837.00	310.00
302 : Identifying, Securing, Insuring A:	0.00	0.50	0.00	0.50	155.00	310.00
303 : Book Debts	0.00	0.00	0.60	0.60	108.00	180.00
<b>Realisation of Assets</b>	<b>0.00</b>	<b>3.20</b>	<b>0.60</b>	<b>3.80</b>	<b>1,100.00</b>	<b>289.47</b>
800 : Shareholders	0.00	2.00	0.10	2.10	635.00	302.38
801 : Shareholders - Communication	0.00	2.50	0.00	2.50	775.00	310.00
<b>Shareholders</b>	<b>0.00</b>	<b>4.50</b>	<b>0.10</b>	<b>4.60</b>	<b>1,410.00</b>	<b>306.52</b>
401 : Management of Operations	0.00	0.20	0.00	0.20	50.00	250.00
403 : Ongoing Employee Issues	0.00	0.30	0.00	0.30	93.00	310.00
<b>Trading</b>	<b>0.00</b>	<b>0.50</b>	<b>0.00</b>	<b>0.50</b>	<b>143.00</b>	<b>286.00</b>
<b>Total Hours</b>	<b>9.90</b>	<b>96.20</b>	<b>172.70</b>	<b>278.80</b>	<b>62,663.50</b>	<b>224.76</b>

## Appendix C

### Additional information in relation to Joint Supervisors' fees

#### 1 Staff allocation and the use of sub-contractors

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

#### 2 Professional advisors

- 2.1 On this assignment we instructed CMS Cameron McKenna Nabarro Olswang LLP ("CMS"), a legal practice to assist with the legalities of the CVA. To the end of the Period, CMS have charged £31,204 excluding VAT for services in respect of the above.
- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.
- 2.3 All invoices are reviewed before being approved for payment. We are satisfied that the level of cost is appropriate for the work undertaken.

#### 3 Joint Supervisors' disbursements

- 3.1 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case
- 3.2 Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Rollings Butt LLP for the provision of services which include an element of recharged overhead, for example, room hire or document storage.
- 3.3 Details of the Joint Supervisor's disbursements and expenses incurred to date can be found in the body of the report.

#### 4 Charge out rates

- 4.1 A schedule of Rollings Butt LLP' charge out rates were issued to creditors at the time the basis of the Joint Supervisor's remuneration was approved. Below are details of this firm's charge out rates which have been applied with effect from 1 April 2018. Please note this firm records its time in minimum units of 6 minutes.

<b>Grade</b>	<b>Rate (£ per hour) 1 April 2016 - 31 March 2018</b>	<b>Rate (£ per hour) From 1 April 2018</b>
Partner	470	495
Director	370	395
Manager	285	250-310
Associate	130-200	150-225

4.2 In common with many professional firms, our scale rates are reviewed annually.

**Appendix D**

**Estimated Outcome Statement as at 7 February 2019**

	As at 7 February 2019 (£'000s)	Estimated future movements (£'000s)	Estimated final outcome (£'000s)
<b>Estimated to Realise</b>			
<b>Current Assets</b>			
Cash at Bank	5	Nil	5
Management Funding	280	520	800
<b>Total estimated realisations</b>	<b>285</b>	<b>520</b>	<b>805</b>
<b>Expenses of the CVA</b>			
Nominee's Fees for pre-appointment work	(15)	Nil	(15)
Supervisors' Fees	(53)	(60)	(113)
Supervisors' Disbursements	(4)	(0)	(5)
Legal Fees	(31)	Nil	(31)
Sundry Expenses	(0)	(1)	(1)
<b>Total estimated costs and expenses</b>	<b>(104)</b>	<b>(61)</b>	<b>(165)</b>
<b>Estimated Amounts Available to Unsecured Creditors</b>			<b>641</b>

**Dividend Analysis**

	Received Claims (£'000s)	Distributions (£'000s)	Distributions (%)
Unsecured Creditors	(1,864)		
Distribution paid as at 7 February 2019		95	5.12%
Distribution paid since 7 February 2019		50	2.68%
Estimated further distributions		495	26.56%
<b>Total Distributions</b>		<b>641</b>	<b>34.37%</b>