

AM10

Notice of administrator's progress report



Companies House

SATURDAY



A8XF9855

A09

25/01/2020

#307

COMPANIES HOUSE

1 Company details

Company number 0 6 1 3 8 8 1 4

Company name in full Etaireia Investments Plc

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

2 Administrator's name

Full forename(s) William Antony

Surname Batty

3 Administrator's address

Building name/number 3 Field Court

Street Grays Inn

Post town London

County/Region

Postcode W C 1 R 5 E F

Country

4 Administrator's name [Ⓢ]

Full forename(s) Hugh Francis

Surname Jesseman

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

5 Administrator's address [Ⓢ]

Building name/number 3 Field Court

Street Grays Inn

Post town London

County/Region

Postcode W C 1 R 5 E F

Country

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

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6 Period of progress report

From date	^d 0	^d 1	^m 0	^m 7	^y 2	^y 0	^y 1	^y 9
To date	^d 3	^d 1	^m 1	^m 2	^y 2	^y 0	^y 1	^y 9

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 4	^m 0	^m 1	^y 2	^y 0	^y 2	^y 0
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Etaireia Investments Plc
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 01/07/2019 To 31/12/2019 £	From 01/07/2019 To 31/12/2019 £
	SECURED		
320,000.00	Freehold Property	NIL	NIL
		NIL	NIL
	Secured		
(475,000.00)	Taxspecialefx (Peterlee) LLP	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
125,000.00	Investment In Land	NIL	NIL
30,000.00	Investment In Subsidiary Companies	31,624.00	31,624.00
		31,624.00	31,624.00
	COST OF REALISATIONS		
	Legal Expenses	18.00	18.00
	Legal Fees (1)	1,980.00	1,980.00
	Specific Bond	336.00	336.00
		(2,334.00)	(2,334.00)
	UNSECURED CREDITORS		
(46,000.00)	Directors	NIL	NIL
(9,051.00)	HM Revenue & Customs - VAT	NIL	NIL
(262,290.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(257,957.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(575,298.00)		29,290.00	29,290.00
	REPRESENTED BY		
	Bank 1 Current - Interest bearing		28,890.40
	Vat Receivable		399.60
			29,290.00



William Antony Batty
Joint Administrator

ETAIREIA INVESTMENTS PLC - IN ADMINISTRATION
JOINT ADMINISTRATORS' SIX MONTHLY PROGRESS REPORT

ANTONY BATTY & COMPANY LLP
3 FIELD COURT
GRAYS INN
LONDON
WC1R 5EF

ETAIREIA INVESTMENTS PLC - IN ADMINISTRATION

JOINT ADMINISTRATORS' SIX MONTHLY PROGRESS REPORT

This report is prepared in accordance to the provisions of the Insolvency Act 1986, which require the Joint Administrators to provide creditors with a report on the progress of the Administration. The report has been prepared for the purpose of advising creditors. The report is private and confidential and may not be relied upon, referred to, copied or quoted from, in whole or in part, by creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.

William Antony Batty and Hugh Francis Jesseman were appointed as Joint Administrators of Etaireia Investments Plc on 01 July 2019.

The affairs business and property of the Company are being managed by the Joint Administrators, who act as the Company's agent and contract without personal liability.

In preparing this report the Joint Administrators have had to rely on some information provided by the Directors, management and others. It has not been possible to verify all such information. Therefore, the Joint Administrators take no responsibility for the completeness or accuracy of such information.

WA Batty, SJ Evans, S Illes and HF Jesseman are licensed as Insolvency Practitioners in the UK by The Institute of Chartered Accountants in England & Wales under S. 390 (2) of the Insolvency Act 1986.

Abbreviations used in this report:

- Etaireia Investments Plc - ("the Company")
- William Antony Batty and Hugh Francis Jesseman - ("the Joint Administrators")
- HM Revenue & Customs - ("HMRC")

ETAIREIA INVESTMENTS PLC ("THE COMPANY") – IN ADMINISTRATION

ADMINISTRATORS' PROGRESS REPORT TO CREDITORS

For the six months ending 31 December 2019

STATUTORY INFORMATION

Company name:	Etaireia Investments Plc
Formerly known as:	
Court name and reference:	High Court of Justice, Business & Property Courts CR-2019-004308 of
Registered office:	3 Field Court, Gray's Inn, London, WC1R 5EF
Former registered office:	The Barn Tednambury Farm, Tednambury, Spellbrook, CM23 4BD
Registered number:	06138814
Joint Administrators' names;	William Antony Batty and Hugh Francis Jesseman
Joint Administrators' address:	3 Field Court Grays Inn London WC1R 5EF
Joint Administrators' date of appointment:	1 July 2019
Actions of Administrators	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

ADMINISTRATORS' ACTIONS SINCE APPOINTMENT

Since I was appointed Joint Administrator, I have instructed agents to provide a valuation of the Company's assets, market them for sale, and negotiate a sale with interested parties. I have also met with the representative of the Board in order to agree the best possible strategy in order to maximise asset realisations. I have also been liaising with former officers of the Company in relation to possible antecedent transactions following my review of the Company's bank statements.

In addition, I have undertaken routine statutory and compliance work, such as writing to creditors, filing notice of the Joint Administrators' appointment at Companies House and preparing a London Gazette notice. I had to undertake this work either as part of my routine administrative functions, or in order to protect and realise the assets of the Company.

Please note that there is certain work that I am required by the insolvency legislation to undertake work in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Administrator is contained in Appendix III.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 1 July 2019 to 31 December 2019 is attached at Appendix I. Please note that receipts and payments in the account are shown net of VAT. The balance of funds are held in a non-interest bearing estate bank account.

ASSETS

Freehold Land

In the absence of any other offers I have instructed our agents to accept the offer of £125,000 in relation to the Company's freehold land in Dalry, Scotland. The draft sale contract is currently with the buyer's solicitors and a sale is expected to be concluded shortly.

Investments in Subsidiary Companies

The Company has two subsidiary companies each owning a freehold property. Further details of these properties are below:

Pacha Sunderland Limited

The sale of the property owned by this subsidiary company has now completed and a surplus of £31,624 has been received.

Pacha Cleator Limited

As reported previously, the value of the property owned by this subsidiary company was approximately the same as what was owed to the charge holder. The Directors of this company have allowed it to be dissolved which took place on 19 November 2019. Given that no surplus is expected to be available after selling costs and repaying the charge holder this asset has been written off.

LIABILITIES

Secured Creditors

Taxspecialefx (Peterlee) LLP holds a fixed charge dated 7 November 2017 over the Company's leasehold property. Taxspecialefx (Peterlee) LLP were owed £475,000 at the date the Company entered Administration. We expect that the charge holder will be paid in part from the sale of the property by the LPA receiver.

Preferential creditors

I am unaware of any preferential creditors in this matter.

Prescribed part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

The Company has not created any floating charges, so the prescribed part provisions will not apply.

Crown Creditors

The estimated financial position as circularised with the Joint Administrators' proposals included £9,051 owed to HMRC. HMRC's final claim of £46,519 has been received.

Unsecured Creditors

Based on the information from the Company's books and records, unsecured creditors are estimated to total £262,290 from 24 creditors. To date, the Joint Administrators have received claims from 5 unsecured creditors totalling £345,867. I have yet to receive claims from 20 unsecured creditors who are believed to be owed £68,861 as per the Company's records.

DIVIDEND PROSPECTS

Secured creditors

I anticipate being able to pay a partial dividend to the Company's secured creditor, however, I am unable to comment on the quantum and timing at this stage.

Preferential creditors

I am unaware of any preferential creditors in this matter.

Unsecured creditors

Based on current information a dividend to the Company's unsecured creditors appears highly unlikely after discharging the costs of the Administration and paying a dividend to the secured creditor.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 30 months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Administration and made enquiries about the reasons for the changes.

There are various transactions in the Company's bank account which may be deemed preferential and therefore repayable to the Company. I am still in communication with the parties concerned and therefore cannot comment on these further at this time. Within six months of my appointment as Administrator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

PRE-ADMINISTRATION COSTS

On 4 September 2019 the following pre-administration costs were approved by the creditors:

Pre-administration fees charged by Antony Batty & Company LLP: £2,219.

Legal fees charged by Bishop & Sewell LLP: £1,800.

The pre-administration legal costs have been paid in full, as detailed in the attached receipts and payments account.

The Joint Administrators' pre-administration of £2,219 remains outstanding and will be paid in due course from asset realisations made.

JOINT ADMINISTRATORS' REMUNERATION

My remuneration was approved on a time cost basis based on a fees estimate of £48,229. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 31 December 2019 amount to £31,959, representing 103.7 of hours work at a blended charge out rate of £308 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £291 in my fees estimate. To date, I have not drawn any remuneration in this matter. A detailed schedule of my time costs incurred to date compared with my original fees estimate is attached as Appendix II.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Antony Batty & Company LLP's fee policy are available at the <http://www.antonybatty.com/insolvency-resources>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

JOINT ADMINISTRATORS' EXPENSES

The following category 2 disbursements have been incurred to date:

Type of category 2 disbursement	Amount incurred since appointment	Amount outstanding
Postage	£142	£142
Search Fees	£20	£20
Photocopying	£178	£178
Storage	£35	£35
File Charge	£75	£75

I have incurred the following category 1 expenses since my appointment as Joint Administrator:

Type of expense	Amount incurred/accrued since appointment	Amount outstanding
Bonding Fees	£672	£672
Statutory Advertising	£155	£155
Court Fees	£50	£50

I have incurred total expenses of £1,327 since my appointment as Joint Administrator. To date, I have not drawn any expenses in this matter.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
SIA Group (UK) London Limited	Valuer/Auctioneer	Fixed, time costs & percentage
Bishop & Sewell LLP	Solicitors	Time costs
Brodies LLP	Solicitors	Time costs

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

SIA Group (UK) London Limited have provided valuations of the Company's assets as well as market them for sale and negotiating a sale with interested parties.

Bishop & Sewell LLP have provided legal advice in relation to the properties owned by the Company's subsidiaries.

Brodies LLP, a Scottish firm of Solicitors, have provided legal advice in relation to the Company's freehold land in Scotland.

To date, I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

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

To comply with the Provision of Services Regulations, some general information about Antony Batty & Company LLP can be found at <http://www.antonybatty.com/insolvency-resources>.

SUMMARY

The Administration will remain open until the sale of the Company's freehold land has been completed, the possible antecedent transactions have been fully investigated, and dividend paid to the secured creditor.

I estimate that this will take approximately 4-5 months, and once these matters have been finalised the Administration will cease and my files will be closed. However, if the above asset and investigation takes longer to realise than anticipated, the Administration will be converted to a Liquidation as approved in the proposals.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available on-line, they should contact Marc Evans by email at marc@antonybatty.com, or by phone on 020 7831 1234.



William Antony Batty
Joint Administrator

Date: 24 January 2020

The affairs, business and property of the Company are being managed by the Joint Administrators, William Antony Batty and Hugh Francis Jesseman. The Joint Administrators act as agents of the Company and contract without personal liability.

**Etaireia Investments Plc
(In Administration)**

**Summary of Receipts & Payments
01 July 2019 to 31 December 2019**

RECEIPTS	Total (£)
Investment In Subsidiary Companies	31,624.00
	<hr/> 31,624.00 <hr/>
 PAYMENTS	
Specific Bond	336.00
Legal Fees (1)	1,980.00
Legal Expenses	18.00
Vat Receivable	399.60
	<hr/> 2,733.60 <hr/>
Balance In Hand	28,890.40
	<hr/> 31,624.00 <hr/>



William Antony Batty
Joint Administrator

Time Entry - SIP9 Time & Cost Summary

ETAIREIA - Etairia Investments Plc
 Project Code: POST
 From: 01/07/2019 To: 31/12/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	5.00	8.40	29.40	1.70	44.50	13,894.50	312.24
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.30	0.00	13.30	6.80	20.40	4,693.00	230.05
Investigations	2.90	3.20	9.90	2.00	18.00	5,468.00	303.78
Realisations of Assets	12.20	0.70	7.90	0.00	20.80	7,903.50	379.98
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	20.40	12.30	60.50	10.50	103.70	31,959.00	308.19
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

APPENDIX II

Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding general meetings of creditors and members (as applicable).
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

Creditors

- Obtaining information from the case records about employee claims.
- Completing documentation for submission to the Redundancy Payments Office.
- Corresponding with employees regarding their claims.
- Liaising with the Redundancy Payments Office regarding employee claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Issuing a notice of intended dividend and placing an appropriate gazette notice.
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
- Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.
- Paying tax deducted from the dividends paid to employees.

Investigations

- Submit an online return on the conduct of the directors as required by the Company Directors Disqualification Act.

Antony Batty & Company LLP
 Time Costs – Charge out rates per hour and disbursements policy.
 1 June 2018 – 31 May 2020

Hourly charge out rates

	2018/20
Office Holder (e.g. Administrator)	£435
Senior Manager	£380
Case Manager	£340
Senior Administrator 1	£260
Senior Administrator 2	£295
Administrator	£175
Junior Administrator	£95

Time is charged in unit of 6 minutes, the minimum unit of time is therefore six minutes.

Please note that these rates may be increased from time to time. Creditors will be notified of changes in the annual report.

Disbursement Policy

Please note that the office holder's disbursements are charged out at the following rates:-

Category 1 - represent recovery of necessarily incurred disbursements at the cost incurred.

Sundry disbursements, such as advertising, where incurred appropriately, are recharged at 100% of the cost incurred.

There is a statutory requirement to advertise the following notices in the London Gazette: first meeting of creditors, resolutions for winding-up, appointment of Liquidators, final meetings and notices to creditors to submit claims. The London Gazette's price list can be accessed at <https://www.thegazette.co.uk/place-notice/pricing>.

Insurance and bonding is recharged at 100% of the relevant charge to the office holder.

There is a statutory requirement for the Liquidator to apply for specific bond cover based on the expected realisations in each appointment. The bond premiums may be found on our website: <http://antonybatty.com/resource>.

Travel costs with the exception of mileage costs are recharged at 100% of the cost incurred.

VAT is charged as appropriate.

Category 2

Photocopying	15p per sheet.
Postage	Royal Mail postage rates (Non-franked mail).
Faxes UK	£1 per sheet.
International	£2 per sheet.
Internal meeting room hire -	£100 per hour, (minimum 1 hour).
Storage	£35 per box per annum.
Company searches	£20 per company.
File set up, stationery & record retention	£75 per folder.

Travel: where Antony Batty & Company LLP staff use their own vehicles in the course of their duties in this matter, the mileage is recharged at 45p per mile.

VAT is charged as appropriate.

AM10

Notice of administrator's progress report



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 **Marc Evans**

Company name **Antony Batty & Company LLP**

Address **3 Field Court**

Grays Inn

Post town **London**

County/Region

Postcode **W C 1 R 5 E F**

Country

DX

Telephone **020 7831 1234**



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