

WU07

Notice of progress report in a winding-up by the court



Companies House

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

| 1 Company details | |
|---|--------------------|
| Company number | 0 9 4 8 7 6 8 9 |
| Company name in full | Colarb Capital Plc |
| → Filling in this form Please complete in typescript or in bold black capitals. | |

| 2 Liquidator's name | |
|---------------------|--------|
| Full forename(s) | Asher |
| Surname | Miller |

| 3 Liquidator's address | |
|------------------------|---------------------|
| Building name/number | 26 - 28 Bedford Row |
| Street | |
| Post town | London |
| County/Region | |
| Postcode | W C 1 R 4 H E |
| Country | |

| 4 Liquidator's name ① | |
|--|--|
| Full forename(s) | |
| Surname | |
| ① Other liquidator Use this section to tell us about another liquidator. | |

| 5 Liquidator's address ② | |
|--|--|
| Building name/number | |
| Street | |
| Post town | |
| County/Region | |
| Postcode | |
| Country | |
| ② Other liquidator Use this section to tell us about another liquidator. | |

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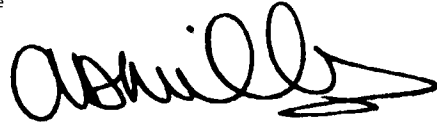
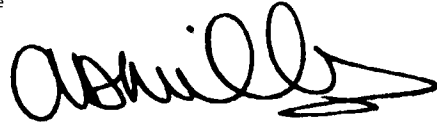
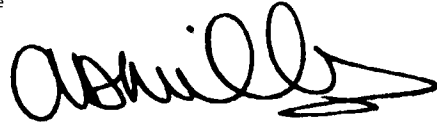
6 Period of progress report

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| To date | <table border="1"><tr><td>^d</td><td>1</td><td>^d</td><td>7</td></tr></table> | ^d | 1 | ^d | 7 | <table border="1"><tr><td>^m</td><td>0</td><td>^m</td><td>4</td></tr></table> | ^m | 0 | ^m | 4 | <table border="1"><tr><td>^y</td><td>2</td><td>^y</td><td>0</td><td>^y</td><td>2</td><td>^y</td><td>1</td></tr></table> | ^y | 2 | ^y | 0 | ^y | 2 | ^y | 1 | |
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7 Progress report

| | |
|---|--|
| <input checked="" type="checkbox"/> The progress report is attached | |
|---|--|

8 Sign and date

| | | | | | | | | | | | | | | | | | | | | |
|------------------------|---|--------------|---|--------------|---|---|--------------|---|--------------|---|---|--------------|---|--------------|---|--------------|---|--------------|---|--|
| Liquidator's signature | Signature | | | | | | | | | | | | | | | | | | | |
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| Signature date | <table border="1"><tr><td>^d</td><td>1</td><td>^d</td><td>5</td></tr></table> | ^d | 1 | ^d | 5 | <table border="1"><tr><td>^m</td><td>0</td><td>^m</td><td>6</td></tr></table> | ^m | 0 | ^m | 6 | <table border="1"><tr><td>^y</td><td>2</td><td>^y</td><td>0</td><td>^y</td><td>2</td><td>^y</td><td>1</td></tr></table> | ^y | 2 | ^y | 0 | ^y | 2 | ^y | 1 | |
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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 **Robert Cook**

Company name **Begbies Traynor**

Address **26 - 28 Bedford Row**

Post town **London**

County/Region

Postcode **W C 1 R 4 H E**

Country

DX **267 London/Chancery Lane**

Telephone **020 7400 7900**

 **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

Colarb Capital Plc (In Compulsory
Liquidation)

High Court of Justice No. CR-2018-008911

Progress report

Period: 18 April 2020 to 17 April 2021

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. 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 and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

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- ❑ Details of appointment of the liquidator
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- ❑ Assets that remain to be realised and work that remains to be done
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 - 2. Time costs and disbursements
 - 3. Statement of Liquidator's expenses

1. INTERPRETATION

| <u>Expression</u> | <u>Meaning</u> |
|---|--|
| "the Company" | Colarb Capital Plc (In Compulsory Liquidation) |
| "the liquidation" | The appointment of liquidators by a by decision of creditors pursuant to Section 139 of the Act on 18 April 2019. |
| "the liquidator", and "I" | Asher Miller of Begbies Traynor (London) LLP, 26 - 28 Bedford Row, London, WC1R 4HE |
| "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 Act |

2. COMPANY INFORMATION

| | |
|----------------------------|---|
| Trading name(s): | N/A |
| Company registered number: | 09487689 |
| Company registered office: | 26-28 Bedford Row, London, WC1R 4HE |
| Former trading address: | 39 St. James's Street, London, SW1A 1JD |

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

| | |
|-----------------------------------|------------------|
| Date of winding up order: | 20 February 2019 |
| Date of Liquidator's appointment: | 18 April 2019 |
| Changes in Liquidator (if any): | None |

Please note that with effect from 17 March 2021, David Rubin & Partners (being the insolvency practice from which Asher Millerand members of his team provide their services as licensed insolvency practitioners), became part of Begbies Traynor's corporate recovery and insolvency practice. Further information in relation to Begbies Traynor and the Begbies Traynor Group can be accessed at: <http://www.begbies-traynorgroup.com>

David Rubin & Partners will trade as 'Begbies Traynor' with effect from 17 March 2021 and will continue to operate from David Rubin & Partners' existing office at 26-28 Bedford Row, London, WC1R 4HE.

David Rubin & Partners becoming part of Begbies Traynor will not affect the on-going administration of the Liquidation of the Company which will continue to be dealt with by the existing members of the David Rubin & Partners Team, with support from Begbies Traynor's personnel based elsewhere where required.

4. PROGRESS DURING THE PERIOD COVERED BY THIS REPORT

This is my second annual progress report and should be read in conjunction with my previous progress reports and communications.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 18 April 2020 to 17 April 2021 which includes a comparison with the statement of affairs submitted by the director to the Official Receiver.

Receipts

Investments – Fortitude Capital Limited ("*Fortitude*")

As previously reported, prior to Liquidation, the Company entered into a settlement agreement with Fortitude. During this reporting period I have recovered the sum of £57,500 in respect of the proceeds from the sale of the motor vehicle received as part payment from Fortitude.

Fortitude was then placed into Administration by its Secured Creditor on 30 June 2020 and unfortunately, no further recoveries are anticipated, as, following a review of the Joint Administrators' most recent progress report, there are insufficient funds in the Administration of Fortitude to enable any return to its creditors.

Bank Interest Gross

In the reporting period the sum of £1.37 has been received.

Payments

Agents Fees

The amount of £2,875 plus VAT was paid to Rabbow & Co LLP ("*Rabbow*") in respect of their fees for the valuation and sale of the motor vehicle referred to above. There is no amount outstanding in respect of agent's fees.

Rabbow were selected as agents on the basis of their experience and expertise in dealing with valuations and sale of assets in insolvency situations, taking into account the locality and size of the Company. The agreed basis of Rabbow's fees was 5% of total realisations.

Insurance of Assets

As previously reported we recovered a motor vehicle from Fortitude Capital in part payment of its debt. Insurance cover with AON was arranged and the total of £322.51 was paid in this regard.

ISA Cheque fees

This represents the total fees charged by the Insolvency Service for processing payments from the designated ISA Account. To date, £1.35 has been paid for one payment.

ISA Banking Fees

The sum of £88 has been charged, which represents four quarterly charges of £22 for maintaining the ISA account.

Legal Fees

The amount of £50,000 has been paid on account to Taylor Wessing ("TW") in respect of their legal services and advice in relation to the ongoing investigations and asset realisations, which is detailed extensively in my previous reports.

TW have a specialist Insolvency department and they were chosen on that basis after taking into account the size and complexity of the legal issues. TW charge their fees on a time costs basis and they have provided me with details of the time they have spent.

Office Holders Fees

The amount of £50,000 has been paid on account of the Liquidator's time costs.

Specific bond

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005. An initial premium of £1,920 has been recharged to the estate.

Stationery and postage

An amount of £1,594.54 has been recharged to the estate in respect of circulating correspondence.

Statutory advertising

This represents the costs for the publishing of statutory advertising in the London Gazette and The Times the notice of the appointment of the Liquidator. An amount of £87.48 plus VAT has been recharged to the estate.

Sundry Expenses

Travel and Subsistence: A total of £69.91 has been spent on travel costs for taxi fares to and from meetings at TW's office and also agent's offices.

IT Equipment Charges: The amount of £37.49 was spent on IT equipment which was necessary for the transfer of data.

Vehicle Recovery Cost: This was incurred in order to restart the Motor vehicle that was subsequently sold after remaining in storage. The cost was £141.67 plus VAT.

Telephone and Conference Call Charges

The sum of £31.00 has been recharged to the estate in respect of hosting conference calls.

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

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

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. 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

Over the course of the Period, the following work has been carried out as required either by statute or for the purposes of case management generally. As these are required by statute or to manage and progress the case, there is no financial benefit to Creditors. However, the work must be carried out in every Liquidation to comply with the Rules, the Act and best practice guidelines:

- Updating case strategy plan;
- Updating case compliance checklists;
- Ongoing maintenance of Liquidation records;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific bond periodically;
- Ongoing consideration to ethical practice;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;
- Operating of the liquidation bank account held with the Insolvency Service and regular reconciliations of the funds held.
- The preparation of publication of the Liquidator's Progress Report to creditors.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules.

Investigations

As you may be aware, in a Compulsory Liquidation the duty to investigate the Company's affairs is the responsibility of the OR. There is no requirement on the Liquidator to submit a report or return on the directors' conduct to the Department for Business, Energy & Industrial Strategy.

However, where matters are brought to the Liquidator's attention these are reported as appropriate to the OR and, where appropriate, other relevant authorities for further consideration.

The work detailed below may not currently provide a direct financial benefit to creditors at this juncture, as the outcome of my investigations is yet to be determined. However work is continuing on a number of lines of enquiry, but these must remain confidential so as not to prejudice any actions to be taken:

- Further review of the Company's records regarding a number of identified transactions.
- Liaising with TW on a number of potential lines of enquiry, including the insurance and potential asset recoveries.
- Assisting The Insolvency Service with their investigations and supplying various documentation as requested

Realisation of assets

The Statement of Affairs issued by the Official Receiver ("OR") as preliminary liquidator was based on information provided at an interview with the Director. This is summarised in the table below:

| Asset Type | Amount as per balance sheet | Estimated to realise (by the director) |
|--------------------------------|-----------------------------|--|
| Amounts held by payment agents | £602,054 | £602,054 |
| Angel World Family office | £26,000,000 | £15,000,000 |
| Business Loans | £1,300,000 | £300,000 |
| Fortitude Capital | £11,773,788 | £11,773,788 |
| Total assets | £39,675,842 | £27,675,842 |

I set out below an update on my progress in recovering each class of asset:

- Fortitude Capital ("Fortitude")

From my investigations I have discovered that the Company raised approximately £6 million from investors which was lodged into the Fortitude trading platform.

Prior to the Liquidation, the Company entered into a settlement agreement with Fortitude for £1,630,960 in full and final settlement of the amounts due to the Company and at the start of the Liquidation, the balance due to the Company was £815,960. I have recovered the sum of £198,460.

Unfortunately, on 30 June 2020 Fortitude was placed into Administration by its secured creditors, therefore no further recoveries are anticipated.

- Angel World Family Office LLC FZ ("AWFO")

From my investigations I have discovered that the Company raised circa £7 million from Investors that was invested with AWFO, an entity based in Dubai.

Prior to Liquidation, the Company entered into a settlement agreement with AWFO for £5.3million in full and final settlement of all amounts due to the Company.

However, we have received an extract of a Liquidator's Progress Report dated 20 February 2020 which records that AWFO entered into Liquidation pursuant to a shareholders resolution dated 15 December 2019.

During this reporting period further investigations and enquiries are being undertaken, but it is highly likely that no recoveries will be possible from AWFO, being the most significant asset of the Company.

I am currently in the process of instructing specialist recovery agents, who would be engaged on an at risk basis, where fees will only be payable on recovery of assets. The terms of this engagement have yet to be agreed as they are currently reviewing the information available, but this will be detailed in my subsequent progress reports. Our agents have experience of cross-border recovery issues and will explore all possible means to achieve a recovery for the benefit of creditors.

- Business Loans / Other Investments

Our investigations have identified five loans / investments of circa £900,000. However, two of the loans are not collectable due to the Insolvency / dissolution of recipients, which include Tempus Media (London) Ltd which received approximately £400k.

The remaining parties have robustly defended the assertion that the monies are repayable and in some instances claimed that their agreements were with the Director, Shaun Prince personally.

I have now instructed specialist debt recovery agents, Pythagoras Capital Limited ("PCL") to pursue these loan balances. PCL act on the basis of a % of recoveries made.

- Amounts held by Payment Agents

I have corresponded with eight payment agents, which have been identified during investigations and from creditor feedback.

Of these, I have identified circa £190,000 of Company funds held by a payment agent and a statutory demand was served on the payment agent. However, the payment agent is claiming an offset against outstanding fees, which I do not accept. As such, I am in the process of instructing PCL to pursue these monies.

Our investigations did uncover funds held by the payment agent CFS Zipp of circa £450,000. However these funds were dispersed prior to Liquidation and we have sought to recover these funds as detailed below.

- Section 127 Disposition Payments

In accordance with Section 127 of the Insolvency Act 1986 any disposition of a Company's property made after the commencement of the winding up, being the date of presentation of the winding up petition on 23 October 2018, is void.

Following a review of payments made from Company funds held in a payment agent account with CFS Zipp, 25 parties were identified who had received total payment in excess of £450,000. Up to the date of this report, the sum of £31,714 has been recovered from three parties.

There has been significant resistance to our claims and PCL have now been instructed to pursue recoveries from this source.

PCL have agreed terms with four parties and they anticipate total recoveries to be circa £16,000. These receipts should be received shortly. PCL also remain in negotiations with 19 other parties and are at various stages of action, including statutory demands, winding up proceedings and small claims proceedings.

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

Generally correspondence from creditors will be dealt with as as soon as reasonably practical. Broadly, the time costs involved in this will be proportionate to the number of creditors. In this case there are a significant number of creditors. However, there will instances where one creditor will have more queries than another, thereby increasing the time incurred substantially. In this case, the following work undertaken in this respect should be noted:

- Logging claims received onto our internal case management systems and acknowledging receipt.
- Updating records following notification of change of contact details.
- Liaising with the Creditors Committee and attending Committee meetings.

The above work undertaken to date will not produce any financial benefit for Creditors and has been carried out under best practice guidelines. However, should a dividend become payable the work will have had a direct financial benefit to creditors.

- Insurance

My legal advisors and I have been dealing with the Company's former insurance brokers, the insurers and their solicitors and the legal representatives appointed by a large group of investors.

Through their solicitors, the insurers previously emphasised that they have "very serious concerns" as to whether the Company complied with its duties under the insurance policy.

The Insurers have now advised us that the policy has been avoided for numerous breaches by the Company prior to Liquidation of its duty of fair representation under the Insurance Act 2015 and have offered to return the premium to the Company which, if accepted, will be paid into the liquidation estate. I am in the process of getting legal advice on the insurer's position and the available options.

- Fraudulent communications

My team have been dealing with an increasing number of queries and I am aware that a number of investors of the Company are still being approached by organisations claiming that they can assist by offering some mechanism, sale or other process whereby creditors can either recover their losses or sell their investment for profit.

I am also aware that some creditors have been contacted and offered the opportunity to purchase further investments to make their portfolio more attractive or informed that they have a shareholding in an entity recorded in their name.

In addition to these examples, most recently a number of creditors have reported being contacted by individuals purporting to be from a company called Harvard Capital Limited, who have been claiming to be authorised by The Insolvency Service ('IS'). I can confirm that this is not genuine. This matter has also been reported to the IS. Furthermore I have also had reports of contact being made by an 'Oliver Brown' purportedly of David Rubin & Partners. I can again confirm that this is not genuine.

To reiterate, under no circumstance has the Liquidator disclosed personal information of the investors to third parties and any contact should be treated with extreme caution. We do not consider this contact to be genuine, but ultimately we have no powers to stop these parties from contacting you.

Should creditors receive any correspondence or contact from third parties promising recoveries of investments, please do not provide them with any personal details, nor make any payment and report this immediately to:

Action Fraud on Telephone: 0300 123 2040

or via their website <https://www.actionfraud.police.uk/>

This information will be collated by Action Fraud and forwarded to the Police as part of their investigations into this fraudulent activity.

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

- Submission of relevant Corporation Tax returns.

There is no direct financial benefit to creditors of this work on this assignment but it has been necessary in order to progress the insolvency process.

5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (based upon the information detailed in the statement of affairs submitted by the director to the Official Receiver) are as follows:

Secured creditors

The Company does not have any Secured creditors.

Preferential creditors

There are no known preferential claims.

Unsecured creditors

At the onset of the Liquidation I was provided with details of approximately 700 creditors with claims totalling circa £35.5million.

As at the date of this report, the claims of 563 creditors with a total value of £36,089,672, have been received. The claims of potentially 131 creditors with an estimated total value of £6,017,427 have yet to be received.

On the basis of realisations to date and current estimated future realisations we estimate that there will be insufficient funds available to enable a dividend to be paid to unsecured creditors. However, should this change I will of course contact all unsecured creditors accordingly.

6. REMUNERATION & EXPENSES

Remuneration

My remuneration has been fixed by the Creditors Committee at a meeting held on 25 September 2019 by reference to the time properly given by myself (as Liquidators) and the various grades of my staff calculated at the prevailing hourly charge out rates of Begbies Traynor in attending to matters arising in the winding up as set out in the Fees Estimate in the sum of £805,539.

My time costs for the period from 18 April 2020 to 17 April 2021 amount to £60,479.50 which represents 192.9 hours at an average rate of £313.53 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 18 April 2020 to 17 April 2021
- This firms charging policy

To 17 April 2021, we have drawn the total sum of £50,000 on account of our remuneration, against total time costs of £588,201.50 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 liquidation.

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

Expenses

To 17 April 2021, we have also drawn expenses in the sum of £1,843.61.

Category 2 Expenses

No Category 2 expenses and expenses which should be treated as Category 2 expenses have been charged to the case since my last report to creditors in accordance with our firm's policy, a copy of which is at Appendix 2.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor a Liquidator'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 our office and we will arrange to send you a copy.

7. LIQUIDATOR'S EXPENSES

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

Expenses actually incurred compared to those that were anticipated

Creditors will recall that I estimated that the expenses of the liquidation, which are primarily legal expenses, would total in the region of £200,000 to £600,000, which was based on the information available at the time and is dependant on the progression of the case and whether extensive litigation was required. That estimate has not been exceeded and it is currently uncertain if it is to be exceeded if matters progress to conclusion. If I consider that, in addition to those already incurred, the expenses which we are likely to incur to the conclusion of the case will exceed our original estimate, further details of the reason why the estimate is likely to be exceeded will be provided in my subsequent progress reports.

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

Further lines of enquiry and investigations are on-going. However, I am unable to provide further information at this juncture so as to not prejudice the outcome of these investigations. Further information will be provided to creditors when it is appropriate to do so.

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

- Update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9;
- Maintenance of case on the Liquidator's computer systems;
- Administrative tasks;
- Case management and planning;
- Internal case meetings and
- Costs and expenses management and review.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Submission of forms to Companies House;
- Maintain accurate account of receipts and payments;
- Complying with the requirements of the Insolvency Act and Insolvency Rules and
- Preparing information for Annual Progress Reports to creditors including detailed costs and expenses review and analysis.

Closure:

- Preparing, reviewing and issuing final report to members and creditors;
- Filing of final return at Companies House and
- Update physical and electronic case records following closure.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules.

Investigations

- Continuing investigations into the affairs of the Company and pursuing a number of lines of enquiry, and
- Liaising with instructed solicitors and agents as necessary in order to pursue recoveries and adapt suitable strategies that enhance the potential of a return to creditors.

As alluded to in this report, there remain a number of lines of enquiry to pursue, yet I am unable to divulge specific details at this juncture, as I do not want to prejudice the outcome. It is uncertain whether or not the work required will have any direct financial benefit to the creditors.

Realisation of assets

- Assisting my instructed agents with the ongoing pursuit and recoveries of assets, (as detailed in section 4) which include, S127 disposition payments, business loans and investments and funds held by payment agents;
- Pursuing the AWFO debt and liaising with specialist agents, including considering all means available to the Liquidator in recovering this debt and its cross boarder complexities, and

- Further review of pre-appointment transactions and liaising with solicitors and agents as appropriate regarding their recovery.

It is currently uncertain as to whether the work detailed above will generate any direct financial benefit to creditors as the quantum of future recoveries, if any, is not yet known.

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

- Updating schedules of unsecured creditor claims;
- Receiving creditor claims and inputting them on the internal case management software;
- Acknowledging creditor claims correspondence and/or dealing with further queries;
- Agreeing unsecured creditor claims, should funds permit;
- Liaising with members of the Creditors Committee and responding to any queries, and
- Attending periodic Creditor Committee meetings as and when required

It is uncertain as to whether the work detailed above will have any direct financial benefit to creditors as that will be dependent on sufficient asset realisations being achieved in order to enable a dividend to be paid to creditors, which is currently unlikely. Irrespective of this, the work is undertaken to comply with the Insolvency Act and Rules, together with best practice.

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

- Periodic Corporation Tax returns, and
- Seeking closure clearance from HM Revenue & Customs once the case has been finalised.

The above have no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules and other statutory requirements.

How much will this further work cost?

It is not possible to provide creditors with an accurate estimate of the anticipated fees for the further work required in order to bring this matter to a conclusion, as this is dependent on a number of variables, specifically the amount of work required in order to finalise all possible asset recoveries.

It is currently anticipated that further work will be within my Fees Estimate approved by the creditors committee.

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 in my initial report on 26 June 2019, which included all of the expenses that we anticipated that we will incur throughout the Liquidation.

9. OTHER RELEVANT INFORMATION

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

Use of personal information

Please note that in the course of discharging my statutory duties as liquidator, I may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, I am 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 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 any 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, in relation to the basis fixed for our remuneration, inappropriate.

11. CONCLUSION

Many of the matters detailed in the above report are at a sensitive stage and due to this, I am unable to provide further specific details as I do not want to prejudice my ongoing enquiries and rights of action.

I am considering in depth what claims may be brought against a number of third parties, but creditors will appreciate the need for confidentiality at this stage. I will provide further information to creditors as soon as it is appropriate to do so, but creditors may be assured that further detail has been considered by and approved in the confidential discussions we have had with the members of the Creditors Committee as appointed to represent all creditors.

Based on current information, I feel that I need to manage the expectations of creditors. As detailed above, I do not believe the Company's assets will be immediately or easily realisable and as such it may be necessary to take legal action in order to try to recover assets, which will increase costs.

I am therefore unable to provide any indication as to the quantum and timing of any future recovery of the Company's assets and ultimately the % of the return to investors at this stage. It is currently unlikely that sufficient funds will become available in the Liquidation to enable any return to creditors, and so, regrettably, creditors should prepare themselves for what may be a total write off of the funds invested.

I will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, appearing to read 'Asher D Miller', with a stylized flourish extending to the right.

Asher D Miller FCA
Liquidator

Dated: 15 June 2021

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 18 April 2020 to 17 April 2021

Colarb Capital Plc
(In Liquidation)
Liquidator's Summary of Receipts & Payments

| Statement of Affairs £ | From 18/04/2020 To 17/04/2021 £ | From 18/04/2019 To 17/04/2021 £ | |
|------------------------------|---|---------------------------------------|------------|
| | ASSET REALISATIONS | | |
| 11,773,788.00 | Investments - Fortitude Capital | 57,500.00 | 198,460.00 |
| | Bank Interest Gross | 1.37 | 1.37 |
| | Bank Interest Net of Tax | NIL | 236.07 |
| 300,000.00 | Business Loans | NIL | NIL |
| 602,054.00 | Cash held with Payment Agents | NIL | NIL |
| 15,000,000.00 | Investments - Angel World Family Office | NIL | NIL |
| | s127 Disposition Payments | NIL | 31,714.00 |
| | Petitioners Deposit | NIL | 1,600.00 |
| | | 57,501.37 | 232,011.44 |
| | COST OF REALISATIONS | | |
| | Agents Fees | 2,875.00 | 2,875.00 |
| | Insurance of Assets | 322.51 | 322.51 |
| | ISA Banking Fee | 88.00 | 176.00 |
| | ISA Cheque Fees | 1.35 | 1.50 |
| | Legal Fees | 50,000.00 | 50,000.00 |
| | O.R. Disbursements | NIL | 16.33 |
| | O.R. Remuneration | NIL | 11,000.00 |
| | Office Holders Fees | 50,000.00 | 50,000.00 |
| | Petitioners Costs | NIL | 14,200.46 |
| | Specific Bond | 1,920.00 | 1,920.00 |
| | Stationery & Postage | 1,594.54 | 1,594.54 |
| | Statutory Advertising | 87.48 | 87.48 |
| | Sundry Expenses | 249.07 | 249.07 |
| | Telephone and conference call charges | 31.00 | 31.00 |
| | Irrecoverable VAT | 21,345.62 | 21,345.62 |
| | | 128,514.57 | 153,819.51 |
| | UNSECURED CREDITORS | | |
| (31,752,964.00) | Investors | NIL | NIL |
| | | NIL | NIL |
| (4,077,122.00) | | (71,013.20) | 78,191.93 |
| | REPRESENTED BY | | |
| | ISA A/C | | 78,191.93 |
| | | | 78,191.93 |

TIME COSTS AND EXPENSES

- a. This firms charging policy;
- b. Time Costs Analysis for the period from 18 April 2020 to 17 April 2021; and
- c. Cumulative Time Costs Analysis for the period from 18 April 2019 to 17 April 2021.

THIS FIRM'S CHARGING POLICY

Our firm's hourly charge-out rates applicable to this appointment, which are charged in units of 6 minutes exclusive of VAT, are as follows:-

| | £ |
|----------------------------|-----------|
| Senior / Managing Partners | 550 |
| Partners / Office Holders | 495 |
| Managers / Senior Managers | 350 - 395 |
| Senior Administrators | 220 - 295 |
| Administrators | 160 - 200 |
| Cashiers and Assistants | 150 - 295 |
| Supports | 120 - 150 |

Charge out rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

Direct expenses ("Category 1 expenses")

Category 1 disbursements as defined by Statement of Insolvency Practice 9 (SIP 9), which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include, but are not limited to, such items as case advertising, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 expenses")

It is normal practice to also charge the following indirect disbursements ("Category 2 disbursements" as defined by SIP 9) to the case, where appropriate:

| | |
|-----------------------|---------------|
| Headed paper | 25p per sheet |
| Photocopying | 6p per sheet |
| Envelopes | 25p each |
| Postage | Actual cost |
| Meeting room facility | £150 |

Storage and Archiving Charges

We use a commercial archiving Company for storage facilities for Company's records and papers. This is recharged to the estate at the rate of £10 per box per quarter, and includes a small charge to cover the administration costs of maintaining the archiving database and retrieval of documents. We also use our own personnel and vehicle for collection of books and records for which we charge £65 per hour.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at HM Revenue & Customs approved rate, currently 45p per mile.

SIP9 Colarb Capital Plc - Winding Up Compulsory - 23C673.WUC : Time Costs Analysis From 18/04/2020 To 17/04/2021

| Staff Grade | | Consultant/Partner | Director | Srjr Mngr | Mngr | Asst Mngr | Srjr Admin | Admin | Jrjr Admin | Support | Total Hours | Time Cost £ | Average hourly rate £ |
|---|--|--------------------|----------|-----------|-------|-----------|------------|--------|------------|---------|-------------|-------------|-----------------------|
| General Case Administration and Planning | Case planning | 0.3 | | | 10.1 | | 1.8 | 2.5 | | | 14.7 | 4,716.50 | 320.85 |
| | Administration | | | | | | | | | | | | 0.00 |
| | Total for General Case Administration and Planning: | 0.3 | | | 10.1 | | 1.8 | 2.5 | | | 14.7 | 4,716.50 | 320.85 |
| Compliance with the Insolvency Act, Rules and best practice | Appointment | | | | | | 0.2 | 0.3 | | | 0.5 | 119.00 | 238.00 |
| | Banking and Bonding | | | | 0.3 | | 2.1 | 0.5 | | 4.3 | 7.2 | 1,729.50 | 240.21 |
| | Case Closure | | | | | | | | | | | | 0.00 |
| | Statutory reporting and statement of affairs | 4.3 | | | 22.0 | | 2.5 | 6.4 | | | 35.2 | 11,500.00 | 329.26 |
| | Total for Compliance with the Insolvency Act, Rules and best practice: | 4.3 | | | 22.3 | | 4.8 | 7.2 | | 4.3 | 42.9 | 13,438.50 | 313.25 |
| Investigations | CCDA and investigations | | | | 14.5 | | | 0.4 | | | 14.9 | 5,251.50 | 352.45 |
| | Total for Investigations: | | | | 14.5 | | | 0.4 | | | 14.9 | 5,251.50 | 352.45 |
| Realisation of assets | Debt collection | | | | 3.6 | | | | | | 3.6 | 1,260.00 | 350.00 |
| | Property, business and asset sales | | | | 11.1 | | 1.0 | | | | 12.1 | 4,180.00 | 345.45 |
| | Retention of Title/Third party assets | | | | | | | | | | | | 0.00 |
| | Total for Realisation of assets: | | | | 14.7 | | 1.0 | | | | 15.7 | 5,440.00 | 348.50 |
| Trading | Trading | | | | | | | | | | | | 0.00 |
| | Total for Trading: | | | | | | | | | | | | 0.00 |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured | | | | | | | | 0.2 | | 0.2 | 30.00 | 150.00 |
| | Others | 0.7 | | | 57.0 | | 5.5 | 12.7 | | | 75.9 | 25,184.00 | 331.81 |
| | Creditors committee | | | | 0.7 | | | 17.5 | | | 27.2 | 6,195.00 | 227.76 |
| | Total for Dealing with all creditors claims (including employees), correspondence and distributions: | 0.7 | | | 66.7 | | 5.5 | 30.2 | 0.2 | | 103.3 | 31,409.00 | 304.06 |
| Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel | Seeking decisions of creditors | | | | | | | | | | | | 0.00 |
| | Meetings | | | | | | | | | | | | 0.00 |
| | Other | | | | | | | | | | | | 0.00 |
| | Tax | | | | | | | 1.4 | | | 1.4 | 224.00 | 160.00 |
| | Litigation | | | | | | | | | | | | 0.00 |
| | Total for Other matters: | | | | | | | 1.4 | | | 1.4 | 224.00 | 160.00 |
| | Total hours by staff grade: | 5.3 | | | 128.3 | | 13.1 | 41.7 | 0.2 | 4.3 | 192.9 | | |
| Total time cost by staff grade: | 2,640.00 | | | 46,336.00 | | 3,864.50 | 6,684.00 | 30.00 | 925.00 | | 60,479.50 | | |
| Average hourly rate £: | 498.11 | 0.00 | 0.00 | 361.15 | 0.00 | 296.00 | 160.29 | 150.00 | 215.12 | | | 313.53 | |
| Total fees drawn to date £: | | | | | | | | | | | 50,000.00 | | |

SIP9 Colarb Capital Plc - Winding Up Compulsory - 23C673.WUC : Time Costs Analysis From 18/04/2019 To 17/04/2021

| Staff Grade | | Consultant/Partner | Director | Sr Mngr | Mngr | Asst Mngr | Sr Admin | Admin | Jr Admin | Support | Total Hours | Time Cost £ | Average hourly rate £ |
|---|---|--------------------|----------|---------|------------|-----------|-----------|-----------|----------|----------|-------------|-------------|-----------------------|
| General Case Administration and Planning | Case planning | 14.4 | | | 99.5 | | 7.8 | 2.9 | | | 124.6 | 47,145.00 | 376.37 |
| | Administration | | | | 3.4 | | | 0.9 | | | 4.3 | 1,487.00 | 345.81 |
| | Total for General Case Administration and Planning | 14.4 | | | 102.9 | | 7.8 | 3.8 | | | 128.9 | 48,632.00 | 377.28 |
| Compliance with the Insolvency Act, Rules and best practice | Appointment | 6.4 | | | 77.4 | | 19.5 | 0.7 | | 1.5 | 106.5 | 38,832.00 | 349.12 |
| | Banking and Bonding | | | | 0.3 | | 3.0 | 1.4 | | 7.3 | 12.0 | 2,738.50 | 228.21 |
| | Case Closure | | | | | | | | | | | 0.00 | 0.00 |
| | Statutory reporting and statement of affairs | 4.3 | | | 30.4 | | 2.5 | 10.4 | | | 47.6 | 15,549.00 | 326.64 |
| | Total for Compliance with the Insolvency Act, Rules and best practice: | 10.7 | | | 108.1 | | 25.0 | 12.5 | | 8.8 | 165.1 | 55,118.50 | 333.85 |
| Investigations | CDDA and investigations | 69.3 | | | 390.7 | | 29.8 | 37.7 | | | 527.5 | 195,767.00 | 371.12 |
| | Total for Investigations: | 69.3 | | | 390.7 | | 29.8 | 37.7 | | | 527.5 | 195,767.00 | 371.12 |
| Realisation of assets | Debt collection | 7.0 | | | 5.6 | | | | | | 12.6 | 5,479.00 | 434.84 |
| | Property, business and asset sales | 6.2 | | | 44.3 | | 1.2 | 0.6 | | | 52.3 | 19,370.50 | 370.37 |
| | Retention of Title/Third party assets | | | | | | | | | | | 0.00 | 0.00 |
| | Total for Realisation of assets: | 13.2 | | | 49.9 | | 1.2 | 0.6 | | | 64.9 | 24,849.50 | 382.89 |
| Trading | Trading | | | | | | | 1.0 | | | 1.0 | 160.00 | 160.00 |
| | Total for Trading: | | | | | | | 1.0 | | | 1.0 | 160.00 | 160.00 |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured | | | | | | | | 0.2 | | 0.2 | 30.00 | 150.00 |
| | Others | 26.3 | | | 281.4 | | 210.2 | 131.3 | | | 649.2 | 187,425.50 | 288.70 |
| | Creditors committee | 11.5 | | | 136.7 | | 61.0 | 25.0 | | | 234.2 | 74,769.00 | 319.25 |
| | Total for Dealing with all creditors claims (including employees), correspondence and distributions: | 37.8 | | | 418.1 | | 271.2 | 156.3 | 0.2 | | 883.6 | 262,224.50 | 296.77 |
| | Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel | | | | | | | 5.3 | | | 0.4 | 5.7 | 1,226.00 |
| | Meetings | | | | | | | | | | | 0.00 | 0.00 |
| | Other | | | | | | | | | | | 160.00 | 160.00 |
| | Tax | | | | | | | 1.4 | | | 1.4 | 224.00 | 160.00 |
| | Litigation | | | | | | | | | | | 0.00 | 0.00 |
| | Total for Other matters: | | | | | | 5.3 | 1.4 | | 0.4 | 7.1 | 1,450.00 | 204.23 |
| | Total hours by staff grade: | 145.4 | | | 1,069.7 | | 340.3 | 213.3 | 0.2 | 9.2 | 1,778.1 | | |
| | Total time cost by staff grade: | 71,980.50 | | | 403,600.00 | | 76,669.00 | 34,078.00 | 30.00 | 1,835.00 | | 588,201.50 | |
| | Average hourly rate £: | 495.11 | 0.00 | 0.00 | 377.30 | 0.00 | 225.30 | 158.77 | 150.00 | 199.46 | | | 330.80 |
| | Total fees drawn to date £: | | | | | | | | | | | 50,000.00 | |

APPENDIX 3

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 | | | | |
| Agent's fees | Rabbow & Co LLP | 2,875.00 | 2,875.00 | NIL |
| Legal fees | Taylor Wessing | 81,263.27 | 50,000 | 31,263.27 |
| ISA Banking fees | The Insolvency Service | 89.35 | 89.35 | NIL |
| Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy) | | | | |
| Vehicle Costs (fuel) | Begbies Traynor (formerly David Rubin & Partners) | 11.36 | NIL | 11.36 |
| Travel & Subsistence | Begbies Traynor (formerly David Rubin & Partners) | 6.27 | NIL | 6.27 |

CUMULATIVE STATEMENT OF EXPENSES

| Type of expense | Name of party with whom expense incurred | Amount incurred £ | Balance (to be discharged) £ |
|--|---|----------------------|---------------------------------|
| Agents Fees | Rabbow & Co LLP | 2,875.00 | NIL |
| Legal fees* | Taylor Wessing | 429,988.75 | 379,988.75 |
| Statutory advertising | Courts Advertising | 87.48 | NIL |
| Petitioning creditors costs | Mr B Bonner | 14,200.46 | NIL |
| Specific Bond | AXA Insurance UK Plc | 1,920.00 | NIL |
| Insurance of Assets | AON | 322.51 | NIL |
| ISA Banking fees | The Insolvency Service | 177.50 | NIL |
| Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy) | | | |
| Stationery and postage | Begbies Traynor (formerly David Rubin & Partners) | 1,594.54 | NIL |

| | | | |
|---------------------------------------|---|--------|-------|
| Travel & Subsistence | Begbies Traynor (formerly David Rubin & Partners) | 76.18 | 6.27 |
| IT Costs | Begbies Traynor (formerly David Rubin & Partners) | 37.49 | NIL |
| Vehicle Costs | Begbies Traynor (formerly David Rubin & Partners) | 153.03 | 11.36 |
| Telephone and Conference Call Charges | Begbies Traynor (formerly David Rubin & Partners) | 31.00 | NIL |

*Legal Fees

The amount of £379,988.75 is due to Taylor Wessing ("TW") in respect of their legal services and advice in relation to the on-going investigations and asset realisations, which is detailed extensively in this and previous reports.

TW have a specialist Insolvency department and they were chosen on that basis after taking into account the size and complexity of the legal issues. TW charge their fees on a time costs basis and they have provided me with details of the time they have spent.