

Joint administrators' final progress report from 29 April 2025 to 27 October 2025

Charnwood Molecular Limited and Aurelia Bioscience Limited
(in administration)

High Court of Justice, Business and Property Courts in Leeds,
Insolvency and Companies List (ChD)

Case No. of Charnwood Molecular Limited: CR-2024-LDS-001068

Case No. of Aurelia Bioscience Limited: CR-2024-LDS-001069

27 October 2025

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
ABL	Aurelia Bioscience Limited
ASA	Asset Sale Agreement dated 29 October 2024
Barclays	Barclays Bank plc and/or Barclays Security Trustee Limited
CBILS	Coronavirus Business Interruption Loan Scheme
CLS / Purchaser	Concept Life Sciences Integrated Discovery & Development Limited
CML	Charnwood Molecular Limited
Companies	ABL and CML
CTL	Charnwood Topco Limited (In liquidation)
DBT	Department for Business and Trade
First-ranking preferential creditors	Creditors with claims defined in IA86 as ordinary preferential debts: These include claims for unpaid remuneration earned in the four months before the relevant date of the insolvency up to a maximum of £800, an unlimited amount of accrued holiday pay and unpaid pension contributions in certain circumstances
Gateley Legal	The business name of Gateley plc
Group	ABL, CML, CHL and CTL
HMRC	HM Revenue & Customs
CHL	Charnwood Holdco Limited (formerly Cleveland 2023 Limited)
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Joint Administrators / we / us / our	Ross Connock and Edward Williams
LtO	Licence to Occupy dated 29 October 2024
NOI	Notice of intention to appoint administrators
OBSF	OBS Finance Limited (previously JCP Five Limited)
the Period	29 April 2025 to 27 October 2025
Prescribed Part	The amount set aside for Unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Proposals	Joint Administrators' proposals for achieving the purpose of the administration dated 11 November 2024
PwC / Firm	PricewaterhouseCoopers LLP

R&P	Receipts and payments account
RCapital	RCapital Partners LLP
Royal London	The Royal London Mutual Insurance Society Limited
RPS	Redundancy Payments Service, part of the Insolvency Service, which is an executive agency sponsored by DBT, and which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Sch B1	Schedule B1 to IA86
Secondary preferential creditors	Creditors with claims defined in IA86 as secondary preferential debts to be paid after ordinary preferential debts, if there are sufficient funds. These include claims for certain HMRC debts owed at the date of insolvency, consisting of VAT and relevant amounts deducted by the Company from payments due to another taxpayer and due to be paid over to HMRC (e.g. PAYE, employee NICs and Construction Industry Scheme deductions). Penalties and interest do not form part of HMRC's preferential claim
Secured Creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86. In this case, Barclays Bank plc, Barclays Security Trustee Limited, OBS Finance Limited and Synova Capital Gp 5 Limited
SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply
SIP 2	Investigations by office holders in administrations and insolvent liquidations and the submission of conduct reports by office holders
SIP 16	Pre-packaged sales in administrations
Synova	Synova Capital Fund III LP or Synova Capital GP 5 Limited
TSA	Transitional Services Agreement dated 29 October 2024
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured Creditors	Creditors who are neither secured nor preferential
VAT	Value Added Tax

This report has been prepared by Ross Connock and Edward Williams as Joint Administrators of the Companies, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Companies.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Administrators' previous reports issued to the Companies' creditors, which can be found at www.pwc.co.uk/charnwood. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Ross Connock and Edward Williams have been appointed as Joint Administrators of the Companies to manage their affairs, business and property as their agents and act without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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Key messages

Why we've sent you this report

We're pleased to let you know that our work in the administration of the Companies is now complete and so, we set out below our final report.

You can still view our previous reports on our website at www.pwc.co.uk/charnwood. Please email uk_charnwood_creditors@pwc.com or uk_aurelia_creditors@pwc.com if you need any of the passwords to access the reports.

How much creditors have received

The following table summarises the final outcome for creditors:

Outcome for Secured creditors

	Barclays		OBSF		Synova	
What Secured creditors are owed:	£159,777		£606,600		£1,650,000	
	Return and timing		Return and timing		Return and timing	
What Secured creditors have recovered:	100%	Paid	100%	Paid	48.7%	Paid

Final returns are unchanged from the forecast returns as shown in our previous progress report to creditors. However, the return for Synova has increased from an estimate of 24% in our proposals to 48.7% as shown in this report.

All of the Secured Creditors had cross-guarantees across CML and ABL and, as a result, the debts were therefore recoverable across both of the Companies, as well as other companies within the Group.

The final outcome for the Secured Creditors is summarised above and includes distributions from all of the Group. For details of amounts distributed from CML, please see our receipts and payments account at Appendix B.

Barclays

As explained in our previous report, on appointment Barclays recovered its CBILS debt in full using cash available in CML by exercising its right to offset against its debt. The Bank's lending to CML at the date of administration was £157,811 plus accrued interest of £1,966, being a total of £159,777.

OBSF

Creditors will recall from our previous report that OBSF recovered its secured debt in full via cash available in CHL, which sat outside of the insolvency perimeter, within which it held priority security, and via a £25,000 fixed charge distribution from CML on appointment, using sale consideration proceeds relating to goodwill.

Synova

Synova's total lending to CHL at the date of administration was £1,650k, which was subject to cross-guarantees from CML and ABL, ranking after Barclays and after the OBSF priority debt, by way of an intercreditor agreement with OBSF dated 13 August 2024. Synova's lending is secured by a debenture dated 4 May 2024. This security gave Synova fixed and floating charges over the Group's assets.

Synova's lending has not been repaid in full. In total we have made payments from CML totalling £787,661.58 to Synova in respect of its lending.

Outcome for other classes of creditors

CML

Class of creditor	Return	Timing	Previous estimate
First-ranking preferential creditors :	n/a	n/a	n/a
Secondary preferential creditors (HMRC):	100%	Paid	100%
Unsecured creditors:	1.47%	Paid	2.42%

All employees transferred under TUPE to the Purchaser who paid the October 2024 payroll immediately following the transaction and our appointment. Subsequently, there have been no first-ranking preferential claims in the administration.

During the administration, we received HMRC's final secondary preferential claim which totaled £42,929.57 and we paid this claim in full on 27 June 2025.

We also stated in our Proposals that we believed there would be no funds to distribute to unsecured creditors, other than via the Prescribed Part. On 23 October 2025 a first and final distribution of 1.47% was paid to unsecured creditors totalling £200,665.40, by way of the Prescribed Part. This is lower than our previous estimate due to a larger than expected creditor claim being received.

No funds over and above the Prescribed Part were available to distribute.

ABL

Class of creditor	Return	Timing	Previous estimate
First-ranking preferential creditors (staff):	n/a	n/a	n/a
Secondary preferential creditors (HMRC):	0%	No dividend paid	0%
Unsecured creditors:	0%	No dividend paid	0%

All employees transferred under TUPE to the Purchaser who paid the October 2024 payroll immediately following the transaction and our appointment. As such, there were no first-ranking preferential claims in the administration.

No dividend has been paid to secondary preferential creditors due to insufficient realisations to cover the expenses of the administration. Consequently, there is no Prescribed Part distribution for unsecured creditors, as there are no net floating charge realisations.

What you need to do

This report is for your information and you don't need to do anything.

What happens next

The administrations will end on 27 October 2025. In line with our Proposals approved by creditors we will file a notice of move from administration to dissolution on 27 October 2025. The Companies will be dissolved three months after the notice has been registered by the Registrar of Companies.

Dissolution was the most appropriate exit route as the Joint Administrators have realised all available assets and have distributed the surplus fixed charge funds in the administration of CML to OBSF, with distributions having been made from floating charge funds to the secondary preferential creditor, the unsecured creditors and Synova (CML only).

In respect of ABL, we consider that dissolution is the most appropriate exit route as all known assets have been realised and there are no funds available for distribution to any class of creditor. The proceeds generated have been utilised in meeting the expenses of the administration, and there are no further recoveries anticipated.

Furthermore, there are no outstanding matters which would warrant the administrations being extended and further costs incurred, and no issues remain that would require the attention of a liquidator.

The Joint Administrators have complied with their statutory obligations and received the relevant clearances to proceed with closure of the administrations and subsequent dissolution of the Companies. As resolved by the secured and preferential creditors for CML and the secured creditors for ABL, we will be discharged from liability in respect of any of our actions as Joint Administrators 14 days after we cease to be Joint Administrators of the Companies.

Overview of our work

Why we were appointed

You'll remember from our previous report that when we were appointed, the position was as follows:

CML and its subsidiary ABL operated within the contract research sector, offering integrated preclinical drug discovery services. Both Companies formed part of a wider group structure under CTL and CHL. The Group relocated to a larger facility in Loughborough in early 2022 to consolidate operations; however, this materially increased its fixed cost base. Concurrently, a downturn in the drug discovery funding market suppressed revenue growth and led to financial strain, despite redundancies and other cost-saving initiatives.

In January 2024, PwC was engaged by the Group to lead a formal sale process. A solvent transaction concluded in May 2024 with RCapital acquiring a majority stake from Synova. However, the Group remained burdened by inflexible lease liabilities, and financial performance continued to deteriorate following delays and losses of key projects. A failed bid for a critical new contract led to the withdrawal of further funding by Secured creditors at CHL level, creating immediate liquidity constraints.

With no solvent share offers forthcoming due to the scale of creditor obligations and long-term liabilities, PwC was engaged on 25 September 2024 to conduct insolvency planning and run an accelerated sale process, following their previous involvement in the May 2024 sales process.

Due to creditor pressures from HMRC and the landlord predominantly, management filed a NOI on 11 October 2024, with a second NOI filed on 24 October 2024 to safeguard against potential creditor actions and to enable the sale process to proceed to a conclusion. The directors of the Companies determined that exercising their right to appoint administrators over the Companies was essential to prevent erosion of the value of the assets and to execute the best strategy, being a pre-packsale of the business and assets, which would result in the best available outcome for creditors as a whole. As such, Ross Connock and Edward Williams were appointed as Joint Administrators of the Companies on 29 October 2024.

The sale maximised the value in the Companies' assets for the benefit of the creditors, which would have been significantly diminished in the event the Companies had been wound up. All employees transferred to the Purchaser under TUPE and the Purchaser also paid the full October 2024 payroll immediately following the transaction and our appointment, mitigating first-ranking preferential claims in the administrations.

Immediately after our appointment, we did the following:

- Executed transaction documentation, including the ASA, TSA and LtO;
- Assisted the Purchaser in post-sale requirements;
- Managed the LtO granted to the Purchaser for a period 29 October to 5 December 2024 (CML only);
- Managed the lease under the LtO, including payment of rent and utilities (CML only);
- Contacted suppliers who were required to continue to provide services under the TSA; and
- Calculated and paid payroll for October 2024 out of funds provided by the Purchaser.

Further details of the work carried out in the administration are provided below.

Asset realisation

Pre-packaged sale of part of the Companies' business and assets

On appointment, we completed the sale of specific business and assets of the Companies under an ASA dated 29 October 2024. The consideration for the sale amounted to £239,000 in CML and £113,000 in ABL. The sale consideration ultimately agreed with the Purchaser was lower than the *ex situ* valuations in respect of both plant and machinery and stock. When compared with the alternative offer for the business and assets as well as the alternative strategy to a sale (likely a liquidation which would result in significantly more costs and reduced asset realisations), it demonstrated that the transaction with the Purchaser produced an overall better result to creditors as a whole than any alternative strategy. Please refer to our previous SIP16 report for further information in respect of the transaction.

The apportionment of the core consideration is shown in the table below:

Asset	CML (£)	ABL (£)
Business intellectual property	1	1
The benefit (subject to the burden) of the customer contracts	1	1
Equipment	213,994	112,993
Goodwill	25,000	1
Stock	1	1
Computer equipment	1	1
Names	1	1
Records	1	1
Total	239,000	113,000

Employees

Following our appointment, we received £458,690 of gross funding for the October 2024 payroll, being £384,467 in CML and £74,224 in ABL, as part of the Purchaser's wider offer in addition to the core consideration noted above. The Purchaser intended for the staff's October 2024 wages arrears to be paid, which was to the benefit of the Companies as it mitigated First-ranking preferential creditor claims from employees.

The monthly payroll historically fell on the last working day of each month, and with the transaction completing on 29 October 2024, the Purchaser required the Joint Administrators to support with this payment as it would have been unable to set up its own payroll and payment run in time to pay the transferred staff under their normal timings.

Following our appointment, we paid employee wages, the required HMRC deductions, and pension contributions for the October 2024 payroll. In total, £381,172 has been paid by CML which was made up of £352,086 in gross staff wages, together with £29,086 of pension contributions. In ABL, a total of £74,535 was paid which is made up of £67,970 in gross staff wages, together with £6,564 of pension contributions.

As explained in our previous report, there was a surplus of funds in the estate with regards to contributions provided by the Purchaser on CML. Subsequently, the Purchaser agreed that an amount of £3,295 could be retained by the administration estate.

Transitional Services Agreement (CML only)

The Purchaser required the continued provision of a limited number of services (i.e. IT and operations-related) following the completion of the sale in order for the Purchaser to operate. CML agreed to provide the Purchaser with these services under a TSA, for a period of up to three months, which also allowed for the Purchaser to enter into new agreements with the suppliers.

During the Period, the Administrators continued to perform their obligations under the TSA with the Purchaser. This arrangement enabled a managed transfer of critical IT, HR and laboratory systems following completion of the business sale, ensuring minimal operational disruption. Additionally, we carried out the following activities:

- making contact with the respective suppliers, and notifying them of the Joint Administrators' appointment and providing confirmation of the TSA in place;
- collecting and reviewing invoices from the suppliers, and processing payments; and
- communicating with suppliers and dealing with other queries received in relation to the TSA process.

As part of the TSA, the Purchaser was contracted to pay an additional contribution to our costs for the administration of the TSA, being 20% of the external costs. This contribution to our costs totalled £12,620 which the Purchaser paid in conjunction with the TSA funding. This brought the total amount received under the TSA to £107,598 (net).

The contribution to our costs will not have covered the total time spent managing the TSA; however, the transaction still resulted in the best outcome for creditors as a whole notwithstanding the additional costs associated with our delivery of the TSA.

There were a total of 14 suppliers whose services were required under the TSA. We made payments to these suppliers for the services provided, with all funds provided by the Purchaser in advance of payments being made by the Joint Administrators. Following the end of the TSA, we wrote to all suppliers to advise them that the TSA has ended and we requested that they provide us with any outstanding invoices covering the period of the TSA that remain unpaid. This matter was concluded in the Period and in total, we made payments to suppliers totalling £87,055 (exclusive of VAT) for the services provided.

A final reconciliation of funds was carried out in respect of the TSA, which has resulted in a surplus of funds totalling £21,090 being returned to CLS. Full details of the transactions under the TSA can be shown in our receipts and payments accounts at Appendix B.

Licence to Occupy (CML only)

The Joint Administrators entered into a LtO agreement with the Purchaser to occupy CML's leased property on the Charnwood Campus, Loughborough. This allowed the Purchaser the time to transfer all of its acquired contract and service provisions and plant and machinery assets to its own premises, and to safely exit the property. Beneficial occupation of the premises ended on 6 December 2024, following a short extension to the LtO from 2 December 2024.

The main work undertaken in respect of the LtO are as follows:

- collecting licence fees from the Purchaser;
- the collection and review of invoices in order that rent, service charges and other applicable costs were paid; and
- and dealing with queries received from the landlord in relation to the administration process and management of their property.

The Joint Administrators of CML were put in funds and received a total of £266,158 (exclusive of VAT) for the provision of LtO services on a pass-through basis to cover external costs. The services and pass-through costs included insurance, rents, business rates, service charges, utilities, and facilities management.

All supplier payments in respect of the property were settled and a reconciliation of funds was carried out in the Period. As a result, a sum of £2,244 was deducted from the balance to reflect a payroll funding adjustment that the Purchaser agreed to assume, thereby removing the need for the Joint Administrators to pursue recovery.

Following this deduction, surplus funds totalling £7,118 were returned to the Purchaser.

Book debts

As previously reported, the book debts were an excluded asset from the sale and therefore the Joint Administrators had the responsibility for collecting the book debts with customers. The book debts on appointment amounted to £1.2m across CML (£1.0m) and ABL (£0.2m).

Shortly before appointment, the directors issued invoices to customers for October 2024 work delivered. For any debtor receipts received into the Companies' and/or Joint Administrators' bank accounts that related to work carried out post-appointment (by the Purchaser), these funds were remitted to the Purchaser. The ASA included a clause saying that if the Purchaser receives any money that actually relates to the period before the Companies went into administration, they must pay that money back to the Companies. No such receipts were received into the Companies' bank accounts.

As part of the collection process, the Joint Administrators and their staff have undertaken work to maximise realisations. This has included reviewing correspondence and records to identify appropriate debtor contacts, carrying out research to obtain or verify email addresses, locating and providing relevant invoice documentation to support collection efforts, and issuing formal communications, including letters before action where necessary.

During the Period, we received £25,669 into the CML account and £6,475 into the ABL account in respect of final outstanding pre-appointment book debts. Cumulatively, total book debt realisations during the administrations amount to £1,015,331 for CML and £144,700 for ABL.

The ABL receipt of £6,475 relates to a gross debtor recovery of £9,250. The Purchaser assisted with the collection of this balance under an arrangement entitling them to 30% of any recoveries achieved. Accordingly, the £6,475 received represents the net amount after deduction of the Purchaser's agreed share.

Intercompany debtors (ABL only)

CML had a number of intercompany loans with other companies within the Group, including ABL. At the date of our appointment, CML owed ABL £3,482,368. As a result, ABL has received a small return on this debt, totalling £52,077 (representing 1.47% of its total claim). This amount was received through the unsecured creditor Prescribed Part distribution from CML. This is reflected in ABL's receipts and payments account at Appendix B.

Cash at bank

Following our appointment, we instructed the Companies' bank to remit the cash held on appointment to the post-appointment bank accounts set up by the Joint Administrators. We received £238,894 and £63,259 for CML and ABL respectively.

The cash balance received in respect of CML was lower than the amount estimated to realise as per the directors' statement of affairs. As stated earlier in this report, this is due to Barclays recovering its CBILS debt in full using cash available in CML through exercising its right to offset against its debt.

Prepayments (CML only)

The director's statement of affairs detailed prepayments totalling £286,111.

£100,000 of these funds related to a deposit held by the gas supplier, Total Energies Limited, who then paid £72,550 into the administration account following a deduction of a pre-appointment invoice from the deposit amount.

The remaining £186,111 relates to other amounts prepaid relating to software systems. We considered in detail whether there were any recoveries to be received from this source, and concluded none were recoverable.

Bank interest

During the administration we have received bank interest totalling £13,706 into CML's administration account and £2,122 into ABL's administration bank account. In the Period, we received £118.21 in CML, from HMRC due to a delayed VAT refund. No further bank interest was received in the Period in respect of ABL as the bank account was removed from interest-bearing in the prior period in order to finalise the tax position.

Insurance refunds

During the prior period, it came to our attention that there was a credit due on a pre-appointment insurance policy due to insurance premiums being paid in advance of our appointment. In the Period, a further £1,364 in CML and £1,151 in ABL has been received.

This has resulted in CML receiving a total of £2,882 and ABL receiving £2,669 in refunds as is shown in the receipts and payments account at Appendix B.

Connected party transactions

No assets have been disposed of by the Joint Administrators to a party (person or company) with a connection to the directors, shareholders, or secured creditors of the Companies or their associates, and the Joint Administrators are not seeking approval from creditors to make a substantial disposal to a connected person.

Other issues

Pension

Following the Joint Administrators' appointment, significant efforts were made to manage and reconcile pension-related obligations. This included email correspondence with CLS to confirm pension scheme details and align on reporting formats. The Joint Administrators also coordinated with Royal London, the pension provider, to clarify the status of RPS claims, submit revised RP15A forms, and resolve issues around national insurance numbers and contribution allocations. Communications involved reviewing and approving formal letters and conducting preparatory work and follow-up calls with Royal London to ensure that pension claim submissions were correctly

updated and allocated. This work provided a direct benefit to creditors, as it mitigated potential future unsecured creditor claims. All pension matters have now been concluded.

Approval of our proposals

We issued to creditors our Proposals for achieving the purpose of administration dated 11 November 2024.

In the case of CML, we stated in our Proposals that we thought the company did not have enough assets to pay a dividend to unsecured creditors other than from the Prescribed Part, depending on the future realisations.

In the case of ABL, we said that we didn't think there will be a Prescribed Part dividend for the unsecured creditors because we didn't believe ABL will have sufficient net floating charge realisations.

This meant that we did not have to seek a decision from creditors regarding the approval of our Proposals and our Proposals would be treated as approved if creditors did not request a decision in the required manner. As creditors did not request a decision be sought, our Proposals were treated as approved on 21 November 2024.

We attach a summary of our Proposals at Appendix A.

Investigations and actions

Nothing came to our attention during the administration to suggest that we needed to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and SIP 2.

Statutory and compliance

We issued our initial notices to various parties including the Companies' creditors on appointment and we also filed our notice of appointment with the Registrar of Companies. We corresponded with the directors of the Companies in relation to the directors' Statement of Affairs, which set out the financial position of the Companies at the date of appointment. Following receipt, a copy was subsequently filed at the Registrar of Companies.

In order to ensure adequate books and records are held and maintained, we liaised with the directors and received books and records as required for the administrations.

We have also performed investigations into the Companies' affairs, the directors' conduct and the circumstances that led to the Companies' insolvency, and submitted a report to the DBT in accordance with our obligations under the Company Directors Disqualification Act.

In the Period, we issued our first progress report to creditors, which provided an update on the progress of the administration for the prior period from 29 October 2024 to 28 April 2025. A copy of the report was filed on the Companies' website as well as being sent to the Registrar of Companies. We also issued our remuneration report to creditors in order to seek approval of our fees on 25 April 2025. Our fees and expenses as set out in that remuneration report were subsequently approved by the secured and preferential creditors for CML and secured creditors for ABL on 12 May 2025.

In addition, we have continued to ensure that our case files and systems properly document the strategic considerations and decisions which occurred throughout the appointment, as is required by our regulators and in accordance with best practice.

VAT

At the time of appointment, the Companies were VAT-registered. An initial VAT review showed that both pre- and post-appointment returns needed to be brought up to date. Completing these returns ensured HMRC's preferential and unsecured claims were accurate and based on submitted data. This reduced the risk of overstated claims against the estates, as we anticipated making distributions to both preferential and unsecured creditors under the Prescribed Part in CML. Because the Companies were part of a VAT group and jointly and severally liable for any VAT debts, it was necessary to complete VAT returns for both entities.

CML

Pre-appointment

We prepared and submitted the following return to HMRC:

- 1 August 2024 to 28 October 2024 with a net repayment position of £101,938, which was ultimately offset against HMRC's secondary preferential creditor claim, significantly reducing the value of their final preferential claim as shown earlier in this report.

Post-appointment

We prepared and submitted the following returns to HMRC:

- 29 October 2024 to 31 January 2025 with a net payment of £18,470 being made to HMRC;
- 1 February 2025 to 30 April 2025 with a net repayment of £1,143.97 received from HMRC; and
- 1 May 2025 to 31 July 2025 with a net repayment of £59,923.69 received from HMRC.

ABL

Pre-appointment

We prepared and submitted the following returns to HMRC:

- 1 July 2024 to 30 September 2024 with a net payment position of £96,927.85; and
- 1 October 2024 to 28 October 2024 with a net payment position of £14,302.56.

As they related to the pre-appointment period, these amounts would form part of HMRC's preferential claim in the administration. As stated earlier in this report, no distribution to preferential creditors was made.

Post-appointment

We prepared and submitted the post-appointment VAT returns for the period

- 29 October 2024 to 31 December 2024 with a net repayment position of £198.13

CML and ABL

We have now fulfilled our duties as proper officers for VAT during the administration and filed VAT returns for all relevant accounting periods. HMRC raised no queries on our returns and therefore the VAT affairs of the Companies are concluded. We subsequently submitted a VAT deregistration form to deregister the Companies from VAT and a final 426 form has been submitted to reclaim any VAT since the date of deregistration.

Tax

On appointment, we carried out an initial tax review and determined that it was not necessary to prepare pre-appointment corporation tax returns.

There were two periods of pre-appointment corporation tax returns outstanding being (i) year from 1 August 2023 to 31 July 2024 and (ii) period from 1 August 2024 to 29 October 2024. We understood there were sufficient tax losses evidenced in previously submitted tax returns to shelter any gains or profits arising from the sale of business. As such, the pre-appointment periods would not give rise to any tax liability which may have formed an unsecured creditor claim in the administration.

During the administration we have complied with our ongoing statutory obligations and prepared post-appointment tax returns on behalf of the Companies. Post appointment tax returns have been submitted to HMRC for the following period:

One day cessation of trade period - 29 October 2024

CML made a taxable profit of £20,185, which was entirely offset using brought forward losses such that there was £nil tax liability.

ABL made a taxable profit of £53,806, which was entirely offset by a write down of trade debtors in the period, such that there was £nil tax liability.

Period ended 30 April 2025

For the tax period ending 30 April 2025, CML made a taxable profit of £7,840 which was as a result of interest income. This gave rise to a corporation tax liability of £1,960 which has been settled.

In the same period, ABL made a taxable profit of £819 as a result of interest income, giving rise to a corporation tax liability of £204.75 which has also been settled.

We fulfilled our duties as proper officers for tax during the administration and filed corporation tax returns for all relevant accounting periods. HMRC raised no queries on our returns and therefore the tax affairs of the Companies are concluded.

Our final receipts and payments account

We set out in Appendix B an account of our final receipts and payments in the Period from 29 April 2025 to 27 October 2025 and for the duration of the administrations.

Pre-administration costs

You can find in Appendix E information about the approval of the unpaid pre-administration costs previously detailed in our proposals.

Our expenses

We set out in Appendix C a statement of the final expenses that we incurred to the date covered by this report.

Our fees

We set out in Appendix D an update on our remuneration which covers our fees, disbursements and other related matters.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx>

You can also get a copy free of charge by telephoning Catherine Elliott on 0113 289 4000.

Yours faithfully
For and on behalf of



Ross Connock
Joint Administrator

Appendices

Appendix A: Summary of our Proposals

In our Proposals dated 11 November 2024, we confirmed the following:

Objective of the Administration

CML and ABL entered administration on 29 October 2024. The purpose of the administrations was to achieve a better result for creditors as a whole than would have been likely if the Companies had been wound up immediately, as it was not reasonably practical to rescue the Companies as going concerns. The administrations focused on realising the Companies' assets and maximising returns to creditors, primarily through a pre-packaged sale of the businesses and assets.

We did not seek a decision from creditors to approve our Proposals, as we did not consider there to be sufficient assets to pay a dividend to unsecured creditors other than from the Prescribed Part, per paragraph 52(1)(b) Sch B1 IA86.

Trading and Employees

The Companies did not trade following the appointment of the Joint Administrators. All employees (97 across the group) transferred to the Purchaser under TUPE as part of the pre-packaged sale. The October payroll was funded by the Purchaser, which was to the benefit of the Companies as it mitigated First-ranking preferential creditors claims from employees.

Sale of Business and Assets

Immediately following the appointment, the Joint Administrators completed a sale of the businesses and certain assets of CML and ABL to the Purchaser. The total core consideration was £239,000 for CML and £113,000 for ABL, allocated across business intellectual property, customer contracts, equipment, goodwill, stock, computer equipment, names, and records. Book debts relating to the pre-appointment period were excluded from the sale and remained with the Companies in administration.

The pre-packaged sale was considered the best available outcome for creditors as a whole for the following reasons:

- The pre-pack transaction results in the best available outcome for creditors as a whole in all the circumstances;
- The sale maximised the value in the Companies' assets for the benefit of the Secured creditors, which would have been significantly diminished in the event the Companies were wound up; and
- The sale initially preserved the jobs of 97 employees across the Group and mitigated preferential and unsecured employee claims in both ABL and CML.

Transactional Services Agreement (CML only)

The Proposals stated that at the time of the sale, it was recognised that the Purchaser would require ongoing access to certain services on a transitional basis. Accordingly, the Companies, acting through the Joint Administrators, agreed to continue providing specific IT and operational services under a TSA to support the Purchaser until it could establish its own arrangements or terminate the need for such services. The TSA covered all CML suppliers and was expected to run for up to three months, with the duration of individual services varying as needed. A fee of £48,190 (including VAT) was charged on a pass-through basis for the first five weeks, with further monthly fees to be invoiced if the TSA continued..

Licence to Occupy (CML only)

The Joint Administrators entered into a Licence to Occupy (LtO) agreement with the Purchaser, allowing continued use of CML's leased premises at the Charnwood Campus in Loughborough. During the LtO period, the Purchaser sought to transfer all acquired contracts, service provisions, and plant and machinery assets to its own premises before vacating the property. The Joint Administrators liaised with the landlord to ensure appropriate arrangements for the ongoing occupation during the administration. Funds totalling £266,158 (including VAT where applicable) were provided to CML on a pass-through basis to cover external and Joint Administrators' costs associated with the LtO. These costs included insurance, rent, business rates, service charges, utilities, and facilities management.

Debtors

Book debts were excluded from the sale, with total debtors at the time of appointment amounting to approximately £1.2 million — £1.0 million relating to CML and £0.2 million to ABL. Shortly before the appointment, the directors issued invoices for work delivered during October. All book debts and unbilled work performed up to and including the completion date of 29 October 2024 remained assets of the Companies and were being collected directly by the Joint Administrators. As the customer contracts were acquired by the Purchaser, allowing continuity of service, the likelihood of recovering these debts was considered enhanced. Any receipts subsequently received into the Companies' or Joint Administrators' bank accounts that relate to post-completion work performed by the Purchaser were to be remitted to them, with reciprocal terms in place for sums received by the Purchaser that relate to the pre-administration period.

The proposals record that as at the report date, £180,996 had been collected for CML.

Secured Creditors

The principal Secured creditors were Barclays, OBSF, and Synova. Barclays and OBSF had recovered their debts in full via available cash and sale proceeds. Synova was not expected to be repaid in full, with an estimated recovery of 24%.

Ordinary Preferential Creditors (Employees)

We were not aware of any known first-ranking preferential creditor claims, as all staff transferred to the Purchaser on appointment, with the October 2024 payroll being paid in full by the Purchaser.

Secondary Preferential Creditors (HMRC)

For CML it was stated in our Proposals that HMRC was expected to be paid in full in respect of secondary preferential claims (c.£40k), subject to book debt collections. For ABL, no dividend was expected for HMRC due to expected insufficient realisations.

Unsecured creditors

Based on information provided to us, in CML, a Prescribed Part fund was expected to be available for unsecured creditors, estimated at £77,000, which would result in a dividend of up to 1p/£ based on estimated claims of c.£7.3m. For ABL, based on information provided, no Prescribed Part or other dividend was expected for unsecured creditors due to insufficient net property.

Anticipated Exit Route

CML

We said in our Proposals that it was likely there were sufficient funds to pay a dividend to unsecured creditors from the Prescribed Part, and that in this case the Joint Administrators would distribute the dividend and, once all other matters were concluded, file a notice with the Registrar of Companies, resulting in CML's dissolution three months later.

ABL

In our Proposals we said that it was not expected that there would be any funds available for Unsecured creditors, so the most likely outcome discussed was dissolution following completion of the administration.

CML and ABL

Alternatively, if there had been outstanding matters better dealt with in liquidation, the Joint Administrators could have applied to court to end the administration and wind up the company. In the unlikely event that a dividend had become payable to Unsecured creditors outside of the Prescribed Part, the company would have been moved into creditors' voluntary liquidation so that a liquidator could pay the dividend.

Appendix B: Receipts and payments

CML

Statement of Affairs £	29 October 2024 to 28 April 2025 £	29 April 2025 to 27 October 2025 £	Total to 27 October 2025 £
FIXED ASSETS			
Goodwill	25,000.00	-	25,000.00
Total	25,000.00		25,000.00
FIXED CHARGE CREDITORS			
Chargeholder (OBSF)	(25,000.00)	-	(25,000.00)
Total	(25,000.00)	-	(25,000.00)
Net fixed charge receipts/(payments)			
	-	-	-
ASSET REALISATIONS			
Intellectual property	1.00	-	1.00
43,663.00 Stock	1.00	-	1.00
Contracts	1.00	-	1.00
1,030,049.00 Book debts	989,631.97	25,699.41	1,015,331.38
195,337.00 Equipment	213,994.00	-	213,994.00
Computer equipment	1.00	-	1.00
Insurance claims and refunds	1,518.18	1,363.90	2,882.08
Names and records	1.00	-	1.00
286,111.00 Prepayments	-	72,550.62	72,550.62
Payroll loan	-	2,243.83	2,243.83
Bank Interest gross	13,587.79	118.21	13,706.00
398,713.00 Cash in hand	238,894.07	-	238,894.07
Contribution to wages	384,466.93	-	384,466.93
TSA service fee	12,620.11	-	12,620.11
Total	1,854,719.05	101,975.97	1,956,694.02
PAYMENTS			
Legal fees & Expenses	(11,368.68)	(1,337.50)	(12,706.18)
Office holders' fees	-	(477,000.00)	(477,000.00)

Office holders' expenses	-	(1,464.93)	(1,464.93)
Pre appointment legal fees	-	(49,618.46)	(49,618.46)
Corporation tax	-	(1,970.01)	(1,970.01)
Office costs, stationery & postage	(1,089.50)	-	(1,089.50)
Statutory advertising	(99.00)	(104.00)	(203.00)
Storage	-	(20.79)	(20.79)
Insurance	(168.00)	-	(168.00)
ISA fee	-	(25.75)	(25.75)
Wages and Salaries	(352,086.15)	-	(352,086.15)
PAYE/NIC and pension deductions	(29,085.70)	-	(29,085.70)
Chargeholder (Synova Capital Gp 5 Limited)	(550,000.00)	(237,661.58)	(787,661.58)
Total	(943,897.03)	(769,203.02)	(1,713,100.05)
Distribution to Secondary Preferential Creditor	-	(42,929.57)	(42,929.57)
Distribution to unsecured creditors via the Prescribed part	-	(200,665.40)	(200,665.40)
Net receipts/(payments)	910,822.02	(910,822.02)	-
Balance held in the bank account	910,822.02	(910,822.02)	-

ABL

Statement of Affairs	29 October 2024 to 28 April 2025 £	29 April 2025 to 27 October 2025 £	Total to 27 October 2025 £
£ RECEIPTS			
Goodwill	1.00	-	1.00
Contribution to wages	74,223.52	-	74,223.52
Intellectual property	1.00	-	1.00
7,968.00 Stock	1.00	-	1.00
Contracts	1.00	-	1.00
170,258.00 Book debts	138,225.40	6,475.00	144,700.40
105,032.00 Equipment	112,993.00	-	112,993.00
Computer equipment	1.00	-	1.00
Insurance claims and refunds	1,518.17	1,150.59	2,668.76
Intercompany debtors	-	52,076.73	52,076.73
Names	1.00	-	1.00
Records	1.00	-	1.00
Bank Interest Gross	2,121.85	-	2,121.85
39,866.00 Cash in hand	63,259.26	-	63,259.26
Total	392,348.20	59,702.32	452,050.52
PAYMENTS			
Legal fees & Expenses	(9,591.32)	-	(9,591.32)
Office holders' fees	-	(342,669.48)	(342,669.48)
Office holders' expenses	-	(376.76)	(376.76)
Office costs, Stationery & Postage	(891.65)	-	(891.65)
Pre appointment legal fees	-	(23,347.04)	(23,347.04)
Corporation Tax / Income Tax	-	(204.75)	(204.75)
Statutory advertising	(99.00)	-	(99.00)
Insurance	(336.00)	-	(336.00)
Wages & Salaries	(67,970.06)	-	(67,970.06)
PAYE/NIC and Pension Deductions	(6,564.46)	-	(6,564.46)
Total	(85,452.49)	(366,598.03)	(452,050.52)
Net receipts/(payments)	306,895.71	(306,895.71)	-
Balance held in the bank account	306,895.71	(306,895.71)	-

Notes to the R&P

1. Amounts shown exclude VAT.
2. Funds were held in interest bearing accounts with Barclays Bank plc until 22 April 2025.
3. On 23 October 2025 we paid a Prescribed Part dividend to unsecured creditors at the rate of 1.47 pence in the £.
4. The LtO funding is not shown in the above R&P as it has not formed part of the administration estate and is third party funds. The balance has been returned to the Purchaser and a summary of the LtO receipts and payments is shown below.
5. The TSA funding surplus is not shown in the above R&P as it did not form part of the administration estate and was third party funds. The amount was used to pay TSA related expenses with the balance returned to the Purchaser.

TSA Account

	29 October 2024 to 28 April 2025	29 April 2025 to 27 October 2025	Total
TSA account	£	£	£
Receipts			
TSA funding	107,598.38	(21,090.14)	86,508.24
Bank interest	546.65	-	546.65
Total receipts	108,145.03	(21,090.14)	87,054.89
Payments			
Costs relating to services required as per the TSA	(87,054.89)		(87,054.89)
Total payments	(87,054.89)	-	(87,054.89)
Net TSA receipts/payments	21,090.14	(21,090.14)	-

LTO Account

	29 October 2024 to 28 April 2025	29 April 2025 to 27 October 2025	Total
LTO account	£	£	£
Receipts			
LTO funding	266,158.18	(9,362.27)	256,795.91
Bank interest	1,475.65	-	1,475.65
Total receipts	267,633.83	(9,362.27)	258,271.56
Payments			
LTO Payments	(216,125.54)	(42,146.02)	(258,271.56)
Total payments	(216,125.54)	(42,146.02)	(258,271.56)
Net LTO receipts/payments	51,508.29	(51,508.29)	-

Appendix C: Expenses

Expenses are amounts properly payable by us as Joint Administrators but exclude our fees and distributions to creditors. These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the Secured creditors of CML) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Joint Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case

CML

Category	Provided by	Basis of cost	Costs incurred (£)
2	PwC	Photocopying - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	-
2	PwC	Mileage - At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) for petrol/diesel/hybrid; at a maximum of 72 pence per mile for fully electric and at a maximum of 12 pence per mile for a bicycle	-
1	Other	Bonding	-
1	Other	Rail fares	-
1	Other	Courier local	-
1	Other	Printing	106.34
1	Other	Postage	530.81
Total for the period			637.15
Brought forward from the previous period			1,227.00
Total			1,864.15

ABL

Category	Provided by	Basis of cost	Costs incurred (£)
2	PwC	Photocopying - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	-
2	PwC	Mileage - At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) for petrol/diesel/hybrid; at a maximum of 72 pence per mile for fully electric and at a maximum of 12 pence per mile for a bicycle	-
2	Other	Bonding	-
1	Other	Rail	-
1	Other	Postage	-
Total for the period			-
Brought forward from the previous period			376.76
Total			376.76

The expense policy set out above has been approved by the Secured Creditors in ABL and by the secured and preferential creditors in CML.

The tables below provide details of all the expenses incurred in the administration. The tables should be read in conjunction with the receipts and payments account at Appendix B, which shows expenses actually paid during the period and the total paid to date.

Note that the disbursements shown below for the prior reporting period are higher than what was reported in the expenses table in our last report. This is because this figure has now been brought up to date and in line with the previous period.

CML

Nature of expenses	Brought forward from 28 April 2025 (£)	Incurred to 27 October 2025 (£)	Total incurred to 27 October 2025 (£)	Initial Estimate (£)	Variance (£)
Corporation tax	-	1,970.01	1,970.01	-	1,970.01
Insurance	168.00	-	168.00	668.00	(500.00)
Legal fees and expenses	11,368.68	1,337.50	12,706.18	11,368.68	1,337.50
Office costs, stationery and postage	1,089.50	-	1,089.50	1,089.50	-
Officeholders' disbursements	1,227.00	637.15	1,864.15	1,287.00	577.15
Pre-administration legal fees and expenses	49,618.46	-	49,618.46	49,618.46	-
Storage	-	20.79	20.79	-	20.79
Statutory advertising	99.00	104.00	203.00	198.00	5.00
Total expenses	63,570.64	4,069.45	67,640.09	64,229.64	3,410.45

ABL

Nature of expenses	Brought forward from 28 April 2025 (£)	Incurred to 27 October 2025 (£)	Total incurred to 27 October 2025 (£)	Initial Estimate (£)	Variance (£)
Insurance	336.00	-	336.00	336.00	-
Legal fees and expenses	9,591.32	-	9,591.32	9,591.32	-
Office costs, stationery and postage	891.65	-	891.65	891.65	-
Officeholders' disbursements	376.76	-	376.76	376.76	-
Pre-administration legal fees	23,347.04	-	23,347.04	23,347.04	-
Corporation tax	-	204.75	204.75	-	204.75
Statutory advertising	99.00	-	99.00	99.00	-
Total	34,671.77	204.75	34,846.52	34,625.51	204.75

For both CML and ABL, our expenses have slightly exceeded the estimate provided to all creditors before the basis of our fees was fixed. This is because we did not include corporation tax in our initial estimate as we did not know what the likely payable amount would be. In addition, on CML we incurred more legal fees and office holders' disbursements than we were anticipating.

Appendix D: Remuneration update

Our fees were approved on a fixed fee basis by Secured and Preferential creditors in regards to CML and Secured Creditors in regards to ABL. £477,000 has been drawn in CML and £342,669.48 has been drawn in ABL. All fees have been drawn in line with the approval given and can be seen on the enclosed receipts and payments accounts at Appendix B.

Our fixed fee in CML was £590,000 and was £360,000 in ABL and we will not be drawing any further fees in the administrations. We set out later in this Appendix details of our work, subcontracted work and payments to associates.

Our work in the Period

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Assets		
Licence to Occupy (CML only) <ul style="list-style-type: none"> Receipt and review of invoices relating to the LtO, and making payments where required Finalise a reconciliation of funds and arranging for the balance to be returned to the Purchaser 	<ul style="list-style-type: none"> Required as per the sale agreements 	<ul style="list-style-type: none"> Required by statute; and To maximise the return to creditors
Transitional Services Agreement (CML only) <ul style="list-style-type: none"> Finalise a reconciliation of funds and arranging for the balance to be returned to the Purchaser 		
Debtors (CML and ABL) <ul style="list-style-type: none"> Reviewing and assessing debtors ledgers Corresponding with debtors on outstanding debt Collecting book debts and updating tracker for debts received and chasing those that remain outstanding Finalising debtor book realisations Carrying out a final reconciliation of book debt realisations with the Purchaser 		
Insurance <ul style="list-style-type: none"> Corresponding with insurer regarding insurance requirements for the property 		
Other assets <ul style="list-style-type: none"> Liaising with pre appointment insurers regarding refund due on policies Dealing with receipts in relation to bank interest Liaising with Total Energies regarding refund due for deposit held (CML) 		
Creditors		
<ul style="list-style-type: none"> Receiving and following up creditor enquiries via telephone, email and post Reviewing and preparing correspondence to creditors and their representatives Responding to secured creditor's queries 	<ul style="list-style-type: none"> Work is required by statute and for the proper management of the case 	<ul style="list-style-type: none"> Required to update creditors Direct benefit through payment of a distribution Required to enable a return to creditors Direct financial benefit to creditors through the payment of a dividend

- Corresponding with HMRC regarding proof of debt (CML only)
- Dealing with proofs of debt for dividend purposes
- Reviewing and adjudicating Secondary preferential creditor claims (CML only)
- Calculating dividend rate and preparing and paying distribution to Secondary preferential creditor (CML only)
- Preparing correspondence to potential creditors inviting lodgment of proof of debt (CML only)
- Adjudicating claims, including requesting further information from claimants (CML only)
- Preparing correspondence to claimant advising outcome of adjudication and advising of intention to declare dividend (CML only)
- Calculating dividend rate and preparing dividend file (CML only)
- Preparing correspondence to creditors announcing declaration of dividend (CML only)
- Preparing and paying distribution (CML only)

Employees and pensions

- | | | |
|--|---|---|
| <ul style="list-style-type: none"> • Engaging with Royal London to update, revise, and chase the processing of pension claim allocations and contributions • Reviewing and approving correspondence to Royal London, including formal letters and emails detailing corrected amounts and employee information • Issue final statutory pensions notices prior to the Joint Administrators ceasing to act | <ul style="list-style-type: none"> • Work is required by statute and for the proper management of the case | <ul style="list-style-type: none"> • Required by statute |
|--|---|---|

Statutory and compliance

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • Drawing the Joint Administrators' fees and expenses • Filing of documents • Updating and maintaining permanent file that contains copies of all statutory documentation • Carrying out six monthly case reviews • Updating checklists and diary management system | <ul style="list-style-type: none"> • Work is required by statute and for the proper management of the case | <ul style="list-style-type: none"> • Required by statute |
|---|---|---|

Tax and VAT

- | | | |
|--|---|---|
| <p>Tax</p> <ul style="list-style-type: none"> • Preparing tax computations and submitting returns • Obtaining confirmation that there are no outstanding tax compliance matters | <ul style="list-style-type: none"> • Work is required by statute • Ensures the correct amount of tax is paid, and tax expenses mitigated where possible | <ul style="list-style-type: none"> • Required by statute |
|--|---|---|

VAT (CML only)

- Preparing VAT returns
- Submit final VAT return and deregister for VAT

Strategy and planning		
<ul style="list-style-type: none"> Preparing fee budgets & monitoring cost Holding team meetings not relating to trading and discussions regarding status of administration 	<ul style="list-style-type: none"> Work is required by statute and for the proper management of the case 	<ul style="list-style-type: none"> Required by insolvency statute; and Ensures the proper management of the administration
Accounting and treasury		
<ul style="list-style-type: none"> Dealing with receipts, payments and journals not relating to trading Carrying out bank reconciliations and managing investment of funds Closing bank accounts 	<ul style="list-style-type: none"> Ensures proper stewardship of funds on behalf of creditors 	<ul style="list-style-type: none"> Ensures proper management of funds held
Closure		
<ul style="list-style-type: none"> Completing final checklists and diary management system Closing down internal systems Sending our final progress report to creditors Submitting our final progress report to the Registrar of Companies 	<ul style="list-style-type: none"> Work is required by statute and for the proper management of the case 	<ul style="list-style-type: none"> Required by insolvency statute; and Ensures the proper management of the closure of the administrations

Our previous work

As this report is the first to be issued following the approval of the basis of our fees, below are details of work carried out by the Joint Administrators in previous periods.

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Assets		
<ul style="list-style-type: none"> Complete a pre-packaged sale of the Companies' business and assets to the Purchaser Prepare our SIP16 disclosure on the pre-packaged sale Assisted the Purchaser in post sale requirements Preparing an information memorandum Liaising with Purchaser, solicitors and tax team regarding the sale Holding internal meetings to discuss/review offers received Reviewed and executed transaction documentation, including the ASA, TSA and LtO 	<ul style="list-style-type: none"> Required as per the sale agreements 	<ul style="list-style-type: none"> Required by statute; and To maximise the return to creditors
Licence to Occupy (CML Only)		
<ul style="list-style-type: none"> Manage the LtO granted to the Purchaser for a period of two months Provide assistance to the Purchaser following the transaction with regards to the assignment of the lease 		

-
- Managing lease under the LtO including undertaking management and payment of rent and utilities
 - The collection and review of invoices from the landlord in order for rent, service charges and other applicable costs such as insurance, and payment of invoices
 - Dealing with other queries received from the relevant landlords in relation to the Administration process or various aspects of the management of their property
 - The collection of licence fees from the Purchaser
 - Agreeing to an extension of the LtO period
 - Receipt and review of invoices relating to other costs, and making payments where required
 - Finalise a reconciliation of funds and arranging for the balance to be returned to the Purchaser

Transitional Services Agreement (CML only)

- Contacting suppliers who were required to continue to provide services under the TSA
- Dealing with other queries received from the relevant suppliers in relation to the administration process or their period of supply
- Contacting the remaining suppliers to end their supply at the period of the TSA period
- Writing to all final suppliers as a final reminder requesting for unpaid invoices for services provided during the TSA period to be submitted imminently
- Collecting and reviewing of invoices from suppliers in order for applicable supply costs and payment of invoices
- Finalising a reconciliation of funds and arranging for the balance to be returned to the Purchaser

Debtors

- Reviewing and assessing debtors ledgers
- Corresponding with debtors on outstanding debt
- Collecting book debts and updating tracker for debts received and chasing those that remain outstanding

Insurance

- Identifying potential issues requiring attention of insurance specialists
- Reviewing insurance policies
- Corresponding with insurer regarding initial insurance requirements
- Maintaining ongoing insurance until such time as the landlord of the property accepts surrender

Third party assets

- Reviewing leasing documents
 - Liaising with owners/lessors
-

Creditors

- Setting up a dedicated website for delivery of initial and ongoing communications and reports
- Receiving and following up creditor enquiries via telephone, email and post
- Reviewing and preparing correspondence to creditors and their representatives
- Receipting and filing proofs of debt when not related to a dividend
- Notifying Secured creditors of appointment
- Preparing reports to Secured creditor
- Responding to secured creditor's queries
- Making distributions in accordance with security entitlements
- Corresponding with HMRC regarding proof of debt (CML only)
- Dealing with proofs of debt for dividend purposes (CML only)
- Work is required by statute and for the proper management of the case
- Required to update creditors
- Direct benefit through payment of a distribution
- Required to enable a return to creditors
- Direct financial benefit to creditors through the payment of a dividend

Employees and pensions

- Reviewing employee files and Companies' books and records
- Reviewing awards and payroll structure
- Calculating and paying unpaid payroll for October 2024 out of funds provided by the Purchaser
- Deducting and paying over PAYE/NIC to HMRC
- Issuing statutory pension notifications, including the preparation and submission of RP15 and RP15A forms to the RPS.
- Liaising with the RPS to confirm submission requirements, resolve claim queries, and facilitate the release of pension amounts to affected employees.
- Dealing with general pension scheme issues, including clarifying contribution records and resolving data discrepancies.
- Engaging with Royal London (the pension provider) to update, revise, and chase the processing of pension claim allocations and contributions.
- Ensuring compliance with statutory obligations and internal review of documentation for accuracy prior to submission or communication.
- Work is required by statute and for the proper management of the case
- Required by statute

Investigations

- Collecting Companies books and records where related to investigatory work
- Reviewing books and records
- Preparing comparative financial statements and deficiency statement
- Reviewing specific transactions and liaising with directors regarding certain transactions
- Preparing investigation file and lodging findings with the Department for Business and Trade
- Work is required by statute and for the proper management of the case
- Required by statute

Statutory and compliance

- Preparing and issuing all necessary initial letters and notices regarding the administration and our appointment
- Requesting completion of the directors' statement of affairs
- Filing the directors' statement of affairs at the Registrar of Companies
- Preparing and circulating to creditors a remuneration report giving details of the work we expect to carry out during the case and the expenses that are likely to be incurred
- Drafting and reviewing a statement of Proposals to creditors including preparing receipts and payments accounts and statutory information
- Circulating notice of the Proposals to creditors, members and the Registrar of Companies
- Preparing and circulating the first progress report to creditors and the Registrar of Companies
- Preparing decision notice and associated documentation
- Collecting Companies' books and records where not related to investigatory work
- Filing of documents
- Updating and maintaining permanent file that contains copies of all statutory documentation
- Carrying out six monthly case reviews
- Updating checklists and diary management system
- Work is required by statute and for the proper management of the case
- Required by statute

Tax and VAT

Tax

- Gathering information for the initial tax review
- Carrying out tax review and subsequent enquiries
- Preparing tax computations
- Work is required by statute
- Ensures the correct amount of tax is paid, and tax expenses mitigated where possible
- Required by statute

VAT

- Gathering information for the initial VAT review
- Carrying out VAT review and subsequent enquiries
- Preparing VAT returns

Strategy and planning

- Completing tasks relating to job acceptance
- Preparing fee budgets & monitoring cost
- Holding team meetings not relating to trading and discussions regarding status of administration
- Work is required by statute and for the proper management of the case
- Required by insolvency statute; and
- Ensures the proper management of the administration

Accounting and treasury

-
- Opening bank accounts
 - Dealing with receipts, payments and journals not relating to trading
 - Carrying out bank reconciliations and managing investment of funds
 - Corresponding with bank regarding specific transfers
 - Ensures proper stewardship of funds on behalf of creditors
 - Ensures proper management of funds held
-

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services, including: <ul style="list-style-type: none">- M&A support- Performing an initial security review- Providing advice on Health and Safety considerations- Preparing the transaction documents for the appointment- Security review- Adhoc advice where required.	<ul style="list-style-type: none">• Gateley Legal	<ul style="list-style-type: none">• Industry knowledge	Time costs and disbursements <u>Paid</u> £11,368.68 (CML) £9,591.32 (ABL)

We require all third party professionals to submit time costs analyses and narrative in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- Confirm the Joint Administrators issued the instructions listed on the invoice;
- Detailed review of narrative provided in support of the time charged;
- Assess whether the work was undertaken in line with our expectations, in respect of the quality and amount of time taken;
- Assess the reasonableness of the fees charged in the context of the advice sought and complexity of the matter; and
- Reviewing asset realisations inventories and sale values against the agreed percentage of realisations where relevant.

Appendix E: Pre administration costs

The following costs incurred before our appointment with a view to the Companies going into administration were approved for payment on 12 May 2025 in respect of CML and 2 May 2025 in respect of ABL.

Nature of costs	Amount (£)
Expenses incurred by the Administrators-in-waiting (Gateley)	CML £49,612.46 ABL £23,347.04 Plus legal disbursements of £6.00 in CML only
Total	CML £49,618.46 ABL £23,347.04

We decided not to seek approval for payment of our own unpaid pre-appointment costs as detailed in our Proposals.

Appendix F: Other information

Court details for the administration:	High Court of Justice, Business and Property Courts in Leeds, Insolvency and Companies List (ChD) Case No. CR-2024-LDS-001068 (CML) Case No. CR-2024-LDS-001069 (ABL)
Company's registered name:	Charnwood Molecular Limited Aurelia Bioscience Limited
Trading name:	n/a
Registered number:	03550782 (CML) 07657187 (ABL)
Registered address:	8th Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL
Date of the Joint Administrators' appointment:	29 October 2024
Joint Administrators' names, addresses and contact details:	Ross David Connock of PricewaterhouseCoopers LLP, 1 Kingsway, Cardiff, CF10 3PW Edward Williams of PricewaterhouseCoopers LLP, 1 Chamberlain Square, Birmingham, B3 3AX Email: uk_chnwood_creditors@pwc.com (CML) Email: uk_aurelia_creditors@pwc.com (ABL)
Extension(s) to the initial period of appointment:	n/a