In accordance with Rule 3.35 of the Insolvency (England & Wales) Rules 2016 & Paragraph 49(4) of Schedule B1 to the Insolvency Act 1986

AM03
Notice of administrator's proposals

Companies House

SATURDAY

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A11 30/06/2018 #63
COMPANIES HOUSE

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1 Company details

Company number	0 9 8 3 8 6 6 7
Company name in full	SCL Analytics Limited

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

2 Administrator's name

Full forename(s)	Vincent John
Surname	Green

3 Administrator's address

Building name/number	4
Street	Mount Ephraim Road
Post town	Tunbridge Wells
County/Region	Kent
Postcode	T N 1 1 E E
Country	

4 Administrator's name ❶

Full forename(s)	Mark
Surname	Newman

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	4
Street	Mount Ephraim Road
Post town	Tunbridge Wells
County/Region	Kent
Postcode	T N 1 1 E E
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM03
Notice of Administrator's Proposals

6 Statement of proposals

☑ I attach a copy of the statement of proposals

7 Sign and date

Administrator's Signature

Signature
×

×

Signature date

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AM03
Notice of Administrator's Proposals

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: Vincent Green

Company name: Crowe U.K. LLP

Address: 4 Mount Ephraim Road

Post town: Tunbridge Wells

County/Region: Kent

Postcode: TN1 1EE

Country:

DX:

Telephone: 01892 700 200

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

Important information

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

Where to send

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

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

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse 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

Crowe

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www.crowe.co.uk

Joint Administrators' Proposals relating to

SCL Analytics Limited ("the Company") – In Administration

Issued on: 27 June 2018

Vincent John Green and Mark Newman are the Joint Administrators of the Company and these are the statutory proposals relating to the Company.

1. STATUTORY INFORMATION

Company Information

Company name:	SCL Analytics Limited
Previous name:	None
Trading name:	SCL Analytics Limited
Company number:	09838667
Date of incorporation:	23 October 2015
Trading address:	55 New Oxford Street, London, WC1A 1BS
Current registered office:	4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE
Former registered office:	2nd Floor, 1 Westferry Circus, Canary Wharf, London E14 HD
Principal trading activity:	Holding Company

Appointment Details

Joint Administrators	Vincent John Green and Mark Newman
Joint Administrators' address	4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE
Date of appointment	3 May 2018
Court name and reference	High Court of Justice No. 2018-003656
Appointment made by:	The High Court of Justice
Actions of Administrators:	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.
Other U.K. subsidiaries of Emerdata Limited subject to Administration Orders:	SCL Group Limited; SCL Social Limited; SCL Commercial Limited; SCL Elections Limited; Cambridge Analytica (UK) Limited ("the U.K. subsidiaries")
U.S. subsidiaries of Emerdata Limited subject to Chapter 7 procedure	Cambridge Analytica LLC; SCL USA Inc. ("the U.S. subsidiaries")
The Group	All U.K. and U.S. subsidiaries. of Emerdata Limited subject to Administration Orders or Chapter 7 procedures
Director:	Julian David Wheatland, *Appointed 23 October 2015*
Directors (in the past 3 years	Roger Michael Gabb *Appointed 23 October 2015, Resigned 28 March 2018* Alexander James Ashburner Nix *Appointed 23 October 2015, Resigned 30 April 2018*
Company secretary:	*None*
Share Capital	1,000 ordinary £1 shares issued, called up and fully paid
Charges:	None

2. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATORS

The Company undertook no trading activity and it is a holding company. The Company is part of the SCL Group of Companies ("the Companies') which includes both U.K. and U.S. subsidiary companies. The nature of the Companies' businesses means that they were involved in large scale behavioural research and strategic communications. They are associated with the U.S. company Cambridge Analytica LLC. Controversy in relation to this Company significantly contributed towards the cash flow difficulties of the trading entities.

The financial statements filed for the Company for the year ended 31 December 2016 had shown that the Company had net current assets of £375,906 with current liabilities of £259,883 giving net current assets of £116,023. The Company had fixed assets of £300 and had net assets of £116,323.

For the year ended 31 December 2017 the Company generated no turnover and a loss of £42,083. It should be noted that the internally produced management accounts have not been verified for accuracy by the Joint Administrators and therefore may not reflect the Company's true trading position.

As widely reported in the media, there were accusations in certain U.K. and U.S. newspapers that created significant adverse publicity about the use of Facebook data by the Companies leading to the loss of several contracts and projects that the Companies were engaged in. Given the adverse press coverage, there was damage to the brand affecting all of the Companies. As a result, many clients either withdrew their business or resolved to withhold or contest payment of their accounts. In some instances, clients demanded the return of funds paid on account of work being done.

The position of the U.K Subsidiaries was further compounded by The Information Commissioner's Office ("the ICO") 'raiding' the SCL Elections Limited leasehold trading premises at 55 New Oxford Street, London WC1A 1BS on 23 March 2018 and seizing all the U.K. Companies' computer equipment holding financial and other records and data on site at that time.

The seizure of the computer and other electronic equipment of the U.K Subsidiaries meant that the existing customer projects could not be completed and the Company encountered difficulty in accessing and using data management tools and other data technology.

At the time as the seizure, the U.K Subsidiaries were in the process of changing accounting software from SAGE to NetSuite. The computers seized included file servers which contained some of the financial transaction reports and information, this led to difficulties in establishing the financial status of the U.K Companies with not all accounting entries being transferred from SAGE to NetSuite. This had the effect of compromising the accuracy of financial information available to the Joint Administrators

With little or no income from customer projects, creditors started pressing for payment. Due to the difficulties with collection, the U.K Subsidiaries found it increasingly difficult to meet the sums outstanding or demands for refunds.

Despite the foregoing, SCL Elections Limited continued to employ its staff after the ICO visit and these staff were paid to the end of April 2018.

In view of the financial position of the U.K Subsidiaries, the director, Julian Wheatland made application to the High Court for Administration Orders with a view to exploring the opportunity of securing a sale of the U.K Companies' business assets as a going concern or of their underlying businesses so that a better realisation might be achieved for the U.K Companies and their assets than if the Companies were wound up through the liquidation process.

The Application was heard in the High Court on 2 and 3 May 2018 and an Administration Order was granted in respect of the following U.K Companies on 3 May 2018 at approximately 3:30pm:

- SCL Elections Limited
- SCL Group Limited
- SCL Commercial Limited

- SCL Social Limited
- SCL Analytics Limited
- Cambridge Analytica (UK) Limited.

Prior to the commencement of the Administration, Crowe U.K. LLP (previously Crowe Clark Whitehill LLP) assisted the director with the preparation of outcome statements which compared different outcomes for the Companies and these formed part of his witness statement which accompanied his application for an Administration Order. No advice was given to the director regarding the impact of the insolvency of the Company on his personal financial affairs. Whilst not formally in office at that time, Vincent Green was still required to act in his dealings with the Company in accordance with the Insolvency Code of Ethics.

As required by the Insolvency Code of Ethics, Vincent Green and Mark Newman considered the various threats to their objectivity arising from this prior involvement. They concluded that those threats were at an acceptable level such that they could still act objectively and hence could be appointed Administrators of the Company.

On 3 May 2018, Vincent Green and Mark Newman were appointed by the High Court as Joint Administrators of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company. The appointment permitted the Joint Administrators to take any actions required either jointly or alone, and Vincent Green has been the Administrator primarily involved in dealing with the Company's affairs.

3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATORS' STRATEGY FOR ACHIEVING THEM

As Joint Administrators of the Company, Vincent Green and Mark Newman are officers of the Court, and must perform their duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:

(a) rescue the Company as a going concern; or

(b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or

(c) realise property in order to make a distribution to one or more secured or preferential creditors.

The Joint Administrators considered the first objective. However, the first objective could not be achieved as no purchaser could be found for the shares of the Company having regard to the adverse publicity, the actions of the ICO and the withdrawal or withholding of projects by the Company's clients.

The second objective, this being in accordance with the application for the Administration Order, was that the Joint Administrators explore the opportunity of securing a sale of the business assets of the U.K Subsidiaries as a going concern so that a better result for the U.K Companies creditors as a whole would be achieved than if the U.K Companies were wound up. In a winding-up by the Court, the Secretary of State would apply fees which would become payable by the Company.

The Joint Administrators instructed Lambert Smith Hampton ("LSH or the Agents") as agents and valuers to assist with the marketing of the U.K Subsidiaries' business assets which was undertaken at short notice. The Agents attended the trading premises and met with the Joint Administrators and the U.K Subsidiaries' remaining management team with a view to preparing a sales campaign to endeavour to find a buyer for the business assets. This proved difficult due to the absence of credible accounting records to include within a sales prospectus.

The third objective could only be achieved if sufficient value was achieved from asset realisations to make a distribution to the preferential creditors. For the avoidance of doubt, the Company has no secured or preferential creditors.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. As a result of the three objectives set out above not being achievable, the Joint Administrators now propose the Administration of the Company be converted to a winding-up by the Court, further information relating to this proposal is detailed in the body of this report.

4. ACTIONS OF THE ADMINISTRATORS FOLLOWING APPOINTMENT

Following the making of the Administration Order on 3 May 2018 at approximately 3:30pm the Joint Administrators immediately attended the leasehold trading premises of the U.K Subsidiaries with their appointed independent agents, LSH, to take charge of and secure the assets of the U.K Subsidiaries and to undertake an immediate review of the Company's financial and operational position.

Attendance at the trading premises

The Joint Administrators immediately met with the senior management team and all U.K Subsidiaries staff that were in attendance to notify them of the Administration Order, the consequences of the Administration Order and the duties of the Joint Administrators. The employees were told that they would continue to be employed by SCL Elections Limited and paid out of asset realisations as a cost of the Administration, if such funds became available. The Joint Administrators advised that they would not be adopting any employee contracts.

At the time of their arrival at the trading premises of the U.K Subsidiaries the director of the Company, Julian Wheatland, was not in attendance although the Joint Administrators immediately contacted him to advise of their appointment. Mr Wheatland met with the Joint Administrators soon thereafter.

Ongoing projects / work

It became immediately clear to the Joint Administrators that due to the seizure of the U.K Companies' file servers and laptop computers they were unable to undertake or continue any project work for their clients with such clients withdrawing from or withholding projects due to the Group's predicament. The employees consequently had little or no work to undertake and hence the businesses were unable to actively trade.

The Joint Administrators held discussions with the U.K Subsidiaries' senior management regarding the work in progress that existed at the date of Administration to ascertain whether any of the projects could be progressed during the Administration period. The Administrators were told that, as mentioned above, no such progression could be made as clients had withdrawn or were withholding projects until the future of the business could be ascertained.

The Information Commissioners Office ("the ICO")

Under the terms of a warrant to enter and search premises granted by the High Court on 23 March 2018, representatives of the ICO removed any documents or other material that may have provided evidence of offences under section 55 of the Data Protection Act 1998. The ICO attended the Premises and the server hosting sites. As indicated above, the U.K Subsidiaries' file servers were removed together with all laptops and electronic data storage devices at the Premises at the time of the ICO's attendance.

At the date of Administration the file servers and laptops were still being held by the ICO and the government department had been communicating with the U.K Subsidiaries' representatives and appointed solicitors. The ICO were seeking, amongst other information, login scripts and passwords to commence their review.

Immediately upon their appointment the Joint Administrators made contact with the ICO to obtain copies of the notices served on the U.K Companies and to obtain a list of the equipment seized. Through solicitors instructed by the Joint Administrators, Underwoods Solicitors ("Underwoods"), and also direct communications with the ICO, consents were given where possible and appropriate, for the data held on the electronic equipment to be imaged, this facilitated the return of the computer hardware to the U.K Subsidiaries. Following agreement with the ICO and the provision of necessary consents, the ICO returned the majority of the laptops on 14 May 2018. However, the file servers are still held by the ICO.

The Joint Administrators continue to co-operate with the ICO to endeavour to secure the recovery of the file servers and also to provide details of the software and platforms used by the Companies in their business. No data has been processed by the Joint Administrators, this matter was dealt with in the case of *Smith v The Information Commissioner, re Southern Pacific Loans Ltd (2014) 2 WLR 1067.* In this matter, the Court held that the liquidators were not Data Controllers within the meaning of the Data Protection Act in respect of data processed by the company prior to its liquidation. These principles apply to the Joint Administrators.

The absence of the file servers has contributed to the difficulties encountered by the Joint Administrators in ascertaining credible financial information of the Company. The Joint Administrators comment on this issue is under the financial information section of this report.

Communication with US Attorneys, representatives of U.S. subsidiaries and authorities in US
The Joint Administrators were not appointed in any capacity in respect of Cambridge Analytica LLC or SCL USA Inc. or other U.S. related companies.

Both Cambridge Analytica LLC and SCL USA Inc. are subject to Chapter 7 proceedings in the US with independent Trustees being appointed. The Joint Administrators have and continue to communicate with the U.S. Trustees regarding the Company and the U.K. subsidiaries. The communications include the sharing of information, where possible and appropriate, on the assets and liabilities of the Companies, and locating and securing access where possible to data platforms used.

There have been requests and demands from various U.S. authorities for the delivering-up of the Companies records and data held. All parties have been notified that this information is currently held by the ICO and that the Joint Administrators are not Data Controllers so are therefore unable to comply with the requests.

Subject Access Requests ("SAR")
The Joint Administrators have received a significant number of SARs to include those whom subscribe to Facebook. The Joint Administrators have responded to all such requests advising that they are not Data Controllers and accordingly are unable to provide information requested by individuals in their SARs.

The Joint Administrators continue to receive SARs and will respond to all future requests consistently to advise that they are not Data Controllers

Legal cases and enquiries
The Joint Administrators have been notified of claims made against the Group Companies prior to Administration mostly relating to the alleged misuse of data. Where notified the Joint Administrators have with the assistance of their solicitors, Underwoods, acknowledged receipt of such claims but at this stage have not adjudicated the claims received.

The Joint Administrators are of the opinion that further claims may yet be made and these will be reported as the insolvency procedure for the U.K Subsidiaries progresses.

Solicitors
The Joint Administrators have been notified of claims made against the U.K Subsidiaries prior to Administration mostly relating to the alleged misuse of data. Where notified the Joint Administrators have with the assistance of their solicitors, Underwoods, acknowledged receipt of such claims but at this stage have not adjudicated the claims received.

The Joint Administrators are of the opinion that further claims may yet be made and these will be reported as the insolvency procedure for the Company progresses.

Media coverage and responses
As mentioned, the Companies have been subjected to media coverage primarily in the U.K. and U.S. relating to the allegations of the misuse of data. Further reports have been made on the actions taken by the ICO, the insolvency of the Companies and the implications on the U.K. and U.S. subsidiaries.

The Joint Administrators, through Crowe U.K. LLP's experienced communications and business professionals, have responded to the Press where requested and appropriate to the issues raised. Also on their website the Joint Administrators confirmed that since their appointment they have collated information regarding the U.K. subsidiaries to analyse the financial situation of the businesses and have fully complied with their statutory obligations.

The Joint Administrators have also confirmed that they had marketed the business assets of the U.K Subsidiaries to fully explore any opportunity to sell them as a going concern in their entirety or in part. The Joint Administrators further advised that no acceptable offers had been forthcoming. As a consequence, The Joint Administrators had little alternative but to terminate the employment contracts of all staff of the U.K. subsidiaries on 22 May 2018.

The Joint Administrators have also advised that due to the nature of their work, and in light of their statutory duty to investigate the affairs of the Company, they are not able to release any financial information which might impair such investigations. The position remains the same at the time of preparing this report.

Financial information
The Company and the U.K Subsidiaries had used SAGE accounting software to record its financial information for the period to 31 December 2017. The Companies resolved to change their accounting software to NetSuite for 2018, a cloud based system, and was in the process of transferring accounting information from SAGE at the time of the ICO seizure of the file servers. The seizure of the file servers meant that the U.K Companies was not able to complete the exercise of changing software. At the time of the Administration, the U.K Companies had employed an interim financial accountant to assist with the management of accounting functions but primarily focused upon cash flow.

Upon review of the recorded financial information, it appeared that closing balances were not all transferred from SAGE to NetSuite and thus it was difficult to ascertain the actual financial position of the Company and the U.K Subsidiaries. Considerable time has been incurred to complete a financial review of the Company, by referring to both SAGE and NetSuite and also working with an interim financial accountant engaged by the Companies prior to Administration.

Whilst the director has prepared an Estimated Statement of Affairs as at 3 May 2018 it appears that further work is necessary to establish the correct position as at the commencement of the Administration and thereafter to examine the balances shown.

The absence of reliable financial information hindered the extent that financial data was available for inclusion in the Agents' prospectus given to those that initially expressed an interest in the business assets of the U.K Companies.

The Joint Administrators continue to review the accounting and other information of the Company and the U.K Subsidiaries with a view to enhancing the extent of realisations to include debtors, work in progress, loans and advances and also from their investigations which remain ongoing.

Tangible assets held by the company
The Company did not hold any tangible assets.

Employees
As indicated the Company had no employees and instead where required relied upon the resources of staff employed by SCL Elections Limited. Upon receiving confirmation from the Agents that no acceptable offers had been made relating to the sale of the business assets, the Joint Administrators had no alternative but to terminate the employment contracts for all members of staff of SCL Elections Limited.

Throughout the duration of the Administration, the employees of SCL Elections Limited have been reminded of the consequences and restrictions regarding the use of, removal, changing or deletion of data covered by the actions of the ICO under its enforcement notice. The Joint Administrators have sought and continue to seek signed declarations that any equipment or data belonging to the U.K Companies has been returned to the Joint Administrators.

Barclays Bank Plc ("the Bank")
The Bank was served with notice of intention to appoint Joint Administrators and were immediately notified of the appointment when it was made on 3 May 2018. All bank accounts for the Companies over which the Joint Administrators were appointed were immediately frozen and all direct debits, standing orders and other payments were cancelled. The balances held in the accounts held have since been passed to the Joint Administrators.

General
The Bank was served with notice of the appointment when it was made on 3 May 2018. All bank accounts for the Companies over which the Joint Administrators were appointed were immediately frozen and all direct debits, standing orders and other payments were cancelled. The balances held in the accounts held have since been passed to the Joint Administrators.

With the absence of ongoing projects and the ICO seizing the U.K Subsidiaries' computer equipment, the U.K Subsidiaries did not actively trade during the Administration period. However, having regard to the nature of the businesses, the Joint Administrators explored the opportunity to sell the business assets of the U.K Subsidiaries and the possibility of transferring U.K Companies employee entitlements under the Transfer of Undertakings (Protection of Employment) Regulations ("TUPE"). Therefore, the employees were retained by SCL Elections Limited to endeavour to achieve these outcomes.

Role of the Insolvency Practitioner

Vincent Green was introduced to the Board of the Company by Emerdata Limited ("Emerdata"), the ultimate parent company, on 26 April 2018, having first met with a representative of Emerdata's Board on 24 April 2018. These meetings were to discuss the proposed Administration of the Company.

Prior to the commencement of the Administration, Vincent Green assisted the Company's director with the preparation of an estimated outcome comparison statement. A comparison of outcomes was made between book value figures, and the estimated outcome of Administration versus that of a Liquidation. This statement was based on the limited information available at that time. This document was to accompany a Witness Statement required as part of the Application for an Administration Order.

In an engagement letter dated 26 April 2018 to Emerdata, covering the U.K. subsidiaries, the options available were confirmed, and advice was given to the respective Boards about the Companies' financial difficulties. Further advice was provided about the options available to the Company to help determine an appropriate course of action to take. As stated above, no advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, Vincent Green was still required to act in his dealings with the Company in accordance with the Insolvency Code of Ethics.

In this instance the tasks undertaken by Joint Administrators included those summarised above and include:

- Statutory notification of the Administration Order, as required under the Insolvency Act 1986.
- Attending the Premises to secure the assets, where possible, of the U.K Companies.
- Insuring the assets of the U.K Companies
- Instructing the Agents to assist with exploring the possibility of selling the business assets of the U.K Companies.
- Notifying U.K Companies' staff of the Administration, its implications and their continued employment by SCL Elections Limited.
- Liaising with the interested parties following the marketing undertaken by the Agents
- Liaising and dealing with the ICO regarding its enforcement notice, its implications and the computer and other equipment seized.
- Liaising with the U.S. representatives and Trustees of the U.S. subsidiaries
- Liaising, where possible, with the Companies' IT specialist regarding the systems operated by the Company to ensure that these were, where possible, protected.

Ultimately the Company was placed into Administration and Vincent Green with Mark Newman were appointed Joint Administrators. As Joint Administrators, Vincent Green and Mark Newman are officers

of the Court and they have taken over the management of the Company from the Board. As indicated above, the intention of the Administration was to achieve the second objective (b).

In order to help Administrators achieve the objective of Administration they have a wide range of powers, as set out in the insolvency legislation, and the Joint Administrators must perform their functions as quickly and efficiently as is reasonably practicable. The Joint Administrators must also act in the interests of the creditors of the Company as a whole other than where objective (c) is being pursued whereby the Joint Administrators need only ensure that they do not unnecessarily harm the interests of the creditors of the Company as a whole.

Pre-appointment considerations

Consideration was given as to whether Administration was an appropriate course of action for the Company as opposed to a Creditors' Voluntary Liquidation ("CVL") or a Company Voluntary Arrangement ("CVA"). It was determined that pursuing a sale as a going concern in an Administration would preserve the value of the U.K Companies business and assets.

The alternative of a CVL was discounted as there existed a possibility of realising a higher value for the assets of the U.K Companies in an Administration. As a holding Company, the CVA procedure was not appropriate for the Company.

As a result of the significant funds already invested into the Group Companies previously and the significantly damaged goodwill, working capital funding was not achieved from potential funders. The director's press statement related solely to employee entitlements and was made whilst the Court was considering the Administration application, at a point too late to be considered as working capital funding.

Valuation and marketing of the business and assets

On 29 May 2018, a valuation of the assets of the U.K Subsidiaries was prepared by the Agent, being an independent firm of valuers, qualified by the Royal Institution of Chartered Surveyors ("RICS"), who have confirmed that they hold Professional Indemnity Insurance. As indicated earlier, the Company did not hold any tangible assets and did not trade and therefore the appointed Agents could only review the position and possible value of any purported intangible assets.

The valuation for the U.K Subsidiaries' assets was prepared in accordance with the RICS Valuation – Global Standards 2017 and the International Valuation Standards 2017 and was prepared on the basis of Market Value, which is defined by RICS Valuation Professional Standards as:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.

The valuation of the assets was completed in contemplation of a sale, both as forming part of the assets of a continuing business and a close down and piecemeal disposal under restricted marketing conditions.

Following the Joint Administrators' instructions, the Agents attended the trading premises and met with the remaining U.K Subsidiaries' management team with a view to preparing a sales campaign to try and find a buyer for the business.

The Agents prepared an 'email taster' along with a sales prospectus, albeit this was limited due to the lack of any credible accounting information. The email taster was forwarded to approximately 18,000 parties on the Agent's buyers database. The opportunity was also listed on the Agent's website under their Business for Sale section and social media in the form of Twitter was also used to bring the sale to public attention and it was listed on the Agent's LinkedIn page which resulted in a further 429 views.

The Agent also completed online searches for direct competitors and identified a further 52 companies. These companies were subsequently emailed details of the business opportunity. Where email

addresses could not be obtained a 'cold calling' operation was undertaken to try to ascertain their possible interest.

The U.K Subsidiaries' management team and workforce also provided details of a number of parties they felt could be interested. The Agents made attempts to directly contact each, and sent details of the business opportunity where possible.

A number of parties approached the Joint Administrators directly and their details were sent on to the Agents who subsequently forwarded them the sale prospectus.

All interested parties were required to complete and return a non-disclosure agreement to the Agents before further provision of information, other than that contained within the email taster.

In total 13 completed non-disclosure agreements were returned and sales details sent out. Following this a number of meetings took place, in the U.K. and via conference calls with interested parties situated abroad.

The final date for offers to be received was at 4:00p.m. on 21 May 2018. However, at 3:30pm on 21 May 2018, an expression of further interest was received and the Joint Administrators therefore provided an extension to the deadline to 22 May 2018. Overnight, the last minute interest expressed fell away.

Four offers were received for the assets of the U.K. subsidiaries as follows:

- £1 for the business and IPR
- £10,000 / £15,000 for the assets of the UK subsidiary companies
- £1 for the name 'Cambridge Analytica'.
- £300 for the name 'Cambridge Analytica'.

The Agents advised that the offers received were all at disappointing levels, this being attributed to the restrictions resulting from the ICO action (their removal of the majority of the IT equipment), and various overseas enforcement agencies giving notice which prevented the sale of the laptops and servers and data. The sum of the offers were also affected by the lack of any credible accounting information. The Agents recommended that the offers should not be accepted and that the assets still available for sale should be realised by private treaty with all IT equipment scheduled and delivered to the Administrators office pending the release of the various injunctions and notices etc.

5. FINANCIAL POSITION OF THE COMPANY

A summary of the Company's estimated financial position as at 3 May 2018, which is known as a Statement of Affairs ("SofA"), is attached at **Appendix I**.

The director of the Company was asked to submit a SofA by 24 May 2018. However, as already mentioned in these Proposals, the seizure of the U.K Subsidiaries file servers and also the incomplete transfer of transactions from SAGE software to Net Suite has led to difficulties in establishing the extent of the Company's assets and liabilities. Having regard to this the director sought an extension of time to submit his completed SofA to 21 June 2018 and after due consideration this was granted by the Joint Administrators. The director sought a second extension of time to 22 June 2018 and the completed SofA was eventually received at 23:30pm (G.M.T.) on 22 June 2018.

Comments on the SofA/ Administrators' estimate of the financial position of the Company

Investments (Book Value ("BV") £300; Estimated to realise ("ETR") £0)

This represents shares owned regarding SCL Group and the director has not shown any estimated to realise value.

SCL Group is subject to an insolvency procedure and the Joint Administrators would concur that any realisation is unlikely.

Bank accounts – BV £28; ETR £28

The SofA shows a bank account, held with Barclays Bank Plc, of £28 to be fully recoverable.

The Joint Administrators abstract of receipts and payments show an amount recovered from the Bank of £28.

Trade debtors – BV £0; ETR £0

The director has included trade debtors in his SofA but has not shown any value to trade debtors.

The Joint Administrators will review the position of trade debtors having regard to the SAGE and NetSuite software.

Directors loan – Alexander Nix – BV £25,700; ETR £25,700

The SofA shows a balance due from Mr Alexander Nix of £25,700 in respect of his loan account and for this sum to be fully recoverable.

It should also be noted that the director has shown Mr Nix as a creditor for £97,990 in respect of a dividend proposed on 31 July 2016.

As indicated above, these balances are subject to further review by the Joint Administrators and they will communicate with the director regarding their findings.

SCL Elections Limited – BV £147,283; ETR £0

SCL Elections Limited is subject to an Administration Order and the director has shown £147,283 as being due from that company with no estimated realisable value.

The balance shown above requires a full reconciliation by the Joint Administrators.

Preferential creditors

The Company has no employees and consequently there are no known preferential liabilities.

Prescribed part

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

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

up to a maximum of £600,000.

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

Unsecured creditors – BV £100,590

The director has shown unsecured creditors of £100,590 and these claims will be subject to adjudication in due course either by the Administrator or any subsequently appointed Liquidator.

To date a claim from 1 unsecured creditor has been received totalling £1,609 where the SofA value is shown as £2,400. Accordingly, the Joint Administrators have not received claims from 2 unsecured creditors with original estimated claims in the SofA of £98,190.

It is not anticipated that a distribution will be payable to unsecured creditors unless additional assets come to light during the course of the Administrators' investigations.

General

The Joint Administrators are presently reviewing the Company's accounting and other records and will be communicating with the interim financial accountant, certain former employees of SCL Elections Limited and the director to assist with any enquiries the Joint Administrators may have. These enquiries may result in further asset realisations or lead to investigative work.

6. ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

A summary of the receipts and payments relating to the Company for the period from when it entered Administration, being 3 May 2018, to the date of these proposals, is attached at **Appendix II**.

7. PROPOSED FUTURE ACTIONS OF THE ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

With the three Administration objectives not being achievable, as set out above, the Joint Administrators now propose the Company be converted to a Compulsory liquidation and we propose making application to the Court for a winding-up order. Further information relating to this proposal is detailed in the body of this report.

8. ADMINISTRATORS' REMUNERATION AND EXPENSES

We attach at **Appendix III** a copy of our practice fee recovery policy. In this case we are seeking to fix the basis of our remuneration on a fixed fee basis as detailed below:

Remuneration

Fixed fee basis:

There are certain tasks that we have to carry out on nearly every case, namely 'Administration' and 'Creditors'. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

Administration
This represents the work that is involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the office holders (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Claims of creditors
The office holders need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holders will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holders are required to undertake this work as part of their statutory functions.

Dividends
Should a distribution be payable to creditors, the office holders have to undertake certain statutory formalities in order to enable them to pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

Case specific matters:
Due to the complexity of this case, there are certain matters for which work needs to be undertaken, the majority of which will likely not create a direct financial benefit for creditors of undertaking the work, but

it is required to be undertaken by statute, although they may identify potential recovery actions. The case specific matters include those detailed previously in this report, including, but not limited to:

- The ICO investigation;
- Communication with U.S. Attorneys, representatives of U.S. subsidiaries and authorities in the U.S.;
- Legal cases and enquiries;
- Review of the Company's financial transactions; and,
- Media coverage and responses.

After taking into account the nature and value of the assets involved and that this is a complex case, as highlighted above, we have concluded that a fixed fee of £25,000 plus VAT is necessary to cover that work excluding any investigative work necessary to support legal proceedings to recover assets of the Company. We have also compared the proposed fixed fee with our past time records for undertaking the work in respect of cases of a similar size and complexity and taken that into account when determining the level of the fixed fee sought, and as a result the Joint Administrators believe that this demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work anticipated to be necessarily and properly undertaken. Full information about the work that we will undertake for the fixed fee is contained in Appendix IV.

This proposed fixed fee has been provided to creditors at a relatively early stage in the administration of the case and before the office holder has full knowledge of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in respect of cases of a similar size and apparent complexity. As a result, the proposed fixed fee does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case by the office holder exceed the proposed fixed fee, or is likely to exceed the estimate, the office holder will provide an explanation as to why that is the case in the next progress report sent to creditors.

An amount of £221,792.50 has been paid directly by Emerdata Limited to a client account operated by Crowe U.K. LLP. These monies were advanced to partially discharge the Joint Administrators' fees for each of the U.K. subsidiaries that are in Administration. An amount of £9,643.15 has been paid from these funds and the fixed fee balance of £15,356.85 remains to be approved by creditors as part of these Proposals.

Details of the time units used and current charge-out rates are provided in our practice fee recovery sheet, a copy of which is enclosed at **Appendix III**.

Since the office holder cannot draw remuneration in excess of this proposed fee without first obtaining approval to do so, then where the office holder considers it appropriate in the context of the case, they will seek a resolution to increase the fixed fee, if appropriate and necessary, so that they will then be able to draw additional remuneration over and above this sum.

Investigations

There are certain tasks that we only have to carry out where there are assets to recover, namely investigations. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. We undertake the work to protect and then realise the assets. We are not at this stage seeking a resolution for fees for on behalf of investigatory work but expect to do so.

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and

further information will be provided to creditors and a request for approval for fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if a request for approval is necessary. The office holder has held initial discussions with The Insolvency Service but in view of the complexities of this case and the high profile of matters highlighted by the media no further comment can be made at this stage. The office holder is unable to quantify the benefit to creditors of these investigations at present but will include such information in their statutory report to creditors once the position is clear.

The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

The Joint Administrators anticipate needing to seek approval to if this work leads to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings.

Expenses

The following expenses have been incurred by the Joint Administrators since their appointment:

Type of expense	Amount incurred/accrued since appointment	Amount still to be paid
Statutory Advertising	£46.26	£46.26
Redirection of Mail	£204.00	£204.00
Total	**£250.26**	**£250.26**

The Joint Administrators have not drawn any expenses from asset realisations in this matter, to the date of this report.

In addition to the expenses already incurred, the Joint Administrators anticipate that the following expenses will arise in these proceedings.

- Advertising costs estimated at £500 in association with advertising the Joint Administrators' proposals and where appropriate, the advertising for the submission of claims in the Administration and advertising notices of intended distributions in the London Gazette.

The Joint Administrators also propose that they are permitted to charge and recover what are known as category 2 expenses. Information about category 2 expenses is set out in our practice fee recovery policy at **Appendix III**.

If a Creditors' Committee is appointed, it will be for the Committee to approve the payment of category 2 expenses. If a Committee is not appointed, then the Joint Administrators will be seeking a decision from the creditors at the same time a decision is sought from them on whether or not to approve these proposals.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals ("R3") at http://www.creditorinsolvencyguide.co.uk/. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.insolvency-practitioners.org.uk. There are different versions of these Guidance Notes, and in this case please refer to the October 2015 version. Please note that we have also provided further details in the practice fee recovery sheet.

The Joint Administrators have not drawn any expenses in this matter to the date of this report.

The Joint Administrators have also used the following agents or professional advisors since their appointment as Joint Administrators:

Professional Advisor	Nature of Work	Basis of Fees	Cost Incurred	Paid to Date
Lambert Smith Hampton Group Ltd	Valuer	Time Costs & Disbursements	£26,046.00	£26,046.00
Back Row IM Limited	Financial Accountancy	Time Costs & Disbursements	£20,308.11	£20,308.11
Information Protection Solutions Ltd	Record collection, listing and storage	To be agreed	Uncertain	Nil
Law Abroad Limited t/as Underwoods Solicitors	Legal Advice & Counsel Disbursements	Time Costs & Disbursements	£45,786.84	£15,204.00
Total			**£92,140.95**	**£61,558.11**

The above sums are inclusive of VAT and relate to the all the U.K. subsidiaries with the exception of Clumber Consultancy Limited and Moorepay Payroll & HR Solutions Limited, which relate solely to SCL Elections Limited, as the only U.K. subsidiary that employed staff.

The choice of professionals was based on the Joint Administrators' perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. The Joint Administrators also considered that the basis on which they will charge their fees represented value for money. The Joint Administrators have reviewed the charges they have made and are satisfied that they are reasonable in the circumstances of this case.

The agents and professional advisors costs as detailed above have to date been settled by a third party, namely Emerdata Limited, the group parent company. No funds have been paid out of asset realisations in respect of these costs.

As previously advised, LSH were instructed as agents and valuers to assist with the marketing of the business assets. Information relating to the work undertaken on the Joint Administrators' behalf is included in the body of this report.

Back Row IM Limited, being engaged by the U.K. subsidiaries prior to the involvement of the Joint Administrators were retained by the Joint Administrators to complete a financial review of the U.K. subsidiaries. The costs stated above relate solely to work completed post appointment for the period ended 24 May 2018. Accordingly, it is expected that further costs may remain outstanding, the quantum of which is not yet known or approved.

We are required to take the Company's and the U.K. subsidiaries' books and records under our control. The Joint Administrators engaged Information Protection Solutions Ltd in the collection and archiving of boxed records. The costs associated with this exercise are yet to be confirmed.

As previously advised, the Joint Administrators resolved to instruct their own Solicitors, being Underwoods, to assist them during the post Administration period. The work undertaken on the Joint Administrators' behalf is included in the body of this report. However, for the avoidance of doubt, legal advice has been provided to the Joint Administrators in regards to claims made against the Company and the U.K. subsidiaries prior to Administration mostly relating to the alleged misuse of data, communications with the ICO, clarity on the position of the Joint Administrators not being Data Controllers, on the strategy of the Administrators, general employment advice, and legal advice on the Joint Administrators' Proposals. Of the £15,204.00 paid to Underwoods by Emerdata, £3,150.00 relates to Counsel's fees.

In addition to the £15,204.00 paid to Underwoods to date, the Joint Administrators understand a further bill will submitted for approval in the sum of £30,582.84 (£4,980.00 of which relates to Counsel's fees). We will require a breakdown of this invoice between the U.K. companies prior to the invoice being discharged. Accordingly further information on the sum of legal fees to be paid by the Company will be given in our next progress report.

In addition to the expenses already incurred for the U.K Companies, the Joint Administrators anticipate that the following expenses totalling £19,500 will arise in these proceedings.

- Legal costs estimated at £7,500 plus VAT, in association with the claims made against the Company and the U.K. subsidiaries prior to Administration, communications with the ICO and any other legal advice as required;
- Agents' fees estimated at £1,500 plus VAT in association with the marketing and sale of the Company's and the U.K. subsidiaries' remaining assets.
- Financial Accountancy fees estimated at £2,500 plus VAT in association with the financial review of the Company's affairs and the U.K. subsidiaries;
- US Attorney Legal costs estimated at £5,500 plus VAT in association with a review of the Companies representations in the US, the protection of the Company and the U.K. subsidiaries assets and to consider the position of claims, whether actual or contingent, made against the Company and the U.K. subsidiaries;
- IT specialist costs estimated at £1,250 plus VAT in association with an intended IT forensic investigation;
- Postage costs and statutory advertising are anticipated to be £500 plus VAT; and,
- Collection, archival and storage costs of the Company's and the U.K. subsidiaries' books and records estimated at £750 plus VAT.

Expenses do not have to be approved, but when reporting to the committee and creditors during the course of the Administration the actual expenses incurred will be compared with the original estimate provided and we will explain any material differences (e.g. where legal costs rise due to escalated recovery action).

9. PRE-ADMINISTRATION COSTS

Under the terms of the Administration Order it was ordered that the pre-Administration costs be settled as a cost of the Administration.

All costs have been settled by a third party, Emerdata, to enable the application for the Administration Order. These costs will be reimbursed to Emerdata from Administration funds should funds become available to allow this. For the avoidance of doubt, no pre-Administration costs have been reimbursed to Emerdata Limited to date.

The following statement sets out the pre-Administration costs incurred by the U.K Companies:

Professional Advisor	Nature of Work	Paid
Tiger Law Ltd	Legal Advice/Administration Application	£27,854.80
Law Abroad Limited t/as Underwoods Solicitors	Legal Advice & Counsel Dibursements	£33,944.76
Total		**£61,799.56**

Of the £33,944.76 paid to Underwoods, an amount of £12,000.00 relates to Counsel's fees.

As stated above, prior to the commencement of the Administration, Crowe U.K. LLP assisted the director with the preparation of estimated outcome comparisons statements to accompany a witness statement, as required as part of the application for an Administration Order. Additionally, the options available to the Company and the UK subsidiaries were confirmed and advice was given to the common directors about the financial difficulties and the options available to help determine an appropriate course of action. The agreed fixed fee was £25,000 plus VAT and this has been fully settled by Emerdata Limited.

We also assisted the Board in taking the appropriate steps to place the Company into Administration. This task, together with some of the other tasks mentioned above are required by statute or regulatory guidance, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

10. ADMINISTRATORS' INVESTIGATIONS

As Joint Administrators, we have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. The Joint Administrators are also

required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. We should be pleased to receive from you any information you have that you consider will assist us in this duty. We would stress that this request for information forms part of an Administrator's normal investigation procedure.

11. EC REGULATION ON INSOLVENCY PROCEEDINGS

We consider that the E.C. regulation on insolvency proceedings apply to the Administration of the Company. We also consider that they are "main" proceedings since the Company's registered office and its trading address are in the United Kingdom.

12. ADMINISTRATORS' PROPOSALS

As the objectives set out at section 3 above cannot be achieved, Vincent John Green and Mark Newman formally propose to creditors that:

1. Steps are taken to convert the Administration of the Company into a Compulsory Liquidation and that the Joint Administrators be appointed as Joint Liquidators.

2. In respect of proposal 1, Vincent John Green and Mark Newman be authorised to act either jointly or separately in undertaking their duties as Liquidators.

The Administration of the Company will end by applying to the Court for the Company to be placed into compulsory liquidation as proposed in 1 above and notice will be given to the Court, creditors and Registrar of Companies.

Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved. Information about the approval of the proposals is set out at section 13.

13. APPROVAL OF PROPOSALS

We are seeking decisions by correspondence from the creditors to approve our proposals, fix the basis of our remuneration, and to approve our category 2 disbursements. If a creditor wishes to vote on the decisions, they must complete and return the enclosed voting form to me by no later than 23.59 on 11 July 2018, the decision date. If a creditor has not already submitted proof of their debt, they should complete the enclosed form and return it to me, together with the relevant supporting documentation. A vote on the decisions by a creditor will not count unless they have lodged proof of their debt by no later than 23.59 on 11 July 2018.

Creditors are also invited to determine whether to form a Creditors' Committee, and a notice of invitation to form a Creditors' Committee and further instructions are enclosed. To enable the creditors to make an informed decision as to whether they wish to either seek to form a Committee, or to nominate themselves to serve on a Committee, further information about of the role of the Committee and what might be expected from its members has been prepared by R3 and can be found is available at the link: www.r3.org.uk/what-we-do/publications/professional/creditors-guides.

Please note that we must receive at least one vote by the decision date or the decisions will not be made. We would therefore urge creditors to respond promptly.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice that accompanies this letter. Such requests must be supported by proof of their debt, if not already lodged. We will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

14. FURTHER INFORMATION

To comply with the Provision of Services Regulations, some general information about Crowe U.K. LLP, including about our complaints policy and Professional Indemnity Insurance, can be found in the attached summary sheet.

If creditors have any queries regarding these proposals or the conduct of the Administration in general, or if they want hard copies of any of the documents made available on-line, they should contact Joe Longhurst on the above telephone number, or by email at recoverysolutions@crowe.co.uk.

Vincent John Green
JOINT ADMINISTRATOR

The Joint Administrators are agents of the Company and act without personal liability.

Rule 3.30

Statement of affairs

Name of Company	Company number
SCL Analytics Limited	09838667

In the High Court of Justice, Chancery Division, Companies Court [full name of court]	Court case number
	CR-2018-003697

(a) Insert name and address of registered office of the company

Statement as to the affairs of (a) SCL Analytics Limited

(b) Insert date

on the (b) 3 May 2018, the date that the company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 3 May 2018 the date that the company entered administration.

Full name Mr Julian David Wheatland

Signed J. D. Wheatland

Dated 22/6/18

SCL Analytics Limited

A - Summary of Assets

Assets	Book Value £	Estimated to realise £
Assets subject to Fixed Charge		
None		
Assets subject to Floating Charge		
None		
Uncharged Assets		
Investments	300	0
Bank accounts	28	28
Trade Debtors	0	0
Directors Loan - A. Nix	25,700	25,700
SCL Elections Limited	147,283	0
Estimated total assets for preferential creditors	£173,311	£25,728

Signature J.D. Wheller

Date 22/6/18

SCL Analytics Limited

A1 - Summary of Liabilities

		Estimated to realise £
Estimated total assets available for preferential creditors (carried over from Page A)		25,728
Liabilities		
Preferential creditors:-	£0	£0
Estmated deficiency/surplus as regards preferential creditors		£25,728
Estimated prescribed part of net property where applicable (to carry forward)	£0	£0
Estimated total assets available for floating charge holders		£25,728
Debts secured by floating charges	£0	£0
Estimated deficiency/surplus of assets after floating charges		£25,728
Estimated prescribed part of net property where applicable (brought down)	£0	£0
Total assets available to unsecured creditors		£25,728
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£100,590	£100,590
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		-£74,862
Shortfall to floating charge holders (brought down)	£0	£0
Estimated deficiency/surplus as regards creditors		-£74,862
Issued and called up capital	£100	£0
Estimated total deficiency/surplus as regards members	£	-£74,862

Signature J.D. Whalley Date 22/6/18

SCL Analytics Limited

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
PKF Littlejohn LLP	1 Westferry Circus, Canary Wharf, London E14 4HD	£2,400.00	None		£0.00
??? - shares		£200.00	None		£0.00
A. Nix		£97,990.20	None		£0.00
		£100,590.20			

Signature J.D. Wheeler

Date 22/6/18

SCL Analytics Limited

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal value	Details of Shares held
SCL Group Limited	c/o PKF Littlejohn, 1 Westferry Circus, Canary Wharf, London E14 4HD	1,000	£1.00	Ordinary

Signature J.D. Wakeford

Date 22/6/18

SCL Analytics Limited
(In Administration)

Joint Administrators' Summary of Receipts and Payments
To 27 June 2018

RECEIPTS	Statement of Affairs (£)	Total (£)
Cash at Bank	28.00	27.64
Director Loan Account - A Nix	25,700.00	0.00
		27.64
PAYMENTS		
Trade & Expense Creditors	(100,590.20)	0.00
		0.00
Net Receipts/(Payments)		27.64

MADE UP AS FOLLOWS

Bank 1 Current - SVENSKA	27.64
	27.64

CROWE U.K. LLP

CHARGE-OUT RATES AND DISBURSEMENTS

The table below sets out the charge-out rates utilised by Crowe U.K. LLP for charging staff time:-

Partner	£375 per hour
Director	£290 per hour
Senior Manager	£250 per hour
Manager	£210 per hour
Assistant Manager	£180 per hour
Senior Administrator	£165 per hour
Administrator	£125 per hour
Trainee/support staff	£65 per hour

It should be noted that the above rates may increase from time to time over the period of the administration of each insolvency case, but this information will be included in periodic statutory reports to creditors. The above rates are effective from 1 April 2018. Time is charged in six minute units.

Category 1 disbursements will be charged at the actual cost at which they are incurred, for example statutory advertising and records storage.

Category 2 disbursements, that is those which are paid to Crowe U.K. LLP, will be on the following basis, once the appropriate approval has been obtained:-

Photocopying	Re-charged at 10p per sheet
Internal room hire	Charged at £50 per meeting held in house
Company searches	£15 per corporate case
Mileage	Charged at 45 pence per mile

GUIDES TO FEES AND BEST PRACTICE

Further information relating to insolvency practitioners' fees and their required practice published by the Association of Business Recovery Professionals can be found on the Insolvency Practitioners Association website: www.insolvency-practitioners.org.uk.

Hover over Regulation and Guidance located to the right of the option ribbon on the home page and select "Creditors Guides to Fees". This information is also relevant to members of companies in both solvent liquidations and insolvency procedures.

The option of Regulation and Guidance will display the following information, and the relevant guide in this case is **Administrator's Fees (October 2015)** under **Guides for England & Wales.**

The Guides form appendices to Statement of Insolvency Practice 9, which sets out required practice for insolvency practitioners. The full text of SIP9 can be found in the Regulation and Guidance area of the Insolvency Practitioners Association website by clicking onto the link to SIPs on the left hand side of the ribbon then select England and Wales and SIP9.

General

All partners acting as insolvency practitioners are licensed to do so in the UK by the Insolvency Practitioners Association. Crowe U.K. LLP is a Limited Liability Partnership registered in England and Wales with registered number OC 307043, and whose VAT registration number is GB/974 8680 58. The registered office is at St. Bride's House, 10 Salisbury Square, London EC4Y 8EH.

1 April 2018

Appendix IV: Details of work to be undertaken in the Administration

A. Work for which the Administrator is seeking to be remunerated on a fixed fee basis:

Administration:
Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
Setting up physical/electronic case files (as applicable).
Setting up the case on the practice's electronic case management system and entering data.
Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment (as applicable).
Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
Preparing, reviewing and issuing proposals to the creditors and members.
Filing the proposals at Companies House.
Convening and holding a meeting of creditors to consider the proposals.
Reporting on the outcome of the meeting of creditors to the creditors, Companies House and the Court.
Dealing with all routine correspondence and emails relating to the case.
Opening, maintaining and managing the office holder's estate bank account.
Creating, maintaining and managing the office holder's cashbook.
Undertaking regular reconciliations of the bank account containing estate funds.
Reviewing the adequacy of the specific penalty bond on a quarterly basis.
Undertaking periodic reviews of the progress of the case.
Overseeing and controlling the work done on the case by case administrators.
Preparing, reviewing and issuing progress reports to creditors and members, if appropriate.
Filing progress reports at Companies House.
Preparing and filing VAT returns.
Preparing and filing Corporation Tax returns.
Seeking closure clearance from HMRC and other relevant parties.
Filing final reports at Companies House.

Creditors:
Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
Maintaining up to date creditor information on the case management system.
Issuing a notice of intended dividend and placing an appropriate gazette notice, if appropriate.

Realisation of assets:
Arranging suitable insurance over assets.
Regularly monitoring the suitability and appropriateness of the insurance cover in place.
Corresponding with debtors and attempting to collect outstanding book debts.
Liaising with the bank regarding the closure of the account.
Instructing agents to value known assets.
Liaising with agents to realise known assets.
Instructing solicitors to assist in the realisation of assets.
Liaising with the creditors over the realisation of the assets subject to a mortgagee or other charge.

Creditors:
Issuing a notice of intended dividend and placing an appropriate gazette notice.
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.

Trading:
Obtaining appropriate information about the business.
Monitoring and controlling the day to day business of the Company.

Investigations:
Recovering the books and records for the case.

Listing the books and records recovered.
Submitting an online on the conduct of the directors as required by the Company Directors Disqualification Act.
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.
Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors

As reported above, there are certain tasks that we only have to carry out where there are assets to recover, namely investigations. We are not at this stage seeking a resolution for fees for on behalf of the recovery of assets arising from our investigatory work but expect to do so in due course.

Case Specific Matters:

Liaising with the ICO and assisting their investigation;
Communications with U.S. Attorneys, representatives of U.S. subsidiaries and authorities in the U.S.;
Dealing and considering legal matters and enquiries;
Reviewing the Company's financial transactions; and,
Dealing with media coverage and responses.

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR Crowe U.K. LLP

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

Licensing Body

Mark Newman and Vincent John Green are licensed to act as Insolvency Practitioners (IPs) in the United Kingdom by the Insolvency Practitioners Association.

Mark Newman is a Fellow of the Insolvency Practitioners Association and Vincent Green is a Member of the Insolvency Practitioners Association.

Crowe U.K. LLP is a firm member of the Insolvency Practitioners Association and is authorised and regulated by the Financial Conduct Authority.

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the Insolvency Practitioners Association can be found at www.insolvency-practitioners.org.uk. In addition, IPs are bound by Statements of Insolvency Practice (SIPs), details of which can be found at https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code.

Complaints

At Crowe U.K. LLP we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of a particular case then in the first instance you should contact the IP acting as office holder.

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer, Mark Newman at Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE. This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gsi.gov.uk; or you may phone 0300 678 0015 - calls are charged at up to 10p per minute from a land line, or for mobiles, between 3p and 55p per minute if you're calling from the UK.

Professional Indemnity Insurance

Crowe U.K. LLP's professional indemnity insurer is Markel International Insurance Co Limited of The International Underwriting Association, London Underwriting Centre, 3 Minster Court, Mincing Lane, London EC3R 7DD. The territorial coverage of the insurance is worldwide with certain restrictions on a claim brought in respect of professional business in the United States of America or Canada.

VAT

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