

**Redx Pharma Plc and
Redx Oncology Limited (both in Administration)**

The Joint Administrators' Final Report for the period 24 May
2017 to 2 November 2017

2 November 2017

Contents and abbreviations



Section	Content
1.	An overview of the Administrations
2.	Progress of the Administrations in the Period
3.	Outcome for creditors
4.	Joint Administrators' pre-appointment costs
5.	Joint Administrators' remuneration, disbursements and expenses
Appendix	Content
A.	Statutory information regarding the Companies and the appointment of the Joint Administrators
B.	Form AM21 – Notice of end of administration
C.	Schedule of work
D.	Details of the Joint Administrators' time costs and disbursements for the Period
E.	Receipts and payments accounts for the Period
F.	Statements of expenses incurred in the Period

The following abbreviations may be used in this report:

BTK	Bruton's Tyrosine Kinase
FRP Advisory	FRP Advisory LLP
HMRC	HM Revenue & Customs
LCC	Liverpool City Council
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice
The Companies	The entities in Administration, being Redx Pharma Plc and Redx Oncology Limited
The Group	Collectively the following entities:
Anti-Infectives	Redx Anti-Infectives Limited
Immunology	Redx Immunology Limited
Oncology	Redx Oncology Limited (in Administration)
Pharma	Redx Pharma plc (in Administration)
The Insolvency Rules	The Insolvency (England and Wales) Rules 2016
The Joint Administrators	Jason Daniel Baker and Miles Andrew Needham of FRP Advisory LLP
The Period	24 May 2017 to 2 November 2017

1. An overview of the Administrations



The proposals

The Joint Administrators identified that the objective of the administrations, as set out in the proposals approved on 24 August 2017, was to rescue the Companies as going concerns.

The objective was to be achieved following a period of trading and marketing of the Group's intellectual property ("IP") assets under the control of the Joint Administrators.

Pursuant to Paragraph 52(1)(a) of Schedule B1 to the Insolvency Act 1986, the Joint Administrators were not required to seek a decision from the Companies' creditors to approve the proposals. As such, they were automatically deemed to have been approved on 24 August 2017. Certain additional resolutions regarding remuneration, disbursements and release from liability required direct approval by creditors via a decision procedure and these resolutions were unanimously approved by creditors on 29 August 2017.

It was anticipated that the Companies would exit from administration once the Joint Administrators were of the view that they could, in the reasonable opinion of the Joint Administrators, continue as going concerns.

Implementation of the proposals

The sale of certain parts of the Group's research program for the development of small molecules each of which having an intended primary mode of action as a BTK inhibitor ("BTK Program") was completed to Loxo Oncology Inc. ("Loxo") on 28 July 2017 for US\$40m. The consideration was paid in a single upfront cash payment.

This comprised a sale of whatever rights, title and interest the Companies had in the patents and IP relating to the BTK program. No further royalties, licence fees, milestones or other payments are due to the Companies under the sale agreement. No representations or warranties have been given to Loxo under the assignment agreement. Redx is subject to non-competition provisions for three years following the sale relating to the BTK program.

Full details of that sale were provided to creditors shortly after completion of the sale in the Joint Administrators' proposals.

The Companies continued to trade under the control of the Joint Administrators for the duration of the administrations to allow the IP to be marketed and sold as well as to continue the trade of the Companies to ensure that they could exit the administrations as going concerns. Details of the trading results are shown in the trading statement incorporated into the cumulative receipts and payments account at **Appendix E**.

2. Progress of the Administrations in the period



Work undertaken during the administrations

I attach at **Appendix C** a schedule of work undertaken during the Period. Appendix C and the information in this section should be read in conjunction with the proposals.

Following approval of the Joint Administrators' proposals, the Joint Administrators continued to conduct the administrations to achieve the purpose of the administrations.

Creditors will recall that, pursuant to the assignment agreement with Loxo, the Joint Administrators agreed that they would not file or apply for the termination of the administrations until the earlier of (1) the Companies having complied with their obligation to provide certain data relating to the BTK Program to Loxo, or (2) 12 weeks having passed from the date of the assignment agreement. This date passed on 20 October 2017.

The Joint Administrators have continued to trade the Companies during this period to ensure the continuity of the business. Their staff have liaised with suppliers and provided undertakings to allow the continued supply of goods and services to the Companies.

In order to finalise the Companies' tax affairs for the Period, the Joint Administrators have also taken advice from two firms of tax accountants (Crowe Clarke Whitehill and Shipleys LLP) and a specialist tax counsel with insolvency expertise (Philip Ridgway of Temple Tax Chambers).

Accounting for the proceeds of sale

The proposals detailed the realisation of the funds from the sale of the BTK Program as an asset of Pharma following indications from the directors upon the Joint Administrators' appointment, including in the statements of affairs submitted by the directors, that Pharma was the owner of all IP relating to the Group's pharmaceutical discoveries.

Upon further investigation, however, it has transpired that this is not the case. Ownership of the IP was not documented by the Group. The IP was also not capitalised in any of the Group's accounts. The Joint Administrators have, however, identified that the Group's historic tax returns have all been prepared on the basis that the IP was owned by the subsidiaries. This is reflected in the trading of the Group, whereby all of the research and development activities of the Group have been undertaken by the relevant subsidiary, funded by loans from Pharma.

As a result of the further investigations carried out by the Joint Administrators, the logical conclusion has been reached that the IP is in fact owned by the subsidiaries, not Pharma and therefore the attached Receipts and Payments accounts have been amended to reflect the sales proceeds in Oncology and subsequent repayment of LCC from the same company. The amount of £1 has been allocated to patent sales within Pharma to reflect the transfer of the patents from Pharma to Loxo pursuant to the assignment agreement. Whilst the patents were registered in Pharma's name, it is apparent to the Joint Administrators that the beneficial ownership resided in Oncology, who, amongst other things, paid the patent fees.

2. Progress of the Administrations in the period



As part of their investigations into the matter, the Joint Administrators also spoke to the former company secretary, who dealt with the formation of the group structure. His understanding was that the Group's structure was created to enable a division to be sold off if desired (which would only be possible if it held its own IP). This happened with RedX Crop Protection Limited (formerly a subsidiary of Pharma) in 2014/2015.

Crowe Clarke Whitehill were instructed to prepare the corporation tax returns for the Period and advised that following the application of various reliefs available to the Companies no corporation tax would be payable. The basis upon which the returns have been prepared has also been reviewed by tax counsel, who advised that the methodology applied is correct and the reliefs utilised are available. The advice of tax counsel was required in light of the highly unusual circumstances of the administrations (in that the Companies have been rescued as going concerns and returned to the control of the directors) and given HMRC nevertheless has the ability to open an enquiry into and challenge the tax returns for the Period for one year after the returns are filed by the Joint Administrators, shortly prior to exit. The Joint Administrators have therefore obtained directions from the Court that the Joint Administrators can vacate office and be relieved from personal liability arising in respect of claims from HMRC in the unlikely event that the Companies became liable to pay tax on the disposal of the BTK Program in the future and are unable to pay it.

Payment of creditor claims

An outstanding intercompany loan of £19,181,415.53 was repaid from Oncology to Pharma following the reallocation of the sale proceeds. This allowed for sufficient funds to be present in both Companies to fund the ongoing trading costs and allow all classes of creditor to be repaid in full.

LCC were repaid in full by Oncology pursuant to their security, while preferential creditors were also paid in full.

Redx Pharma plc and Redx Oncology Limited (both in Administration)
The Joint Administrators' Proposals

Given the back stop date for exit agreed with Loxo, and given the Companies were in a position to settle all creditor claims in full, the Joint Administrators sought and obtained an order on 22 August 2017, that they be permitted to pay a dividend to unsecured creditors.

Creditors who have proven their debts in these proceedings have subsequently been paid in full together with their statutory interest entitlement.

The Joint Administrators have finalised the administration trading transactions and paid all suppliers in full where invoices have been received prior to exiting administration. Any suppliers with outstanding invoices from the trading period are still entitled to receive payment from the respective company following the exit from administration and they should contact the Group's finance team at accounts@redxpharma.com with details of any outstanding invoices for payment.

Within the Period the Joint Administrators have also complied with their general day to day statutory duties including all reporting responsibilities as well as internal review processes.

Whilst the Companies were in a position to settle all creditor claims in full, the Joint Administrators crucially had to satisfy themselves that the Companies were able to continue as going concerns following the exit of the administrations. The Joint Administrators and their staff have worked very closely with senior management to understand the post administration business plan and financial forecasts to ensure that the Joint Administrators are able to properly satisfy themselves as to the going concern status of both Companies.

Attached at **Appendix E** are receipts and payments accounts detailing transactions for the Period.

2. Progress of the Administrations in the period



Investigations

Part of my duties included carrying out proportionate investigations into what assets the Companies have, including any potential claims against directors or other parties, and what recoveries could be made. I have reviewed the Companies' books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they had regarding the way in which the Companies' business had been conducted.

Further details of the conduct of my investigations are set out in the schedule of work attached at **Appendix C**. I can confirm that no further investigations or actions were required.

Exiting the administration

In accordance with the proposals, the Joint Administrators are of the view that the objectives of the Administrations have been achieved following the realisation of sufficient assets to discharge creditor claims and to put the Companies in a position whereby they can, in the reasonable opinion of the Joint Administrators, continue as going concerns. Notices have been sent to the Registrar of Companies and the Court in accordance with Paragraph 80 of Schedule B1 to the Insolvency Act 1986 to bring the administrations to an end and return the Companies to the control of the directors.

At the point that the Companies are returned to the control of their directors, it is the understanding of the Joint Administrators that the directors of Pharma will seek the lifting of the suspension of Pharma's shares from trading on AIM.

3. Outcome for creditors



Initial estimated outcome for creditors

The Proposals anticipated that there would be sufficient funds to settle all creditor claims in full across all classes.

Outcome for secured creditor

LCC were owed approximately £3.5m by Oncology under a debenture dated 1 June 2012 and registered with Companies House on 12 June 2012. The debt was cross-guaranteed by Pharma and secured by a fixed and floating charge over Pharma's assets.

Following the sale to Loxo, the debt to LCC was settled in full by Oncology, including interest, and all security has been released.

This outcome was in line with the Proposals.

Outcome for preferential creditors

The preferential creditors in Pharma totalled £2,400, being the preferential element of the directors' arrears of pay, as calculated in accordance with legislation.

No preferential claims were anticipated or received in Oncology.

Preferential creditors were repaid in full on 5 October 2017 and this outcome was in line with the Proposals.

Outcome for unsecured creditors of Pharma

The Joint Administrators have received claims totalling £8,199,016.11 from unsecured creditors who have proved their debts in these proceedings. Of this amount, claims totalling £7,633,647.14 were agreed by the Joint Administrators.

A first and final dividend of 100 pence in the pound was declared and paid to agreed unsecured creditors on and after 4 October 2017.

Statutory interest was paid to all proven unsecured creditors on 16 October 2017 in accordance with Rule 14.23 of the Insolvency Rules.

Outcome for unsecured creditors of Oncology

I have received claims totalling £1,042,700.57 from unsecured creditors who have proved their debts in these proceedings. Of this amount, claims totalling £433,897.22 were agreed by the Joint Administrators.

A first and final dividend of 100 pence in the pound was declared to Oncology's unsecured creditors on 4 October 2017.

An additional agreed claim totalling £172,903.80 was admitted after the final date for proving but paid in full on 10 October 2017 pursuant to Paragraph 66 of Schedule B1 to the Insolvency Act 1986 as it was determined that this payment would assist the achievement of the purpose of the administration.

Statutory interest was paid to all proven unsecured creditors on 16 October 2017 in accordance with Rule 14.23 of the Insolvency Rules.

3. Outcome for creditors



No further unsecured dividend

Pursuant to the Insolvency Rules no further dividend will be declared to the preferential and/or unsecured creditors of the Companies as all creditors who have proved in these proceedings have been paid in full.

Any creditor that has not proven their claim in these proceedings is still entitled to payment of valid outstanding invoices following the exit from administration and should contact the Group's finance team at accounts@redxpharma.com with details of any outstanding invoices.

Prescribed part

The prescribed part is a carve out of the funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created on or after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

The prescribed part was not applicable in this matter because sufficient funds have been realised to repay all classes of creditors in full.

4. Joint Administrators' pre-appointment costs



Details of the pre-appointment costs totalling £9,387.63 incurred by the Joint Administrators in respect of Pharma and £1,712.50 in respect of Oncology, were included in the Proposals. These costs were approved by a resolution of the creditors on 29 August 2017 and have been paid as an expense of the administration.

5. Joint Administrators' remuneration, disbursements and expenses



Joint Administrators' remuneration

Following circulation of the proposals the unsecured creditors passed a resolution that the Joint Administrators' remuneration should be calculated on a time cost basis. Details of remuneration charged during the period of the report are set out in the statements of expenses attached at Appendix F. Fees of £1,796,777 and £112,945 excluding VAT have been drawn from the funds available in Pharma and Oncology respectively.

Breakdowns of the time costs incurred during the Period are attached at **Appendix D**. The remuneration recovered by the Joint Administrators based on time costs, has not exceeded the sum provided in the fees estimate circulated to creditors with the proposals.

You will see from the breakdowns of time costs attached that time costs incurred in respect of trading total £662,213 and £16,555 for Pharma and Oncology respectively. These have been drawn in full.

The remuneration recovered by the Joint Administrators based on time costs, is lower than the time costs actually incurred. The balance of fees of £171,021 and £12,983 for Pharma and Oncology respectively will be written off.

Joint Administrators' disbursements

The Joint Administrators' disbursements are a recharge of actual costs incurred by the Joint Administrators on behalf of the Companies. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the Period are set out in **Appendix D**.

The expenses of the administrations

Attached at **Appendix F** are statements of the expenses that have been incurred during the Period.

An estimate of the Joint Administrators' expenses was set out in the Proposals. The total expenses incurred by the Joint Administrators are included in the cumulative figures in the receipts and payments accounts attached at **Appendix E**.

The expenses incurred have exceeded the details previously provided. Details are provided below of where the initial estimate has been exceeded:

- The trading loss is higher than initially anticipated for the Companies. This is because following the IP sale the Companies had sufficient funds to repay all creditors. As such trading activity was increased so that ongoing projects were on track insofar as possible following the exit from administration. It was initially anticipated that Oncology would be funded by Pharma and so would incur no trading losses, however following the correct determination of the recipient of the sales process, Oncology had sufficient funds that funding by Pharma was not required.
- Tax advisors' fees in Pharma were not originally anticipated in the Proposals. However significant advice from two different firms of tax accountants and tax counsel has been required, given the complexities of investigating and understanding the Companies' true tax affairs, as they were not previously documented or planned.

5. Joint Administrators' remuneration, disbursements and expenses



- Legal fees are higher than initially anticipated given the challenges faced by the Joint Administrators in returning the Companies as going concerns as well as the requirement for additional court hearings, which necessitated the instruction of leading insolvency counsel in addition to senior tax counsel, as detailed previously within this report. These fees have been incurred entirely within Pharma.

Creditors have a right to request further information from the Joint Administrators and further have a right to challenge the Joint Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix F** only.) Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <http://creditors.frpadvisor.com/feesguide.htm> and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of eight weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Appendix A

Statutory information



REDX PHARMA PLC (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	Not Applicable
Company number:	07368089
Registered office:	2nd Floor, 110 Cannon Street, London EC4N 6EU
Previous registered office:	Floor 9, Lowry House, 17 Marble Street, Manchester M2 3AW
Business address:	Block 33, Mereside, Alderley Park, Macclesfield SK10 4TG

ADMINISTRATION DETAILS:

Names of Joint Administrators:	Jason D. Baker and Miles Needham
Address of Joint Administrators:	FRP Advisory LLP, 2nd Floor, 110 Cannon Street, London EC4N 6EU cp.london@frpadvisory.com 0203 005 4000
Date of appointment of Joint Administrators:	24 May 2017
Court in which administration proceedings were brought:	The High Court of Justice, Liverpool District Registry (but subsequently transferred to Companies Court in London)
Court reference number:	CR-2017-006194 (formerly 258 of 2017)
Administration appointment made by:	QFCH – Liverpool City Council
Previous office holders, if any:	Not Applicable
Extensions to the initial period of appointment:	Not Applicable
Date administration ended:	2 November 2017

Appendix A

Statutory information



REDX ONCOLOGY LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	Not Applicable
Company number:	07871126
Registered office:	2nd Floor, 110 Cannon Street, London EC4N 6EU
Previous registered office:	Floor 9, Lowry House, 17 Marble Street, Manchester M2 3AW
Business address:	Block 33, Mereside, Alderley Park, Macclesfield SK10 4TG

ADMINISTRATION DETAILS:

Names of Joint Administrators:	Jason D. Baker and Miles Needham
Address of Joint Administrators:	FRP Advisory LLP, 2nd Floor, 110 Cannon Street, London EC4N 6EU cp.london@frpadvisory.com 0203 005 4000
Date of appointment of Joint Administrators:	24 May 2017
Court in which administration proceedings were brought:	The High Court of Justice, Liverpool District Registry (but subsequently transferred to Companies Court in London)
Court reference number:	CR-2017-006195 (formerly 259 of 2017)
Administration appointment made by:	QFCH – Liverpool City Council
Previous office holders, if any:	Not Applicable
Extensions to the initial period of appointment:	Not Applicable
Date administration ended:	2 November 2017

Appendix B

Forms AM21



AM21

Notice of end of administration



Companies House

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

1 Company details

Company number 0 7 3 6 8 0 8 9

Company name in full Redx Pharma plc

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

2 Court details

Court name The High Court of Justice

Court case number CR - 2017 - 006194

3 Administrator's name

Full forename(s) Jason Daniel

Surname Baker

4 Administrator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London


County/Region

Postcode EC4N 6EU

Country

AM21

Notice of end of administration

5	Administrator's name ①		① Other administrator Use this section to tell us about another administrator.
Full forename(s)	Miles		
Surname	Needham		
6	Administrator's address ②		② Other administrator Use this section to tell us about another administrator.
Building name/number	4 Beaconsfield Road		
Street	St Albans		
Post town	Hertfordshire		
County/Region			
Postcode	A L 1 3 R D		
Country			
7	Statement of appointment		
	I was/we were appointed as administrator(s) on:		
Date	2 4 0 5 2 0 1 7		
8	Appointor/applicant's name		
	Give the name of the person who made the appointment or the administration application		
Full forename(s)	Liverpool City		
Surname	Council		
9	Attachments		
	<input checked="" type="checkbox"/> A copy of the final progress report is attached.		
10	Sign and date		
	The purpose of administration has been sufficiently achieved and a notice of the end of administration is being filed with the court as well as with the registrar of companies.		
Administrator's signature	Signature X  X		
Signature date	0 2 1 1 2 0 1 7		

**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	Matthew Kesek
Company name	FRP Advisory LLP
Address	2nd Floor 110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	
DX	
Telephone	020 3005 4000

**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

Redx Pharma plc
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 24/05/2017 To 02/11/2017 £	From 24/05/2017 To 02/11/2017 £
POST APPOINTMENT SALES		
Sub-let	71,871.57	71,871.57
	<u>71,871.57</u>	<u>71,871.57</u>
PURCHASES		
Third Party Laboratory	405,395.11	405,395.11
Consumable Stores	701.99	701.99
	<u>(406,097.10)</u>	<u>(406,097.10)</u>
OTHER DIRECT COSTS		
PAYE / NIC	389,117.27	389,117.27
Direct Wages	458,460.74	458,460.74
Direct Expenses	36,816.43	36,816.43
Employee benefits	14,849.91	14,849.91
	<u>(899,244.35)</u>	<u>(899,244.35)</u>
TRADING EXPENDITURE		
Indirect Labour	1,572.67	1,572.67
Rents	532,228.84	532,228.84
Rates	155,183.78	155,183.78
Heat & Light	95,122.16	95,122.16
Telephone, Internet and IT	31,161.35	31,161.35
Patents	134,902.65	134,902.65
Insurance	17,501.39	17,501.39
Professional Fees	83,070.72	83,070.72
Service Charges	200,859.58	200,859.58
Recharges	3,570.33	3,570.33
Hire of Equipment	104.70	104.70
Repairs & Maintenance	1,677.00	1,677.00
Memberships / Sundry Expenses	5,489.33	5,489.33
Pension Payments	42,737.10	42,737.10
Waste Collection	4,783.70	4,783.70
Health and Safety	1,650.00	1,650.00
Subscriptions	5,767.02	5,767.02
Conference costs	5,411.56	5,411.56
Ransom payments.	10,067.80	10,067.80
	<u>(1,332,861.68)</u>	<u>(1,332,861.68)</u>
TRADING SURPLUS/(DEFICIT)	<u>(2,566,331.56)</u>	<u>(2,566,331.56)</u>

Redx Pharma plc
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 24/05/2017 To 02/11/2017 £	From 24/05/2017 To 02/11/2017 £
	SECURED ASSETS		
NIL	Goodwill	NIL	NIL
119,834.00	Purchased IP	NIL	NIL
	Patents	1.00	1.00
NIL	Investment in subsidiary undertakings	19,181,415.53	19,181,415.53
		19,181,416.53	19,181,416.53
	SECURED CREDITORS		
(3,448,000.00)	Liverpool City Council	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
NIL	Leasehold Improvements	NIL	NIL
26,267.00	Office Equipment	NIL	NIL
1,000.00	Furniture & Fittings	NIL	NIL
58,009.00	Book Debts	49,003.92	49,003.92
NIL	Derivative Financial Instrument	NIL	NIL
427.00	Bank Interest Due	NIL	NIL
834,141.00	Loans Granted	NIL	NIL
233,435.00	VAT Refund	NIL	NIL
1,752,258.00	Cash at Bank	2,091,548.02	2,091,548.02
1,274.00	Due from Employees (Cycle Scheme)	NIL	NIL
82,134.00	Prepayments	NIL	NIL
	Bank Interest Gross	10,108.93	10,108.93
	Trading Surplus/(Deficit)	(2,566,331.56)	(2,566,331.56)
	VAT recoverable from dividend	51,124.82	51,124.82
		(364,545.87)	(364,545.87)
	COST OF REALISATIONS		
	Tax Advisors Fees	58,450.00	58,450.00
	Administrators' pre-appointment costs	9,387.63	9,387.63
	Administrators' Remuneration	1,796,777.00	1,796,777.00
	Administrators' Disbursements	46,820.97	46,820.97
	Agents/Valuers Fees	63,150.00	63,150.00
	Legal Fees	551,046.82	551,046.82
	Storage Costs	99.50	99.50
	Statutory Advertising	253.80	253.80
	Bank Charges - Floating	320.00	320.00
		(2,526,305.72)	(2,526,305.72)
	PREFERENTIAL CREDITORS		
(4,000.00)	Preferential Creditors	2,400.00	2,400.00
		(2,400.00)	(2,400.00)
	UNSECURED CREDITORS		
(1,301,181.00)	Unsecured Creditors	7,633,647.14	7,633,647.14
	Statutory Interest	26,044.09	26,044.09
		(7,659,691.23)	(7,659,691.23)
	DISTRIBUTIONS		
(1,264,779.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL

(2,909,181.00)

8,628,473.71

8,628,473.71

REPRESENTED BY
Vat Recoverable - Floating
IB Curr Flt/NIB 18-10-17
Vat Payable - Floating

829,628.01
7,818,558.29
(19,712.59)

8,628,473.71

AM21

Notice of end of administration



Companies House

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

1 Company details

Company number 0 7 8 7 1 1 2 6

Company name in full Redx Oncology Limited

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

2 Court details

Court name The High Court of Justice

Court case number C R - 2 0 1 7 - 0 0 6 1 9 5

3 Administrator's name

Full forename(s) Jason Daniel

Surname Baker

4 Administrator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London


County/Region

Postcode E C 4 N 6 E U

Country

AM21

Notice of end of administration

5	Administrator's name ①	
Full forename(s)	Miles	① Other administrator Use this section to tell us about another administrator.
Surname	Needham	
6	Administrator's address ②	
Building name/number	4 Beaconsfield Road	② Other administrator Use this section to tell us about another administrator.
Street	St Albans	
Post town	Hertfordshire	
County/Region		
Postcode	A L 1 3 R D	
Country		
7	Statement of appointment	
	I was/we were appointed as administrator(s) on:	
Date	d 2 4 m 0 5 y 2 0 y 1 7	
8	Appointor/applicant's name	
	Give the name of the person who made the appointment or the administration application	
Full forename(s)	Liverpool City	
Surname	Council	
9	Attachments	
	<input checked="" type="checkbox"/> A copy of the final progress report is attached.	
10	Sign and date	
	The purpose of administration has been sufficiently achieved and a notice of the end of administration is being filed with the court as well as with the registrar of companies.	
Administrator's signature	Signature X  X	
Signature date	d 0 2 m 1 1 y 2 0 y 1 7	

AM21

Notice of end of administration



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	Matthew Kesek
Company name	FRP Advisory LLP
Address	2nd Floor 110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	
DX	
Telephone	020 3005 4000



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

Redx Oncology Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 24/05/2017 To 02/11/2017 £	From 24/05/2017 To 02/11/2017 £
PURCHASES		
Third Party Laboratory	270,256.55	270,256.55
Consumable Stores	105,202.91	105,202.91
Ransom Payments	10,046.49	10,046.49
	<u>(385,505.95)</u>	<u>(385,505.95)</u>
OTHER DIRECT COSTS		
PAYE / NIC	122,272.46	122,272.46
Direct Wages	309,437.67	309,437.67
Direct Expenses	8,853.26	8,853.26
Employee Benefits	11,947.35	11,947.35
	<u>(452,510.74)</u>	<u>(452,510.74)</u>
TRADING EXPENDITURE		
Carriage	797.30	797.30
Professional Fees	1,605.10	1,605.10
Repairs & Maintenance	46,042.38	46,042.38
Sundry Expenses	84.60	84.60
Pension Payments	21,881.42	21,881.42
Employee Education Courses	1,475.00	1,475.00
Stationery	53.93	53.93
Employee pension	11,439.27	11,439.27
Subscriptions	40.00	40.00
PAYE settlement	1,198.97	1,198.97
IT Support	6,453.23	6,453.23
	<u>(91,071.20)</u>	<u>(91,071.20)</u>
TRADING SURPLUS/(DEFICIT)	<u>(929,087.89)</u>	<u>(929,087.89)</u>

Redx Oncology Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 24/05/2017 To 02/11/2017 £	From 24/05/2017 To 02/11/2017 £
SECURED ASSETS		
Internally Generated IP	30,202,582.83	30,202,582.83
	30,202,582.83	30,202,582.83
SECURED CREDITORS		
Liverpool City Council	3,551,080.00	3,551,080.00
	(3,551,080.00)	(3,551,080.00)
ASSET REALISATIONS		
15,408.00 Plant & Machinery	NIL	NIL
2,063.00 Office Furniture	NIL	NIL
282,198.00 R&D Expenditure Credits	NIL	NIL
NIL Intercompany Accounts	NIL	NIL
NIL Staff Vouchers	NIL	NIL
60,245.00 Cash at Bank	59,855.83	59,855.83
55,097.00 HM Revenue & Customs	NIL	NIL
Bank Interest Gross	185.85	185.85
Trading Surplus/(Deficit)	(929,087.89)	(929,087.89)
VAT recoverable from dividend	6,373.47	6,373.47
	(862,672.74)	(862,672.74)
COST OF REALISATIONS		
Administrators' pre-appointment costs	1,712.50	1,712.50
Administrators' Remuneration	112,945.00	112,945.00
Administrators' Disbursements	1,333.20	1,333.20
Storage Costs	99.50	99.50
Statutory Advertising	169.20	169.20
Bank Charges - Floating	530.00	530.00
	(116,789.40)	(116,789.40)
UNSECURED CREDITORS		
(2,312,852.00) Unsecured Creditors	606,801.12	606,801.12
Intercompany Loan Account	19,181,415.53	19,181,415.53
Statutory Interest	17,526.38	17,526.38
	(19,805,743.03)	(19,805,743.03)
(1,897,841.00)	5,866,297.66	5,866,297.66
REPRESENTED BY		
Vat Recoverable - Floating		95,887.01
IB Curr Flt/NIB 18-10-17		5,770,421.14
Vat Payable - Floating		(10.49)
		5,866,297.66

Appendix C

Schedule of work



Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

The table below sets out a detailed summary of the work undertaken by the office holder. The fee basis for the different categories of work set out is time costs.

Note	Category	
1	ADMINISTRATION AND PLANNING	Fee £
	Work undertaken	
	<i>General matters</i>	
	Necessary administrative and strategic work.	Pharma – £265,778
	Assisting with preparation of post appointment documentation and completing internal procedures.	
	Identifying and securing all relevant records required for the ongoing administration processes.	Oncology - £16,230
	Collation of relevant information and records to ensure the objective of the administration is achieved and storage thereof, as applicable, for the relevant required periods.	
	Understanding the group structure and the relationship between all group entities.	
	Regularly reviewing the conduct of the case and the case strategy and updating as required by the insolvency practitioners regulatory professional body ("RPB") to ensure all statutory matters are attended to.	
	Liaising with third parties (e.g. NOMAD and joint brokers) as required.	

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

	<i>Regulatory Requirements</i>	
	<p>Completion of money laundering risk assessment procedures and Know Your Client checks in accordance with the Money Laundering Regulations. Continued checks throughout the administration to ensure compliance.</p> <p>Completion of take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act.</p> <p>Considering (and taking advice upon) other industry specific regulatory or statutory issues to address, for example those relating to the pharmaceutical sector and issues arising from Pharma's listing on AIM.</p> <p>Regularly reviewing the case as required by the RPBs to ensure all statutory matters are adhered to and that the case is being progressed in a timely manner.</p>	
	<i>Case Management Requirements</i>	
	<p>Determination of initial case strategy and the documentation of this. Monitoring and documenting any proposed changes of strategy and implementation thereof.</p> <p>Obtaining legal advice on the validity of appointment to ensure all required documentation has been properly filed and submitted.</p> <p>Compiling a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulating this to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee bases proposed.</p> <p>Notified insurers of appointment, arranged for site visit and prepared authority documents. Onsite meeting held with insurers along with a health and safety inspection.</p> <p>Review of insurance requirements on a regular basis and cancellation of the policy at the end of the administrations.</p>	

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

	<p>Correspond with accountants / auditors / bankers / insurers / solicitors and other advisors to request further information to assist in general enquiries.</p> <p>Requesting copy bank statements to understand the Companies' cash position.</p> <p>Regularly reviewing the case as required by the RPBs to ensure all statutory and other general matters are adhered to and the case is progressing.</p> <p>Setting up case specific paper and electronic files to be updated and maintained for the duration of the appointments. Opened and updated case management system with company information, creditor, employee and shareholder details for each appointment. Filing all papers and correspondence received and maintaining a diary system to ensure all matters are discharged in accordance with legislation.</p> <p>Setting up and administering bank accounts for the purposes of the administrations. Ensuring accounts are regularly reconciled to produce accurate and timely reports to all creditors when required. Processing and recording of all receipts and payments throughout the appointment on the Insolvency Practitioners System ("IPS") and providing internal and external reports as required.</p> <p>Requesting statement of affairs from Companies' directors. The statement of affairs was provided but Pharma's contained commercially sensitive information. As such a court order was sought and obtained limiting its disclosure before filing. This included preparing and filing a witness statement and evidence and obtaining legal advice from both solicitors and counsel. The statements of affairs were also filed with the Registrar of Companies thereafter.</p> <p>Notifying HMRC of the administrations and more specifically correspondence with the VAT and other departmental offices to ascertain the Companies final tax position. Completion and submission of VAT and tax returns as and when required through the duration of the administrations and made payments / requested refunds as necessary.</p> <p>Liaising with HMRC concerning RTI submissions and ensure employee records are maintained correctly with amendments put through the payroll in relation to leavers.</p>	
--	---	--

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

	<p>Engaged with IT team to ensure IT services not terminated. Liaised with IT team regarding data management and back-up procedures to safeguard IP.</p> <p>Review of the IT systems and content utilised by the Companies to ensure the purposes of the administrations are achieved.</p> <p>Instructing and liaising with tax advisers, solicitors and counsel in relation to an application to court in order to exit the administrations in light of the complicated tax position. Work related to the application included determination of the correct tax treatment and reliefs application to the sale of BTK Program, preparation of the associated tax returns and preparation of documents to assist the application to court.</p> <p><i>This work does not necessarily derive a financial benefit to creditors. However, it is required in order to ensure the Administrators' compliance with statutory requirements.</i></p>	
2	ASSET REALISATION Work undertake	Fee £
	<p>Liaising with Barclays Bank to ensure all funds held in bank accounts on the date of administration are remitted to the respective administration estates.</p> <p>Meeting and liaising with Patent Attorneys to ensure all patents are registered and filed in order to protect value of the IP.</p> <p>Working with directors, management and stakeholders to establish whether sufficient funding can be raised to return the Companies to solvency.</p> <p>Engaging PharmaVentures to value the assets.</p> <p>Issuing and negotiating terms of Confidential Disclosure Agreements ("CDAs") with interested parties.</p> <p>Working with management to ensure the dataroom is updated so that interested parties can review the information and construct their offers.</p>	<p>Pharma – £298,201</p> <p>Oncology - £2,151</p>

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

	<p>Discussions with interested parties regarding ongoing due diligence requirements and reviewing offers received.</p> <p>Instructing and liaising with solicitors to advise upon legal issues relating to possible realisation of assets and to draft and advise upon term sheets, CDAs, draft contracts and other transactional documentation.</p> <p>Instructing solicitors and other advisers to advise upon Pharma's ongoing obligations as an AIM-listed company, and issues relating to the prospective fund raise on AIM.</p> <p>Assessing offers received from interested parties. Advising the secured creditor of offers received and the level of interest that has been generated.</p> <p>Engaging legal advisers to draft contracts relating to the sale.</p> <p>Finalising the sale of the BTK program and liaising with Loxo regarding the terms of the sale.</p> <p>Monitoring and allocation of all funds received in respect of asset realisations, as required by legal definition.</p> <p>Liaising with foreign exchange brokers to achieve the best available conversation rate for the US dollar sale receipt.</p> <p>The further interrogation of company records to identify the correct owner of the BTK program to determine into which entity sale proceeds should be remitted.</p> <p>Monitoring the transfer of all information relating to the BTK program to Loxo in line with sale and purchase agreement, which was a material undertaking for the companies and administration team</p> <p>Instructing tax advisers and counsel to determine the correct tax treatment of the sale proceeds and prepare relevant corporation tax return accordingly.</p>	
--	---	--

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

3	STATUTORY COMPLIANCE AND REPORTING Work undertaken	Fee £
	<p>Dealing with all appointment formalities including notification to relevant parties, filings with the Court, the Registrar of Companies and statutory advertising.</p> <p>Arranging for an insolvency bond to protect the assets available for creditors.</p> <p>Notifying creditors of their right to set up a creditors' committee.</p> <p>Dealing with tax and VAT matters arising following appointment as well as submission of all required returns.</p> <p>Liaising with HMRC to crystallise the Company's pre-appointment tax position and to achieve tax clearance for the period of the administration. Submission of ongoing returns as required.</p> <p>Statutory reporting to all relevant parties and filing of those reports in accordance with the legislation.</p> <p>Placement of legal advertisements as required by statute including notice of appointment, notices to submit claims and notice of intended dividend.</p> <p>Establish the existence of any pension scheme and take appropriate action to notify all relevant parties.</p> <p>Maintaining a record of the work that has been undertaken throughout the duration of the cases, circulating this to all known creditors together with such other documentation as is required to enable the relevant approving creditors to assess and vote on the fee basis proposed.</p> <p>Obtaining approval to the basis of the Insolvency Practitioners' fees from the unsecured creditors.</p> <p>To provide updating reports to all known creditors and members as prescribed under the Insolvency Act 1986 and manage any queries arising therefrom. Copies of these reports are required to be filed at the Registrar of Companies.</p>	<p>Pharma – £193,113</p> <p>Oncology - £33,278</p>

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

	<p>Dealing with the statutory requirements in order to bring the case to a close and for the office holders(s) to obtain their release from office; this includes preparing final reports for stakeholders, statutory advertising and filing the relevant documentation with the Court/Registrar of Companies.</p> <p>Bringing the conduct of the insolvency process to a close when all matters are complete in accordance with the relevant requirements.</p> <p>Evaluating a business plan and trading forecasts prepared by the Group's senior management team relating to the period after the intended exits from administration. Preparing a report and opinion on the Companies' ability to trade on a going concern basis following the end of the administrations.</p>	
4	TRADING Work undertaken	Fee £
	<p>FRP staff arrived at the site in order to discuss the appointment with the Companies' employees, discuss strategy and understand impending cash requirements.</p> <p>Understanding the roles of the employees and providing tasks to assist the administration.</p> <p>Discussions with creditors who advised they hold retention of title ("ROT") over unpaid stock or goods, and dealing with such claims accordingly.</p> <p>Writing to all suppliers and providing undertakings where necessary in order to continue supply of critical services. Logging all undertakings, whereupon exit from administration, undertakings will be cancelled and final bills requested.</p> <p>Managing suppliers of ongoing studies, such as animal studies, in order to maintain the services and ensure that no delay is experienced.</p> <p>Setting up relevant systems to ensure ongoing trading is strictly monitored.</p> <p>Overseeing general operational issues, answering and managing queries.</p>	<p>Pharma – £662,213</p> <p>Oncology - £16,555</p>

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

	<p>Ensure online presence is appropriately controlled. Updating websites to reflect the administration.</p> <p>Taking appropriate advice from solicitors on employment law issues as required.</p> <p>Requesting final statements and invoices from suppliers.</p> <p>Withdrawal of undertaking provided to suppliers and advising of their entitlement to receive payment of any outstanding invoices for the trading period from the Companies following exit from administration.</p>	
5	INVESTIGATIONS Work undertaken	Fee £
	<p>Conducting initial enquires into the conduct of the Companies, its officers and associated parties.</p> <p>All directors of the Companies, both current and those holding office within 3 years of the appointment, were requested to complete a questionnaire to assist in preparing the statutory return to the Department of Business Innovation and Skills ("DBIS") in accordance with the Company Directors Disqualification Act 1986 ("CDDA"). All were received.</p> <p>Forensic images were taken of all IT systems. Interrogation of these will be carried out to assist the investigatory work.</p> <p>Reviewing available accounting books and records for the Group and corresponding bank statements.</p> <p>Review and considering any information provided by creditors or other parties that might identify further assets or lines of enquiry against the officers of the Company.</p> <p>The collation and review of all information received along with the preparation and submission of the conduct report to DBIS under CDDA – the content of this report is confidential.</p>	<p>Pharma – £98,626</p> <p>Oncology - £5,950</p>

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

6	CREDITORS	Fee £
	Work undertaken	
	<p>Contacting all known creditors & suppliers in order to advise of appointment and provide proof of debt forms to enable claims to be lodged.</p> <p>Reviewing proof of debts and logging them onto the IPS system. If ROT is being claimed liaise with creditors accordingly.</p> <p>Liaising with / providing reports and oral updates to the unsecured creditors and any other classes of creditor, as required, dealing with ongoing enquiries as received and recording them.</p> <p>Reviewing the Companies' paper and electronic records to ascertain the basis and validity of any claims arising. Where required, seeking appropriate legal advice in order to ascertain the legal basis for certain claims and to assist in reaching conclusions as to the admissibility of claims.</p> <p>Liaising and reporting to the secured creditor, as required.</p> <p>Providing professional undertakings to required suppliers to ensure uninterrupted operations.</p> <p>Withdrawing of all professional undertakings granted as soon as is practicably possible to limit the passing overhead and settle passing costs from time to time.</p> <p>Liaising with HMRC to establish their claim and seeking tax advice to minimise claims and maximise returns to creditors where appropriate.</p> <p>Providing regular updates to all Company employees on progress of the administration along with an indication of the likely outcome for them and the progression of the sale.</p> <p>Answering employee queries where necessary.</p> <p>Providing updates to shareholders and responding to queries as necessary.</p>	<p>Pharma – £278,846</p> <p>Oncology - £38,781</p>

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

	<p>Evaluating a business plan and trading forecasts prepared by the Group's senior management team in relation to the potential shareholder fundraising. Preparing a report and opinion on the Companies' ability to trade on a going concern basis following the end of the administrations.</p> <p>Liaising with the secured creditor to finalise their claim and distributing funds accordingly.</p> <p>Adjudicating claims received from preferential creditors and distributing funds accordingly.</p> <p>Applying to the court for permission to distribute funds to unsecured creditors during the Administrations.</p> <p>Issuing notices of intended dividend to all unsecured creditors pursuant to Rule 14.29 of The Insolvency Rules and chasing any creditors who had not proved their debt by the deadline provided within the notices.</p> <p>Adjudicating claims received from unsecured creditors and distributing funds accordingly.</p> <p>Ensuring that tax and NIC associated with distributions made to employees is properly reported and paid to HMRC.</p> <p>Calculating and distributing statutory interest to all proven creditors.</p>	
7	LEGAL AND LITIGATION Work undertaken to date	Fee £
	<p>In addition to the matters referred to above upon which legal advice has been sought, the Joint Administrators and their staff have dealt with the following legal issues:</p> <p>Seeking advice on the terms of and coverage afforded by the Companies' relevant insurance policies.</p> <p>Seeking legal advice as and when needed, including advice on the treatment of asset realisations.</p> <p>Requesting legal comfort on the validity of the appointment, and ad hoc issues arising out of the Joint Administrators' obligations under the Insolvency Act 1986, the Insolvency Rules and other relevant legislation.</p>	<p>Pharma – Nil</p> <p>Oncology – Nil</p> <p>Costs accounted for within other work categories</p>

Redx Pharma plc and Redx Oncology Limited (both in Administration)

Schedule of work

All points noted below relate to all entities unless otherwise advised.

	<p>Instructing solicitors where applicable concerning contracts and providing advice regarding various matters during the trading period.</p> <p>Advice taken relating to ongoing patents applications required to maintain value in the Companies' IP.</p> <p>Requesting advice on the process required to raise capital in relation to the management rescue plan and requisite timescales, and advice as to Pharma's ongoing obligations as an AIM-listed entity, including as to matters upon which Pharma is required to make disclosures to the market, and in compliance with requests for information by regulators including the Financial Conduct Authority.</p> <p>Seeking advice as to the most appropriate way to ensure that all of the Company's stakeholders are consulted to the fullest extent possible in relation to the administrations.</p> <p>Advice taken in relation to the application of statutory interest to all proven creditor claims.</p>	
--	---	--

Appendix D

Details of the Joint Administrators' time costs and disbursements for the Period





Redx Pharma plc (In Administration)

Time charged for the period 24 May 2017 to 02 November 2017

Total Hours								
	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrlr Rate £	
Administration and Planning	316.70	114.40	104.75	82.25	618.10	436,800.07	706.68	
Case Accounting	5.05	2.30	13.70	6.25	27.30	14,142.31	518.03	
Travel	17.40	17.00	7.50	29.45	71.35	37,349.65	523.47	
Case Control and Review	278.95	7.90	8.55	0.15	295.55	267,429.96	904.86	
Case Accounting - General			15.05	3.60	18.65	6,645.13	356.31	
General Administration	4.20	7.80	15.05	42.80	69.85	28,055.23	401.65	
Insurance		1.20			1.20	767.75	639.79	
Strategy	11.10	72.90	44.90		128.90	78,933.89	612.37	
Fee and WIP		5.30			5.30	3,476.15	655.88	
Asset Realisation	109.50	252.25	79.30		441.05	298,200.83	676.12	
Asset Realisation	92.50	59.10	79.30		230.90	155,844.53	674.94	
Freehold/Leasehold Property		17.40			17.40	12,237.78	703.32	
Debt Collection		2.40			2.40	1,645.58	685.66	
Legal-asset Realisation	3.85	4.00			7.85	5,735.00	730.57	
Sale of Business	13.15	169.35			182.50	122,737.94	672.54	
Creditors	44.85	247.20	135.90	18.00	445.95	278,845.64	625.28	
Unsecured Creditors	7.45	41.30	110.65	9.50	168.90	90,234.72	534.25	
Secured Creditors	2.60	0.60			3.20	2,701.00	844.06	
Employees	2.05	9.00	22.65	2.10	35.80	19,036.03	531.73	
Preferential Creditors	1.65	2.10			3.75	2,983.13	795.50	
Legal-Creditors	0.50				0.50	462.50	925.00	
Pensions		0.80	2.60		3.40	1,655.76	486.99	
Landlord	0.75	8.90			9.65	6,868.15	711.73	
TAX/VAT - Pre-appointment	9.40	6.80			16.20	12,543.01	774.26	
Shareholders	20.45	177.70		6.40	204.55	142,361.34	695.97	
Investigation	91.10	9.30	17.80	0.35	118.55	98,625.91	831.94	
Investigatory Work	0.35				0.35	323.75	925.00	
CDDA Enquiries		8.80	0.40	0.35	9.55	6,091.16	637.82	
Legal - Investigations	90.75	0.50			91.25	83,805.00	918.41	
IT – Investigations			17.40		17.40	8,406.00	483.10	
Statutory Compliance	43.20	142.20	119.30	0.65	305.35	193,112.55	632.43	
Post Appt TAX/VAT		75.70	10.20	0.65	86.55	57,682.41	666.46	
Statutory Compliance - General	12.95	23.00	11.95		47.90	32,436.15	677.16	
Statutory Reporting/ Meetings	28.05	34.20	96.75		159.00	94,589.42	594.90	
Appointment Formalities	2.20	5.60			7.80	5,770.16	739.76	
Statement of Affairs		3.70			3.70	2,463.28	665.75	
Bonding/ Statutory Advertising			0.40		0.40	171.13	427.83	
Trading	105.51	117.30	986.25	42.00	1,251.06	662,213.23	529.32	
Trading forecasting/ Monitoring	95.41	106.80	512.60	25.75	740.56	410,876.32	554.82	
Case Accounting - Trading			1.15		1.15	455.50	396.09	
Trade-sales/ Purchase	7.10	10.00	471.50	16.25	504.85	247,579.41	490.40	
Legal-trading	3.00	0.50			3.50	2,812.00	803.43	
IT – Trading / Sale support			1.00		1.00	490.00	490.00	
Total Hours	710.86	882.65	1,443.30	143.25	3,180.06	1,967,798.23	618.79	

FRP Charge out rates

Grade	
Appointment taker / Partner	765-925
Manager / Director	580-790
Other Professional	340-490
Junior Professional & Support	210-290

Disbursements for the period**24 May 2017 to 02 November 2017**

	Value £
Category 1	
Company Search	6.00
Congestion Charge	270.41
Delivery	22.75
Hotels	18,153.21
Insurance	1,350.00
Parking	11.00
Postage	847.60
Stationary	36.00
Subsistence	5,261.73
Sundries/General	5.00
Taxis	562.94
Telephone	478.45
Travel	6,724.12
Computer Consumables	3,938.00
Accounts Filing	70.00
Category 2	
Car/Mileage Recharge	9,083.76
Grand Total	46,820.97

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred



Redx Oncology Limited (In Administration)

Time charged for the period 24 May 2017 to 02 November 2017

Total Hours							Total Cost	
	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours		£	Average Hrlly Rate £
Administration and Planning	7.95	2.70	38.40	14.45	63.50		29,213.02	460.05
Case Accounting		0.40	11.50	10.90	22.80		8,669.50	380.24
Travel	1.50				1.50		1,248.75	832.50
Case Control and Review	3.85		5.75	0.45	10.05		6,388.01	635.62
Case Accounting - General			16.00		16.00		5,938.50	371.16
General Administration		0.10	3.15	3.10	6.35		2,316.93	364.87
Strategy	2.60		2.00		4.60		3,144.50	683.59
Fee and WIP		2.20			2.20		1,506.83	684.92
Asset Realisation		3.10			3.10		2,150.64	693.75
Freehold/Leasehold Property		1.90			1.90		1,318.13	693.75
Sale of Business		1.20			1.20		832.51	693.76
Creditors		2.50	74.10	4.84	81.44		38,780.70	476.19
Unsecured Creditors		0.60	70.70	2.40	73.70		35,351.81	479.67
Employees		0.50	1.90	0.20	2.60		1,245.88	479.18
Preferential Creditors				2.24	2.24		518.00	231.25
Pensions		0.70	1.50		2.20		1,179.38	536.08
Shareholders		0.70			0.70		485.63	693.76
Investigation		2.90	8.40		11.30		5,950.38	526.58
CDDA Enquiries		2.90	0.40		3.30		2,030.38	615.27
IT – Investigations			8.00		8.00		3,920.00	490.00
Statutory Compliance	1.25	21.20	37.75	0.15	60.35		33,278.07	551.42
Post Appt TAX/VAT		6.90		0.15	7.05		4,828.53	684.90
Statutory Compliance - General	1.25	3.70	8.40		13.35		7,382.51	553.00
Statutory Reporting/ Meetings		7.10	29.00		36.10		18,712.90	518.36
Appointment Formalities		2.00			2.00		1,258.00	629.00
Statement of Affairs		1.50			1.50		943.50	629.00
Bonding/ Statutory Advertising			0.35		0.35		152.63	436.09
Trading	2.00	0.30	17.90	21.30	41.50		16,554.92	398.91
Trading forecasting/ Monitoring	2.00		8.35	9.15	19.50		8,295.66	425.42
Trade-sales/ Purchase		0.30	9.25	12.15	21.70		8,112.26	373.84
IT – Trading / Sale support			0.30		0.30		147.00	490.00
Total Hours	11.20	32.70	176.55	40.74	261.19		125,927.73	482.13

FRP Charge out rates

Grade	
Appointment taker / Partner	765-925
Manager / Director	580-790
Other Professional	340-490
Junior Professional & Support	210-290

Disbursements for the period
24 May 2017 to 02 November 2017

	Value £
Category 1	
Advertising	84.60
Company Search	7.00
Insurance	225.00
Postage	924.35
Category 2	
Car/Mileage Recharge	92.25
Grand Total	1,333.20

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

Appendix E

Receipts and payments accounts for the Period



Redx Pharma plc
(In Administration)
Joint Administrators' Trading Account
To 02/11/2017

S of A £	£	£
POST APPOINTMENT SALES		
Sub-let	71,871.57	71,871.57
PURCHASES		
Third Party Laboratory	405,395.11	
Consumable Stores	701.99	
		(406,097.10)
OTHER DIRECT COSTS		
PAYE / NIC	389,117.27	
Direct Wages	458,460.74	
Direct Expenses	36,816.43	
Employee benefits	14,849.91	
		(899,244.35)
TRADING EXPENDITURE		
Indirect Labour	1,572.67	
Rents	532,228.84	
Rates	155,183.78	
Heat & Light	95,122.16	
Telephone, Internet and IT	31,161.35	
Patents	134,902.65	
Insurance	17,501.39	
Professional Fees	83,070.72	
Service Charges	200,859.58	
Recharges	3,570.33	
Hire of Equipment	104.70	
Repairs & Maintenance	1,677.00	
Memberships / Sundry Expenses	5,489.33	
Pension Payments	42,737.10	
Waste Collection	4,783.70	
Health and Safety	1,650.00	
Subscriptions	5,767.02	
Conference costs	5,411.56	
Ransom payments.	10,067.80	
		(1,332,861.68)
TRADING SURPLUS/(DEFICIT)		(2,566,331.56)

Redx Pharma plc
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 02/11/2017

S of A £		£	£
	SECURED ASSETS		
NIL	Goodwill	NIL	
119,834.00	Purchased IP	NIL	
	Patents	1.00	
NIL	Investment in subsidiary undertakings	19,181,415.53	19,181,416.53
	SECURED CREDITORS		
(3,448,000.00)	Liverpool City Council	NIL	NIL
	ASSET REALISATIONS		
NIL	Leasehold Improvements	NIL	
26,267.00	Office Equipment	NIL	
1,000.00	Furniture & Fittings	NIL	
58,009.00	Book Debts	49,003.92	
NIL	Derivative Financial Instrument	NIL	
427.00	Bank Interest Due	NIL	
834,141.00	Loans Granted	NIL	
233,435.00	VAT Refund	NIL	
1,752,258.00	Cash at Bank	2,091,548.02	
1,274.00	Due from Employees (Cycle Scheme)	NIL	
82,134.00	Prepayments	NIL	
	Bank Interest Gross	10,108.93	
	Trading Surplus/(Deficit)	(2,566,331.56)	
	VAT recoverable from dividend	51,124.82	(364,545.87)
	COST OF REALISATIONS		
	Tax Advisors Fees	58,450.00	
	Administrators' pre-appointment costs	9,387.63	
	Administrators' Remuneration	1,796,777.00	
	Administrators' Disbursements	46,820.97	
	Agents/Valuers Fees	63,150.00	
	Legal Fees	551,046.82	
	Storage Costs	99.50	
	Statutory Advertising	253.80	
	Bank Charges - Floating	320.00	(2,526,305.72)
	PREFERENTIAL CREDITORS		
(4,000.00)	Preferential Creditors	2,400.00	(2,400.00)
	UNSECURED CREDITORS		
(1,301,181.00)	Unsecured Creditors	7,633,647.14	
	Statutory Interest	26,044.09	(7,659,691.23)
	DISTRIBUTIONS		
(1,264,779.00)	Ordinary Shareholders	NIL	NIL

Redx Pharma plc
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 02/11/2017

S of A £	£	£
<u>(2,909,181.00)</u>		<u>8,628,473.71</u>
REPRESENTED BY		
Vat Recoverable - Floating		829,628.01
IB Curr Flt/NIB 18-10-17		7,818,558.29
Vat Payable - Floating		(19,712.59)
		<u>8,628,473.71</u>

Redx Oncology Limited
(In Administration)
Joint Administrators' Trading Account
To 02/11/2017

S of A £	£	£
PURCHASES		
Third Party Laboratory	270,256.55	
Consumable Stores	105,202.91	
Ransom Payments	10,046.49	
	<hr/>	(385,505.95)
OTHER DIRECT COSTS		
PAYE / NIC	122,272.46	
Direct Wages	309,437.67	
Direct Expenses	8,853.26	
Employee Benefits	11,947.35	
	<hr/>	(452,510.74)
TRADING EXPENDITURE		
Carriage	797.30	
Professional Fees	1,605.10	
Repairs & Maintenance	46,042.38	
Sundry Expenses	84.60	
Pension Payments	21,881.42	
Employee Education Courses	1,475.00	
Stationery	53.93	
Employee pension	11,439.27	
Subscriptions	40.00	
PAYE settlement	1,198.97	
IT Support	6,453.23	
	<hr/>	(91,071.20)
<hr/>		
TRADING SURPLUS/(DEFICIT)		<hr/> (929,087.89) <hr/>

Redx Oncology Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 02/11/2017

S of A £		£	£
	SECURED ASSETS		
	Internally Generated IP	30,202,582.83	30,202,582.83
	SECURED CREDITORS		
	Liverpool City Council	3,551,080.00	(3,551,080.00)
	ASSET REALISATIONS		
15,408.00	Plant & Machinery	NIL	
2,063.00	Office Furniture	NIL	
282,198.00	R&D Expenditure Credits	NIL	
NIL	Intercompany Accounts	NIL	
NIL	Staff Vouchers	NIL	
60,245.00	Cash at Bank	59,855.83	
55,097.00	HM Revenue & Customs	NIL	
	Bank Interest Gross	185.85	
	Trading Surplus/(Deficit)	(929,087.89)	
	VAT recoverable from dividend	6,373.47	(862,672.74)
	COST OF REALISATIONS		
	Administrators' pre-appointment costs	1,712.50	
	Administrators' Remuneration	112,945.00	
	Administrators' Disbursements	1,333.20	
	Storage Costs	99.50	
	Statutory Advertising	169.20	
	Bank Charges - Floating	530.00	(116,789.40)
	UNSECURED CREDITORS		
(2,312,852.00)	Unsecured Creditors	606,801.12	
	Intercompany Loan Account	19,181,415.53	
	Statutory Interest	17,526.38	(19,805,743.03)
(1,897,841.00)			5,866,297.66
	REPRESENTED BY		
	Vat Recoverable - Floating		95,887.01
	IB Curr Flt/NIB 18-10-17		5,770,421.14
	Vat Payable - Floating		(10.49)
			5,866,297.66

Appendix F

Statements of expenses incurred in the Period



Redx Pharma Plc (In Administration)
Statement of expenses for the period ended
2 November 2017

Expenses	Period to 2 November 2017 £
<i>Costs of Realisation</i>	
Office Holders' remuneration (Time costs)	1,796,777
Office Holders' disbursements	46,821
Office holders' pre-appointment costs	9,388
Tax Advisors Fees	58,450
Agents/Valuers Fees	63,150
Storage costs	100
Statutory Advertising	169
Bank Charges	320
Storage costs	100
<i>Trading</i>	
Third Party Laboratory	405,395
Consumable Stores	702
PAYE / NIC	389,117
Direct Wages	458,461
Deirect expenses	36,816
Employee Benefits	14,850
Indirect Labour	1,573
Rents	532,229
Rates	155,184
Heat & Light	95,122
Telephone, Internet & IT	31,161
Patents	134,903
Insurance	17,501
Professional Fees	83,071
Service Charges	200,860
Recharges	3,570
Hire of Equipment	105
Repairs & maintenance	1,677
Memberships / Sundry Expenses	5,489
Pension Payments	42,737
Waste Collection	4,784
Health and Safety	1,650
Subscriptions	5,767
Conference Costs	5,412
Ransom Payments	10,068
Total	4,613,477

Redx Oncology Limited (In Administration)
Statement of expenses for the period ended
2 November 2017

Expenses	Period to 2 November 2017 £
<i>Costs of Realisation</i>	
Office Holders' remuneration (Time costs)	112,945
Office Holders' disbursements	1,333
Office holders' pre-appointment costs	1,713
Statutory Advertising	169
Bank Charges	530
Storage costs	100
<i>Trading</i>	
Third Party Laboratory	270,257
Consumable Stores	105,203
Ransom Payments	10,046
PAYE / NIC	122,272
Direct Wages	309,438
Direct Expenses	8,853
Employee Benefits	11,947
Carriage	797
Professional Fees	1,605
Repairs & Maintenance	46,042
Sundry Expenses	85
Pension Payments	33,321
Employee Education Courses	1,475
Stationary	54
Subscriptions	40
PAYE settlement	1,199
IT Support	6,453
Total	1,045,877