

The Insolvency Act 1986

Administrator's progress report

Name of Company Swets Information Services Ltd	Company number 00165100
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In the High Court of Justice Bristol District Registry (full name of court)	Court case number 598 of 2014
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(a) Insert full name(s) and address(es) of administrator(s)

≠/ We (a) **David Ronald Taylor and Matthew Richard meadley wild of Rsm Restructuring Advisory LLP, 3rd floor, one London Square Cross Lanes, Guildford, Surrey GU1 1UN**

administrator(s) of the above company attach a progress report for the period

(b) Insert dates

from

to

(b) **5 March 2016**(b) **4 September 2016**

Signed

Joint / Administrator(s)

Dated

30/09/2016**Contact Details:**

You do not have to give any contact information in the box opposite but if you do it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Alison Young	
Tel 01483 307037	
DX Number	DX Exchange



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04/10/2016

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Companies House, Crowa Way, Cardiff, CF14 3L 7

DX 33050 Cardiff

In the matter of

Swets Information Services Limited In Administration

('the Company')

in the High Court of Justice, Bristol District Registry no 598 of 2014

Joint Administrators' progress report

29 September 2016

**David Ronald Taylor and Matthew Richard Meadley Wild
Joint Administrators**

RSM Restructuring Advisory LLP

**Third Floor
One London Square
Cross Lanes
Guildford GU1 1UN**

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1 Purpose of report

This report has been prepared in accordance with insolvency legislation to provide creditors with information relating to the progress of the administration in the period from 5 March 2016 to 4 September 2016. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of Rule 2.47 of the Insolvency Rules 1986 (as amended). It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

RSM Restructuring Advisory LLP was previously named Baker Tilly Restructuring and Recovery LLP until 26 October 2015.

Neither the Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

2 Progress of the administration in the previous six months

2.1 Realisation of assets / sale of business

As previously reported, the trade debtors have represented the most significant asset realisation. The total book debt collections total is £685,524.

Harrison Clark Rickerbys Limited assisted the Joint Administrators in pursuing a number of the residual debts. However, Harrison Clark Rickerbys have been unable to make further recoveries. The remaining uncollected debts indicated in the books and records are estimated to be of the order of £97,112. The Joint Administrators have considered the information available, the likely steps and costs needed to pursue the debts and concluded no further debtor recovery action is warranted. No further payments have been made in the period to Harrison Clark Rickerbys Limited.

No other assets have been realised in the period other than bank interest and VAT recoveries on input VAT.

The Joint Administrators registered an estimated claim of £12.7m with the trustee in bankruptcy of the Dutch parent company and associates. The bankruptcy proceedings are not yet complete but the Joint Administrators have been advised that there is not likely to be a distribution to the general body of creditors including Swets Information Services Limited. The Administrators therefore consider the prospects of recovery for the Company do not justify keeping the Administration open.

There are no further assets to realise.

2.2 Connected party transactions

The Joint Administrators are not aware of any connected party transactions.

2.3 Investigations

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Innovation and Skills in relation to the conduct of the directors.

Following an initial assessment, further investigations were undertaken in relation to the affairs of the Company and concerns raised by the creditors committee, in particular the treatment of deposit monies paid by customers to the Company and the treatment of funds in the Swets UK bank account at the date of appointment. These investigations have now been concluded. Unfortunately, and in light of the advice received, the Joint Administrators do not consider that there are grounds to pursue the investigations further and that the prospects of making a recovery for creditors are remote.

The Creditors committee have been provided with a confidential report detailing the outcome of the investigation.

2.4 Case specific matters

Corporation tax returns for the period 1 January 2015 to 31 December 2015 and 1 January 2016 to 15

September 2016 have been submitted and the related tax liability settled

After an analysis of the Company's accounts and other available information, it was apparent that the Company could not be determined to have been significantly loss making in the final period of trading and consequently it was not possible to obtain a refund of Corporation Tax

The employee tax liability and payment position has been reviewed and reconciled to that of HMRC, so that any discrepancies, in particular in relation to the periods immediately prior to and following the commencement of the Administration, have been explained

The membership of the Liquidation Committee changed in the period and now consists of the following members

Creditor	Represented by
University of Durham	John Pennie
Keele University	Jill Christiaens
London Universities Purchasing Consortium	Andrew Davies
Natural History Museum	Heidi Clayton
UK SBS	John Welch

2 5 Administration and planning

Work undertaken in this area includes dealing with statutory obligations and filing as well as the day-to-day case administration duties. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, obtaining company searches, maintenance and obtaining books and records, general meetings/correspondence, statutory and other advertising, insurance, re-directed mail, statutory receipts and payments accounts, dealing with Company pension schemes where applicable together with reporting to the creditor committee and the progress report to creditors

3 Matters preventing closure

3 1 Assets remaining to be realised

There are no assets remaining to be realised

3 2 Other outstanding matters

A second and final dividend to Preferential creditors will be issued shortly and is expected to be a further 50p in the £ resulting in a total distribution to preferential creditors of 100p in the £

4 Extension of the administration

As previously advised it was necessary for the Joint Administrators to apply to the court for an extension of the period of the administration in order to continue their investigation, conclude the outstanding asset realisations, deal with tax matters and to agree and distribute a dividend to the preferential creditors. As a result the Joint Administrators were granted a 12 month extension from the court on 30 September 2015

The Joint Administrators are not seeking a further extension

5 Creditors' claims and dividend prospects

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix A, including any amount under the prescribed part. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs

6 Receipts and Payments Summary

We attach as Appendix B a summary of our receipts and payments for the period from 5 March 2016 to 4 September 2016

VAT basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately

7 Costs and Joint Administrators' remuneration

The firm's charging, expenses and disbursements policy was provided with the Joint Administrators' proposals. A further copy can be provided on request

7.1 Pre-administration costs

As detailed in my report of 28 November 2014, unpaid pre-administration costs totalling £21,893 were approved on 17 December 2016 by the Creditors Committee

Pre-administration costs charged / incurred			
To whom paid	Amount approved £	Date approved	Date paid
RSM Restructuring Advisory LLP	21,183	17/12/14	18/12/14
Osborne Clarke	21,238	17/12/14	21/01/15

7.2 Joint Administrators' remuneration and disbursements

The Joint Administrators' remuneration was approved on a time cost basis by the creditors committee on 17 December 2014. Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix D. An analysis of time incurred in the period is attached at Appendix G. Sums drawn in respect of remuneration in the period covered by this report are shown in the receipts and payments account (Appendix B).

Category 2 disbursements incurred in the period are detailed in Appendix E

7.3 Other professional costs

Appendix F includes details of other professional costs that have been incurred. The receipts and payments abstract at Appendix B sets out which of these costs have been paid. All such costs are subject to review before being paid and any payments made in the period are disclosed in the receipts and payments account at Appendix B.

8 Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the provisions of Rules 2.48A and 2.109 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses (other than pre-administration costs) and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the administrator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Administrators Fees, which provides information for creditors in relation to the remuneration of an Administrator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Should you have any further queries please do not hesitate to contact me



David Ronald Taylor
RSM Restructuring Advisory LLP
Joint Administrator

Matthew Richard Meadley Wild is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

David Ronald Taylor is licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association
Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

The affairs, business and property of the company are being managed by the Joint Administrators who act as agents of the company and without personal liability

Appendix A

Statutory, dividend and other information

Company name	Swets Information Services Limited		
Joint Administrators	Matthew Richard Meadley Wild and David Ronald Taylor		
Date of appointment	9 October 2014		
Functions	The Joint Administrators' appointment specified that they would have power to act jointly and severally. The Joint Administrators have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.		
Previous company names	10/11/2003 - SWETS BLACKWELL LIMITED 09/03/2000 - B H BLACKWELL LIMITED		
Company number	00165100		
Date of incorporation	11/03/1920		
Trading name	SWETS		
Trading address	SWAN HOUSE, WYNDYKE FURLONG, ABINGDON, OXFORDSHIRE OX14 1UQ		
Principal activity	SUPPLY OF PERIODICALS AND JOURNALS		
Registered office	RSM RESTRUCTURING ADVISORY LLP THIRD FLOOR ONE LONDON SQUARE CROSS LANES GUILDFORD GU1 1UN		
Appointor	Directors		
Details of any extension	12 months to 8 October 2016 by the High Court		
Proposed exit route	Dissolution		
Dividend prospects	Owed	Paid to date	Estimated future prospects
Secured creditor (1)	€80,875,107 in respect of the Group's senior facilities agreement	£Nil	£10,000
Secured creditor (2)	€27,612,578 In respect of mezzanine facilities agreement	£Nil	Nil
Preferential creditors	£165,680.02	50p in £ 20 September 2016	50p in £
Unsecured creditors	£5,883,100	Nil	Nil
Estimated net property	£Nil		
Estimated prescribed part available for unsecured creditors	£Nil		
Whether and why the Administrators intend to apply to court under S176(A)(5) IA86	N/A		

Appendix B

Receipts and Payments for the period 5 March 2016 to 4 September 2016

		05/03/2016 to 04/09/2016 £	Total £
SOA Value £			
540,000 00	SECURED ASSETS		
	Cash at Bank	0 00	0 00
		0 00	0 00
(86,238,568 00)	SECURED CREDITORS		
	Fixed Charge Claims	0 00	0 00
		0 00	0 00
	ASSET REALISATIONS		
0 00	Bank Interest Gross	122 52	671 39
0 00	Cast at bank RBS 922	0 00	41,771 93
0 00	Customer List	0 00	35,000 00
0 00	Customer Refund	0 00	3,959 57
400,000 00	Debtors (Pre-Appointment)	0 00	685,524 16
0 00	Franking Machine Refund	0 00	3 40
0 00	Healthcare Refund	0 00	1,970 48
2,120 00	Office Equipment	0 00	2,120 00
12,000 00	Plant and Machinery	0 00	12,000 00
0 00	Rates Refund	0 00	12,107 42
		122 52	795,128 35
	COST OF REALISATIONS		
0 00	Advertisements	0 00	(292 66)
0 00	Agents / Valuers Fees	0 00	(19,000 00)
0 00	Agents/Valuers Expense	0 00	(2,075 61)
0 00	Appointee Disbursements	0 00	(4,802 47)
0 00	Appointee Fees	0 00	(307,817 60)
0 00	Bank Charges	0 00	(1,020 00)
0 00	Cleaning	0 00	(1,126 00)
0 00	Corporation Tax	0 00	(1,578 15)
0 00	Court Fees	0 00	(50 00)
0 00	Fees- Pre-appointment	1,608 00	(20,281 00)
0 00	Legal Disbursements	0 00	(538 62)
0 00	Legal Fees	0 00	(35,019 90)
0 00	PAYE/NIC	0 00	(22,836 03)
0 00	Pension Contribution	0 00	(714 60)
0 00	Rates	0 00	(38,490 67)
0 00	Repairs & Maintenance	0 00	637 88
0 00	Site Clearance	0 00	(2,400 00)
0 00	Statutory Advertising	0 00	(81 13)
0 00	Storage Costs	(766 38)	(2,375 47)
0 00	Sundry Costs	0 00	(3,210 00)
0 00	Telephone & Fax	0 00	(346 30)
0 00	Utilities	0 00	(16,376 29)
0 00	Wages & Salaries	0 00	(57,124 49)
		841 62	(536,919 11)
(67,440 76)	PREFERENTIAL CREDITORS		
(93,663 01)	Holiday Pay	0 00	0 00
	Wages	0 00	0 00
		0 00	0 00
(85,698,568 00)	FLOATING CHARGE CREDITORS		
	Floating Charge Claims	0 00	0 00
		0 00	0 00
(85,499,155 02)	UNSECURED CREDITORS		
(981,085 07)	Deficiency In Security	0 00	0 00
(6,535,559 48)	Employees	0 00	0 00
	Unsecured Creditors	0 00	0 00
		0 00	0 00
(423,527 50)	EQUITY		
	Ordinary	0 00	0 00
		0 00	0 00
(264,583,446 84)		964 14	258,209 24
	REPRESENTED BY		
	Cash at Bank		255,454 64
	VAT Receivable (Payable)		2,754 60
			258,209 24

Appendix C

RSM Restructuring Advisory LLP

Charging, expenses and disbursements policy

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
 - The current charge rates for RSM Restructuring Advisory LLP Guildford are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements
 - A resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Guildford will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate

Appendix D

RSM Restructuring Advisory LLP

Joint Administrators' current charge out and disbursement rates

Hourly charge out rates		
	Rates at commencement £	Current rates £
Partner	420	450 – 495
Directors / Associate Directors	320 – 375	335
Manager	195 -275	n/a
Assistant Managers	155	225
Administrators	130 – 175	145
Support staff	95	80

Category 2 disbursement rates	
Subsistence	£25 per night (from 3 rd September 2013) £23 per night (up to 2 nd September 2013)
Travel (car)	38p per mile (up to and including 31 March 2010) 40p per mile (from 1 April 2010) 42 5p per mile (from 1 April 2011)
'Tracker' searches	£10 per case

Appendix E

RSM Restructuring Advisory LLP

Joint Administrators' category 2 disbursements table

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, type and purpose	Paid £	Unpaid £
Mileage	3,194 63	0 00
Subsistence	25 00	0 00
Total	3,219 63	0 00

,

Type and Purpose	Incurred in period
	£
Storage Costs	766 38
Administrators Fees	43,382 37
Administrators Disbursements	4 55
Legal Fees	10,000 00
Total	54,153 33

The table above excludes any tax liability as the amounts due will depend on the position at the end of the accounting period. The statement above may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period.

Appendix G

Joint Administrators' Time cost analysis for the period from 5 March 2016 to 4 September 2016

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Administrators	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Administration and Planning										
Case Management		0.2	13.1	0.0	0.0	2.2	1.2	16.7	£ 4,903.50	293.62
Director(s)/debtor/bankrupt		0.0	0.1	0.0	0.0	0.0	0.0	0.1	£ 33.50	335.00
Receipts and Payments		0.0	0.1	0.0	0.0	0.4	2.4	2.9	£ 274.50	94.66
Tax Matters		2.0	5.7	0.3	0.0	2.2	0.4	10.6	£ 3,199.50	301.84
Total		2.2	19.0	0.3	0.0	4.8	4.0	30.3	£ 8,411.00	277.59
Investigations										
Investigations/CDDA		0.0	5.3	0.0	0.0	2.5	0.0	7.8	£ 2,103.50	269.68
Total		0.0	5.3	0.0	0.0	2.5	0.0	7.8	£ 2,103.50	269.68
Realisation of Assets										
Assets - general/other		0.0	2.8	0.0	0.0	0.0	0.0	2.8	£ 938.00	335.00
Debtors & sales finance		0.0	0.0	0.0	0.0	1.9	0.0	1.9	£ 268.00	141.05
Total		0.0	2.8	0.0	0.0	1.9	0.0	4.7	£ 1,206.00	256.60
Creditors										
Committee		0.0	0.4	0.0	0.0	0.8	0.0	1.2	£ 250.00	208.33
Employees		0.0	1.0	6.3	0.0	0.2	0.2	7.7	£ 1,608.50	208.90
Other Creditor Meetings and Reports		2.0	3.3	0.0	0.0	11.2	3.8	20.3	£ 3,841.00	189.21
Preferential Creditors		0.0	8.4	0.0	0.0	10.7	0.6	19.7	£ 4,437.50	225.25
Unsecured Creditors		0.0	1.2	0.0	0.0	1.8	2.4	5.4	£ 853.50	158.06
Total		2.0	14.3	6.3	0.0	24.7	7.0	54.3	£ 10,990.50	202.40
Case Specific Matters - Shareholders										
Shareholders / Members		0.0	0.7	0.0	0.0	0.0	0.0	0.7	£ 234.50	335.00
Total		0.0	0.7	0.0	0.0	0.0	0.0	0.7	£ 234.50	335.00
Case Specific Matters - Legal Matters										
Legal Matters		2.5	0.1	2.3	0.0	0.0	0.0	4.9	£ 1,611.37	328.85
Total		2.5	0.1	2.3	0.0	0.0	0.0	4.9	£ 1,611.37	328.85
Total Hours (From Jan 2003)		6.7	42.2	8.9	0.0	33.9	11.0	102.7	£ 24,556.87	239.11
Total Time Cost (From Jan 2003)		£ 2,994.00	£ 14,082.50	£ 1,778.87	£ 0.00	£ 4,814.50	£ 887.00	£ 24,556.87		
Total Hours		6.7	42.2	8.9	0.0	33.9	11.0	102.7	£ 24,556.87	239.11
Total Time Cost		£ 2,994.00	£ 14,082.50	£ 1,778.87	£ 0.00	£ 4,814.50	£ 887.00	£ 24,556.87		
Average Rates		446.87	333.71	199.87	0.00	142.02	80.64	239.11		