

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A6MDE00J

A14

30/12/2017

#139

COMPANIES HOUSE

1 Company details

Company number 0 2 8 6 1 7 9 0

Company name in full Izodia plc

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Phillip

Surname Sykes

3 Liquidator's address

Building name/number 150 Aldersgate Street

Street London

Post town EC1A 4AB

County/Region

Postcode

Country

4 Liquidator's name ①

Full forename(s) Jeremy

Surname Willmont

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ①

Building name/number 150 Aldersgate Street

Street London

Post town EC1A 4AB

County/Region

Postcode

Country

① Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	^d 0	^d 8	^m 1	^m 1	^y 2	^y 0	^y 1	^y 6				
To date	^d 0	^d 7	^m 1	^m 1	^y 2	^y 0	^y 1	^y 7				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	Signature X <i>J. Willmat</i> X											
Signature date	^d 2	^d 9	^m 1	^m 2	^y 2	^y 0	^y 1	^y 7				

LIQ03

Notice of progress report in voluntary winding up



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	Pauline Durrant
Company name	Moore Stephens LLP
Address	150 Aldersgate Street
	London
Post town	EC1A 4AB
County/Region	
Postcode	
Country	
DX	
Telephone	+44 (0)20 7334 9191



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Strictly Private & Confidential

IZODIA PLC ("THE COMPANY")

Progress report to the members for the period 8
November 2016 to 7 November 2017

29 December 2017

Contents

1. Statutory information
2. Progress to date
3. Joint liquidators' remuneration and category 2 disbursements
4. Joint liquidators' expenses
5. Members' rights
6. Liabilities
7. Return on capital

Appendices

Appendix I	Receipts and payments account for the period, 8 November 2016 to 7 November 2017
Appendix II	Breakdown of time costs and category 2 disbursements
Appendix III	Schedule of expenses incurred

This report is intended for use by those parties entitled to a copy thereof under the Insolvency (England and Wales) Rules 2016. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited.

Any estimated outcomes for members are for illustration only and cannot be relied upon as guidance as to the actual outcome for members.

Phillip Sykes and Jeremy Willmont are authorised in the UK to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. All of our work is conducted in accordance with the Insolvency Code of Ethics.

1. Statutory information

Company name:	Izodia plc ("the Company" or "Izodia")
Former Company names:	Infobank International Holdings plc Infobank International (Multimedia) plc Infobank Multimedia Limited
Company number:	02861790
Registered office:	c/o Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB
Date of appointment:	8 November 2012
Joint liquidators:	Phillip Sykes Jeremy Willmont
Joint liquidators' address:	150 Aldersgate Street London EC1A 4AB

2. Progress to date

- 2.1. The purpose of this report is to provide shareholders with an update on what has happened during the year since the liquidators' last report dated 4 January 2017.
- 2.2. The receipts and payments account attached in Appendix I details the asset realisations to 7 November 2017.
- 2.3. There have been three major focuses of our work during the past year, as follows:
- Smith/Ruhan litigation – review of legal actions and liaison with Proceeds of Crime Act 2002 ("POCA") Receivers*
- 2.4. As reported previously, there has been much legal activity in the High Court in London, in the Isle of Man and in Jersey relating both directly and indirectly to these proceedings. Some of these proceedings have been settled, others discontinued and seemingly recommenced. Unfortunately the information available from this litigation has done little to clarify the validity of the claims between the parties and, most pertinently, does not appear, as yet, to have facilitated or resulted in the realisation of any funds by the POCA receivers which might ultimately flow through for the benefit of the liquidation.
- 2.5. We continue to liaise with the relevant parties in order to ensure that Izodia's interests are asserted and protected. It must be stressed, though, that given the large number of competing claims in the litigation, we are not able to provide any indication of what further monies, if any, may be received by the POCA receivers (or other parties) and ultimately be payable to Izodia.
- Orb Estates plc (in administration) ("Orb Estates")*
- 2.6. As you will recall, Izodia is a member of the creditors' committee in the administration of Orb Estates. We have continued to liaise with the administrators who have been pursuing potential claims against the parties in the litigation referred to above and attend committee meetings to hear and monitor their progress.
- Hotel Portfolio II UK Limited (in liquidation) ("HP2") – restoration to register*
- 2.7. The application to restore HP2 to the Companies Register was successful and the former liquidator has been reappointed. We understand that he, too, is now looking to formulate claims against the various parties involved in the Smith/Ruhan litigation. To date, minimal realisations have been made in the liquidation.
- 2.8. It will be appreciated by shareholders that the work undertaken in respect of the last three headings involves the inspection and review of a significant amount of information that is privileged or commercially sensitive, and as such we are not in a position to comment beyond the matters disclosed above.

3. Joint liquidators' remuneration and category 2 disbursements

3.1. At the general meeting of members held on 8 November 2012 the following resolutions were passed:

- That the remuneration of the joint liquidators be fixed by reference to the time properly given by the joint liquidators and their staff in attending to matters arising in the winding up (pre and post appointment) in accordance with Rule 4.148A(2)(b) of the Insolvency Rules 1986.
- The joint liquidators shall be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, document storage, mileage and room hire, as and when funds permit.

3.2. The time costs incurred to date have arisen primarily as a result of the following:-

- Advising on the placing of the Company into liquidation and preparing and reviewing the documents needed to place the Company into liquidation;
- Liaising with Capita Registrars, the agent responsible for maintaining the Company's shareholder register;
- Dealing with a significant number of shareholder enquiries including requests for confirmation of shareholdings, distribution likelihood and stock transfers;
- Liaising with third parties including the POCA receiver and administrators of Orb in respect of potential recoveries and the trustees in respect of the Employee Benefit Trust ("EBT");
- Pre meeting planning and attendance at Orb creditor committee meetings;
- Dealing with the winding up of the EBT;
- Assisting the former liquidator of HP2 with its restoration to the Companies' Registrar;
- Preparation, submission and agreement of the Company' final pre-liquidation tax return;
- Collating and preparing the pre appointment VAT return; and
- Dealing with statutory functions required under the Insolvency Act 1986 and Insolvency Rules 1986.

3.3. Pre appointment costs of £16,361.50 plus VAT were approved by the directors of the Company and relate to assistance given by Moore Stephens prior to the Company entering liquidation. In this reporting period, remuneration of £12,994.50 plus VAT has been drawn.

3.4. During the reporting period, recharges of internal costs (known as category 2 disbursements) totalling £953.46 were drawn.

3.5. Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone.

4. Joint liquidators' expenses

4.1. A schedule of all expenses (referred to as category 1 disbursements) incurred in the period have been detailed in Appendix III.

4.2. The following payments were made to agents. All payments are exclusive of VAT:

- Registrar costs - £7,116.64 – in maintaining the Company's shareholder register.
- Legal fees - £2,488.50 – in advising the liquidators on Orb matters, attending creditor committee meetings and the transfer of the register to the joint liquidators.
- External mailing - £4,731.88 – in dealing with the mail out of the previous progress report to shareholders.

- 4.3. All of costs should be self-explanatory, however please contact this office if you require further information.

5. Members' rights

- 5.1. Within 21 days of receipt of this report, members with at least 5% in value of the total voting rights of all members having the right to vote at general meetings of the Company, or any member with the permission of the court, may request in writing that the joint liquidators provide further information about their remuneration or expenses which have been itemised in the progress report.
- 5.2. Within 14 days of receipt of the request, the joint liquidators must provide all of the information asked for, except so far as they consider that:
- the time or cost of preparation of the information would be excessive, or
 - disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - they are subject to an obligation of confidentiality in respect of the information.
- 5.3. The joint liquidators are also required to give reasons for not providing all of the requested information.
- 5.4. Members with at least 10% in value of the total voting rights of all members having the right to vote at general meetings of the Company may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the basis fixed for the joint liquidators' remuneration, the remuneration charged, or the expenses incurred by the joint liquidators, as set out in the progress report, are excessive.

6. Liabilities

- 6.1. The liquidators are not aware of any secured or preferential creditors.
- 6.2. Unsecured creditor claims have been settled in full and totalled £80,284.

7. Return on capital

- 7.1. Based on current information, the liquidators consider it prudent to assume that there will be no further distributions to shareholders. However, we will continue to liaise with those third parties responsible for pursuing the potential recoveries identified under section 2 of this report.
- 7.2. During the reporting period the register of members was transferred to the joint liquidators from Capita Registrars. The joint liquidators will continue to maintain the shareholder register going forward.



Jeremy Willmont
Joint Liquidator

Joint Liquidators' Abstract of Receipts & Payments

Izodia plc (In Liquidation)

Declaration of Solvency		From 08/11/2016 To 07/11/2017	From 08/11/2012 To 07/11/2017
	ASSET REALISATIONS		
	Business rates refund	NIL	75,375.19
	Confiscation order proceeds	NIL	106,786.08
178,000.00	Cash at bank and in hand	NIL	178,072.67
	VAT repayment	(2,277.09)	43,263.67
		<u>(2,277.09)</u>	<u>403,497.61</u>
	OTHER REALISATIONS		
	Interest gross of tax	14.65	554.06
		<u>14.65</u>	<u>554.06</u>
	COSTS OF REALISATION		
	Agents fees & expenses	NIL	15,615.04
		<u>NIL</u>	<u>(15,615.04)</u>
	COSTS OF ADMINISTRATION		
	Registrar costs	7,116.64	75,105.44
	Courier charges	66.05	182.09
	Specific penalty bond	NIL	160.00
	Bank charges	1.11	248.96
	Legal fees & expenses	2,488.50	12,917.14
	Swearing fees	NIL	5.00
	Corporation tax	9.00	119.95
	Stationery & postage	NIL	72.13
	Statutory advertising	NIL	568.62
	Travel train/air	NIL	305.68
	Land registry & company search fees	NIL	8.00
	Liquidators' fees	12,994.50	197,425.50
	Category 2 disbursements	NIL	592.15
	External mailing	4,731.88	14,163.14
		<u>(27,407.68)</u>	<u>(301,873.80)</u>
	UNSECURED CREDITORS		
(77,000.00)	Trade creditors/accruals	(4,782.11)	75,501.85
		<u>4,782.11</u>	<u>(75,501.85)</u>
101,000.00		<u>(24,888.01)</u>	<u>11,060.98</u>
	REPRESENTED BY		
	Bank 2 - deposit		10,563.28
	VAT control account		497.70
			<u>11,060.98</u>

Appendix II - Breakdown of time costs and examples of work undertaken in a liquidation

IZODIA PLC (In Members' Voluntary Liquidation)

Summary of Moore Stephens time-costs from 08/11/2016 to 07/11/2017

	Partner / Director	Associate director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	4.90	10.60	36.10	18.55	70.15	15,679.00	223.51
Realisation of assets	0.75	0.90	0.90	-	2.55	834.75	327.35
Trading	-	0.65	-	-	0.65	214.50	330.00
Creditors	20.95	13.75	8.55	-	43.25	14,974.50	346.23
Tax	0.55	-	-	-	0.55	302.50	550.00
Case specific matters	0.05	-	-	-	0.05	21.50	430.00
Total hours	27.20	25.90	45.55	18.55	117.20		
Total time costs £	12,034.75	8,001.00	8,765.75	3,225.25		32,026.75	273.27

Summary of Moore Stephens time-costs from 08/11/2012 to 07/11/2017

	Partner / Director	Associate director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Pre appointment	18.25	8.55	20.55	-	47.35	16,361.50	345.54
Statutory compliance, administration and planning	31.25	40.35	193.65	93.40	358.65	72,771.25	202.90
Investigations	0.80	7.70	-	-	8.50	3,504.00	412.24
Realisation of assets	37.70	41.25	29.25	-	108.20	41,088.25	379.74
Trading	0.05	0.65	-	-	0.70	235.75	336.79
Creditors	48.00	89.45	190.15	-	327.60	89,866.50	274.32
Tax	1.20	0.25	0.55	-	2.00	761.25	380.63
Case specific matters	0.65	-	4.65	-	5.30	1,089.50	205.57
Total hours	137.90	188.20	438.80	93.40	858.30		
Total time costs £	68,392.75	72,643.25	72,620.25	12,021.75		225,678.00	262.94

Total remuneration drawn on account £197,425.50

Charge out rates

Rates effective from 29th-Oct-2017

Partner / Director	£440 - £550
Associate director / Manager	£275 - £400
Administrator	£110 - £245
Support staff	£110 - £180

Appendix II continued

Time charged in 3 minute unites or multiples thereof

Examples of work which is generally undertaken but which is not limited to, include:

Statutory compliance, administration and planning

- Appointment process
- Setting up and maintenance of internal hard copy files and case file on the Insolvency Practitioners System (IPS)
- Data input including basic details of case, assets, creditor names and addresses and employee names and addresses
- Obtaining specific penalty bond
- Setting up of liquidation bank account including inputting details on the IPS system
- Preparation and filing (with the Registrar of Companies) of various statutory forms including declaration of solvency, change of registered office form, notice of appointment and the resolution to wind up
- Advertisement of notice of appointment, resolution to wind up and the notice to creditors to claim in The Gazette
- Convening and holding meetings of members
- Obtaining approval for the basis of fees from members
- Initial notification to HM Revenue & Customs
- Enquiries as to any pension schemes and the auto-enrolment staging dates and subsequent notification of appointment (if applicable)
- Preparation and filing (with the Registrar of Companies, Land Registry and all persons claiming an interest in the property) of notices of disclaimer in relation to leasehold premises
- Preparation and distribution of progress reports to members
- Preparation and submission of statutory receipts and payments accounts
- General administration of case including case planning and strategy
- Completion of internal reviews including asset realisation review, 6 month review and annual reviews
- Collection, preservation and review of the Company's book and records
- Review of the Company's redirected post
- Written and verbal communications with the unsecured creditors
- Written and verbal communication with employees
- Dealing with lease and hire purchase creditors in conjunction with our agents
- Liaising with the Company's former professional advisors and bankers
- Correspondence with compliance department in respect of on-going case issues/matters.
- Complying with money laundering regulations
- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Reconciliation of post appointment bank accounts to the liquidation records
- Maintaining time-costs and disbursement schedules on firm's PMS system (including timesheet entries)
- Dealing with pension issues
- Arrangement and review of insurance policies in relation to the Company's assets
- Preparation and submission of corporation tax returns
- Obtaining tax clearance
- Preparation and submission of VAT returns
- Chargeable gains tax calculations
- Closure formalities.

Appendix II continued

Asset realisations

- Identifying, securing and insuring the assets
- Instructing agents to value assets
- Liaising with agents regarding the realisation of assets
- Liaising with solicitors regarding the realisation of assets
- Liaising with secured creditors regarding the realisation of charged assets
- Liaising with pre-appointment bankers regarding the closure of the Company's bank accounts
- Dealing with retention of title claims in conjunction with our agents
- Written and verbal correspondence with debtors.
- Monitoring and collection of outstanding debtors, retentions and work in progress.
- Property, business and asset sales.
- Tax reclaims
- Review of interest rate hedging products

Distributions to creditors and members

- The processing and submission of the relevant forms to the Redundancy Payments Directorate.
- Processing of creditors' proof of debt forms and entering onto IPS system.
- Liaising with agents in relation to the agreement of creditor claims
- Liaising with solicitors in relation to contentious proof of debt forms
- Agreement of creditors' claims (including employees and other preferential creditors)
- Calculation and payment of dividends
- Preparation of distribution paperwork including the notice of declaration.

Breakdown of time costs and category 2 disbursements continued

Izodia plc (in Members Voluntary Liquidation)

Summary of Moore Stephens' disbursements

	Undrawn costs brought forward from previous period(s) £	This period 08/11/2016 to 07/11/2017		Cumulative 08/11/2012 to 07/11/2017	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
Photocopying / printing	Nil	Nil	Nil	261.65	261.65
Room hire	Nil	Nil	Nil	330.50	330.50
Total	Nil	Nil	Nil	592.15	592.15
Total undrawn costs to carry forward					Nil

Category 2 disbursement rates:-

Type	Rate
Photocopying/printing *	£0.15 per sheet
Room hire	£50 per hour

* Photocopying/printing will not be charged going forward in line with the firm's revised policy

Breakdown of expenses

Izodia plc (in Members Voluntary Liquidation)

Cost Description	Undrawn costs brought forward from previous period(s) £	This period 08/11/2016 to 07/11/2017		Cumulative 08/11/2012 to 07/11/2017	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
Postage	Nil	23.75	20.54	95.88	92.67
Travel	Nil	Nil	Nil	305.68	305.68
Courier charges	Nil	88.66	88.66	204.70	204.70
Swearing fees	Nil	Nil	Nil	5.00	5.00
Statutory advertising	Nil	Nil	Nil	568.62	568.62
Specific penalty bond	Nil	Nil	Nil	160.00	160.00
Land registry & company search fees	Nil	Nil	Nil	8.00	8.00
Exacta plc	Nil	Nil	Nil	15,075.00	15,075.00
Capita Registrars (estimate)	Nil	7,116.64	7,116.64	75,105.44	75,105.44
Shah Associates	Nil	Nil	Nil	540.00	540.00
Legal fees	Nil	Nil	Nil	12,917.14	12,917.14
External mailing	Nil	4,731.88	4,731.88	14,163.14	14,163.14
Total	Nil	11,960.93	11,957.72	119,148.60	119,145.39
Total undrawn costs to carry forward					3.21

Summary of professional services

Professional advisor	Nature of work	Fee arrangement
Exacta plc	Business rates auditors	10% conditional fee arrangement
Capita Registrars	Registrar	Standard fee plus cost for additional services
Shah Associates	VAT issues and accounting	Time costs
Farrer & Co LLP	Legal fees	Time costs
External mailing	Shareholder mail out	Fixed costs
Ince & Co LLP	Legal fees	Time costs

150 Aldersgate Street
London EC1A 4AB

+44 (0)20 7334 9191

MOORE STEPHENS