

The Insolvency Act 1986

# **Notice of move from administration to creditors' voluntary liquidation**

# 2.34B

Name of Company

World Gaming PLC

Company number

4094204

In the  
High Court Of Justice

(full name of court)

For court use only  
7446 of 2006(a) Insert full name(s) and  
address(es) of administrators

We Andrew Andronikou and Peter Kubik of UHY Hacker Young LLP  
, Quadrant House, 17 Thomas More Street, Thomas More Square, London, E1W  
1YW

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

having been appointed Joint Administrators World Gaming PLC  
Quadrant House, 17 Thomas More Street, Thomas More Square, London, E1W 1YW  
("the company")

(c) Insert date of appointment

On (c) 13 October 2006 by the Directors of the Company

(d) Insert name of appointor

hereby give notice that:

(e) Insert name(s) and  
address(es) of liquidator(s)

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply,  
and it is proposed that Andrew Andronikou and Peter Kubik of UHY Hacker Young  
LLP Quadrant House, 17 Thomas More Street, Thomas More Square, London, E1W  
1YW we be the duly appointed Joint Liquidators'.

We attach a copy of the final progress report in this matter.

Signed

Joint Administrators

Dated

27-02-09

## Contact Details:

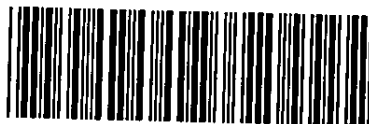
You do not have to give any  
contact information in the box  
opposite but if you do, it will  
help Companies House to  
contact you if there is a query  
on the form. The contact  
information that you give will  
be visible to searches of the  
public record.

UHY Hacker Young LLP  
Quadrant House, 17 Thomas More Street  
Thomas More Square  
London  
E1W 1YW  
Tel: 020 7216 4642

If you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff



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A01

03/03/2009

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COMPANIES HOUSE

TUESDAY

**WORLD GAMING PLC  
(IN ADMINISTRATION)  
FINAL PROGRESS REPORT TO CREDITORS IN ACCORDANCE WITH R2.47 AND  
R2.110 INSOLVENCY ACT 1986**

**A) COURT DETAILS**

High Court of Justice, Chancery Division, Thomas Moore Buildings, The Strand,  
London WC2H 2LL

Court No. 7446 of 2006

**B) REGISTERED NAME, ADDRESS AND NUMBER**

World Gaming Plc (In Administration), ("the Company")

Registered office: Quadrant House, 17 Thomas More Street, Thomas More Square,  
London, E1W 1YW

Registered Number: 4094204

**C) ADMINISTRATION APPOINTMENT DETAILS**

Andrew Andronikou and Peter Kubik of Quadrant House, 17 Thomas More Street, Thomas More Square, London, E1W 1YW, were appointed Joint Administrators of World Gaming PLC on the 13 October 2006 by the directors of the Company pursuant to paragraph 22 of Schedule B1 to the insolvency Act 1986.

In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the functions of the Joint Administrators are being exercised by any of the Administrators.

**D) DETAILS OF ANY EXTENSIONS**

Creditors agreed on 11 April 2008 to a 6 month extension to the Administration in accordance with Paragraph 108 of Schedule B1 Insolvency Act 1986. Therefore the automatic end of the Administration is 11 April 2009.

**E) SUMMARY OF ORIGINAL PROPOSALS**

There was a sale of the shares and assets of the Company and two associated companies, WG International Limited (incorporated in England, under company number 04094199) and Interactive Systems, Inc. (incorporated in Anigua and Barbuda, under company number 14156), completed on 13 October 2006 to Buronomic Limited (incorporated in Cyprus, under company number HE184687). The consideration for all three companies was for an initial sum of \$2,600,000, and a further deferred consideration in the sum of \$5,000,000.

Apportioned as follows:-

World Gaming Plc	\$592,000
WG International Limited	\$438,000
Interactive Systems, Inc.	\$6,570,000

<b>Total</b>	<b><u>\$7,600,000</u></b>
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Where the Joint Administrators have instructed other professional agents and solicitors to assist in the Administration, those agents', solicitors' and other professional costs be discharged during the course of the Administration, as a cost of the Administration.

That the Joint Administrators' will be discharged from liability in respect of any action, taken as Administrators, two weeks after issuing the final progress report to all known creditors.

These proposals may be revised by the Administrator should the creditors so wish.

The Joint Administrators' remuneration and category 1 disbursements be based on the time properly incurred and actual costs incurred in the conduct of the Administration. If the creditors agree the basis of the Administrators remuneration, it is further agreed that they be empowered to draw and pay such remuneration and disbursements in respect of these costs.

It is proposed that the administration will end by the Company going into Creditors' Voluntary Liquidation, however, if there are insufficient funds to pay a dividend to creditors, it is proposed that the administration will end by the Company being dissolved.

**F) CURRENT POSITION ON ADMINISTRATION**

All assets have been realised and there are no further monies due into the Administration.

**G) REASONS FOR A PROPOSED REVISION**

There will be a dividend to unsecured creditors under the prescribed part, therefore it is proposed that the Company enter Creditors Voluntary Liquidation, with Peter Kubik and Andrew Andronikou as Joint Liquidators.

## **H) PROPOSED REVISION OF ADMINISTRATORS PROPOSAL (RESOLUTION 1)**

It was proposed that the administration will end by the Company going into Creditors' Voluntary Liquidation, however, if there are insufficient funds to pay a dividend to creditors, it was proposed that the administration will end by the Company being dissolved.

It was agreed by creditors on 26 February 2009 that the administration will end by the Company being placed into Creditors' Voluntary Liquidation and that Peter Kubik and Andrew Andronikou of UHY Hacker Young LLP be appointed Joint Liquidators. The Joint Liquidators' remuneration and category 1 disbursements be based on the time properly incurred and actual costs incurred in the conduct of the Liquidation. It was further agreed that they be empowered to draw and pay such remuneration and disbursements in respect of these costs.

### **Receipts and payments account**

Attached at **Appendix 1** is a copy of our receipts and payments account for the period 13 October 2006 to 27 February 2009 from which you will note that totals receipts for the period are £849,464.08 and total payments of £734,415.77 resulting in a balance in hand of £115,048.31.

## **CREDITORS CLAIMS**

### **Secured creditors**

Initially it was believed that Southwark Investments Limited ("Southwark") was a secured creditor with a Fixed and Floating Charge over the Company assets. A payment was made to them of £524,434 under this fixed charge. However, it has since come to light that Southwark does not hold a fixed charge and are therefore no longer a secured creditor.

Please note that this payment does not affect the level of dividend to unsecured creditors as Southwark's hold an unsecured claim in the Administration of £45m.

### **Preferential creditors**

There are no preferential creditors in this matter.

### **Non preferential**

The trade and expense creditors, as per the statement of affairs totalled £73,123. Creditors claims agreed to date total £90,758. Please be advised that we shall be shortly in a position to declare a catch up dividend to unsecured creditors, notice of which shall be circularised to all known creditors in due course.

## **DIVIDEND PROSPECTS**

I am of the opinion, based on the current information, that the prospects are likely and that the creditors have agreed to place the Company into Creditors Voluntary Liquidation in order to pay a dividend to unsecured creditors.

## **COSTS AND EXPENSES**

### **Joint Administrators Remuneration and Disbursements**

We would confirm a resolution that the Joint Administrators' may draw and pay their time costs and category 1 and 2 disbursements properly incurred was passed on 27 December 2006 by a meeting of creditors.

The Administrators total time costs, category 1 and category 2 disbursements are £188,185.83, £3,522.13 and £230.00 respectively to date. The time costs, category 1 and category 2 disbursements are summarised at **Appendix 2**. Time costs of £157,869 have been drawn to date together with £3,292.15 of category 1 disbursements. I intend to draw the remainder in full.

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as Category 1 Disbursements.

Category 2 disbursements are where my firm incurs overheads in relation to postage, stationery, photocopying, storage and room hire.

### **Solicitors' fees**

As previously advised solicitor's were instructed on a time-costs basis to assist with the initial appointment of Administrators and the completion of the sale agreement. Our solicitor's total fees in this matter amounted to £29,495.80 and have been paid in full.

### **Agents' fees**

As previously advised agents have been instructed on a time-costs basis to realise the assets of the company and provide marketing advise in the administration. Our agents outstanding time-costs to date amount to £7,640.58 and fees of £7,640.58 have been met from the administration funds. The agents' fees are being regularly reviewed as part of the strategic review of the case.

## **I) DETAILS OF ANY ASSETS THAT REMAIN TO BE REALISED**

There are no further assets to realise.

## **J) SUMMARY OF ANY MAJOR AMENDMENTS OR DEVIATIONS FROM THE PROPOSALS**

See above point H.

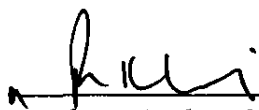
**K) STEPS TAKEN DURING THE ADMINISTRATION AND OUTCOME OF THE ADMINISTRATION**

As stated above the Company shall be placed into Creditors' Voluntary Liquidation in order to pay a dividend to creditors.

**Creditors Committee and Investigations**

No creditor committee was formed as no creditors' meeting was held.

We have undertaken an investigation into the affairs of the Company and the conduct of the directors and reported accordingly.

  
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Andrew Andronikou  
Joint Administrator

Dated: 27 February 2009

**WORLD GAMING PLC - IN ADMINISTRATION**

**Final Receipts and Payments from 13 October 2006 to 27 February 2009**

	Statement of Affairs		
	Estimated To		
	Realise Value	Actual Value	Difference
	£	£	
<b>Receipts</b>			
Sale of Business	254,433.72	254,433.72	-
Cash & Bank Balances	-	383,642.17	383,642.17
VAT	-	154,041.48	154,041.48
TAX Refund	-	51,505.31	51,505.31
Bank Interest Gross	-	5,098.37	4,860.33
Deposit on petition	-	743.03	743.03
	<u>254,433.72</u>	<u>849,464.08</u>	<u>594,792.32</u>
<b>Payments</b>			
Specific Bond		350.00	
Meeting Room - Cancellation Fee		382.50	
Consultancy Fees		7,640.58	
Corporation Tax Advice - BDO Stoy Hayward		9,000.00	
Notary fee		311.00	
Bank Charges		45.00	
Statutory Advertising		332.00	
Legal Fees		29,495.80	
Joint Administrators' Disbursements		3,292.15	
Joint Administrators' Fees		157,869.00	
VAT receivable		1,264.02	
		<u>209,982.05</u>	
1st Dividend to Unsecured Creditors		524,433.72	
<b>Balance in Hand</b>		<u><u>115,048.31</u></u>	

**WORLD GAMING PLC - IN ADMINISTRATION**

Summary of Joint Administrators time costs from 13 October 2006 to 27 February 2009

Classification of work function	Partner Hours	Director Hours	Manager Hours	Asst Manager Hours	Snr Administrator Hours	Administrator Hours	Junior Administrator Hours	Total Hours	Total Cost £	Avg Hourly Rate £
<b>General Administration</b>	128.00	40,876.00	0.00	286.00	117.50	4.75	0.00	438.25	77,018.50	176.55
Administration & Planning - Case Planning	14.50	3,407.50	0.33	0.00	32.85	4.00	0.00	51.68	6,248.33	120.87
Administration & Planning - Adm Set Up	0.00	0.00	0.00	0.00	4.80	0.00	0.00	4.80	490.00	100.00
Administration & Planning - Records	0.00	0.00	0.00	0.00	1.00	0.00	0.00	1.00	100.00	100.00
Administration & Planning - Reports	0.00	0.00	0.00	0.00	11.70	0.00	0.00	11.70	1,170.00	100.00
<b>General Realisation of Assets</b>	174.00	83,408.00	0.00	53.00	0.50	0.50	0.00	228.00	70,073.00	307.34
Realisation of Assets - Identifying, Securing	35.00	14,000.00	0.00	0.00	0.00	0.00	0.00	35.00	14,000.00	400.00
Realisation of Assets - Property, Business	0.00	0.00	0.00	7.00	6.00	0.00	0.00	13.00	1,590.00	121.54
Realisation of Assets - Debt Collection	0.00	0.00	0.00	0.50	8.50	5.50	0.00	12.50	1,180.00	92.80
<b>General Creditors</b>	14.00	5,040.00	0.00	70.00	24.35	1.00	0.00	109.35	15,383.00	140.88
Creditors - Claims and Employees	0.00	0.00	0.00	1.00	1.50	0.00	0.00	2.50	290.00	116.00
Investigations	0.00	0.00	0.00	0.00	1.25	0.00	0.00	1.25	100.00	80.00
Case Specific Matters: (specify) eg Tax, Litigation	0.00	0.00	0.00	0.00	5.75	0.00	0.00	5.75	575.00	100.00
<b>TOTAL HOURS</b>	365.50	£120,731.50	0.33	417.50	113.80	15.75	0.00	912.88	£188,185.83	
<b>TOTAL TIME CHARGED (£)</b>			£58.33	£1,397.50	£8,071.00	£1,327.50	0.00			
<b>Average hourly cost (£)</b>		£346.73	£178.76	123.11	£76.20	£84.29	0.00			£206.15

All figures are shown net of VAT

**ANALYSIS OF DISBURSEMENTS: Category 2**

Type & Purpose	Cost basis	Costs to date £
Stationery / fax / postage / telephone	One off cost of £5 per creditor	80.00
Stationery / fax / postage / telephone	One off cost of £3 per debtor	0.00
Internal storage of Company records	£8 per annum per box	0.00
Internal storage of Insolvency Practitioner's working papers	£5 per annum for 10 years	50.00
Files and indices	One off cost of £35	35.00
Photocopying (other than to creditors)	10p per sheet	0.00
Internal meeting room cost	£65 per hour	65.00
Mileage (own car usage)	40p per mile	0.00
eg Tax Services: UHY Hacker Young, London	state basis	0.00
<b>TOTAL</b>		<b>£230.00</b>

**ANALYSIS OF DISBURSEMENTS: Category 1**

Type & Purpose	Costs to date £
Travel	2,486.19
Bond	200.00
Entertaining	154.00
Accommodation	534.01
Courier	21.83
City Registrars	116.00
<b>Total</b>	<b>3,522.13</b>



## SIP 9 STANDARD ACTIVITY SUMMARIES

Standard Activity	Examples of Work
Administration and Planning	Case Planning Administrative set up Appointment notification Maintenance of records Statutory reporting
Investigation	SIP 2 CDDA report Investigating antecedent transactions
Realisation of assets	Identifying, securing, insuring assets Retention of title Debt collection Property, business and asset sales
Trading	Management of operation Accounting for trading On-going employee issues
Creditors	Communication with creditors Creditor claims (including employees and other preferential creditors)

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