

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

04485612

Name of Company

AD IQ Limited

I / We

Nedim Ailyan, 142-148 Main Road, Sidcup, Kent, DA14 6NZ

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 11/06/2014 to 10/06/2015

Signed

Date

20 7 15

Abbott Fielding Limited
142-148 Main Road
Sidcup
Kent
DA14 6NZ

Ref ADIQ001/NPA/RFD/CB

COMPANIES HOUSE

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COMPANIES HOUSE

**AD. IQ Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 11/06/2014 To 10/06/2015	From 11/06/2013 To 10/06/2015
	SECURED ASSETS		
Uncertain	Leasehold Property - Rent Deposit	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
2,500 00	Tangible Assets	NIL	2,500 00
19,882 00	Intangible Assets	NIL	19,883 00
5,086 00	Book Debts	NIL	3,380 92
Uncertain	Investments	NIL	NIL
275 00	Cash at Bank	NIL	NIL
	Petty Cash	NIL	16 35
	Bank Interest Gross	10 83	11 90
		10 83	25,792 17
	COST OF REALISATIONS		
	Preparation of S of A	NIL	3,000 00
	Office Holders Expenses	1,180 94	1,180 94
	Agents/Valuers Fees (1)	1,600 00	1,700 00
	Statutory Advertising	84 60	84 60
		(2,865 54)	(5,965 54)
	FLOATING CHARGE CREDITORS		
(47,533 13)	The Oxford Capital Partners	NIL	NIL
(130,069 00)	Gino DeJaegher/Trustee for Beneficiar	12,853 00	12,853 00
		(12,853 00)	(12,853 00)
	UNSECURED CREDITORS		
(289,916 27)	Trade & Expense Creditors	NIL	NIL
(132,346 00)	Loan Stock/Loan Note Holders	NIL	NIL
(55,653 10)	HM Revenue and Customs - PAYE an	NIL	NIL
(19,379 31)	HM Revenue and Customs - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2,799 00)	Ordinary C / Priority Shareholders	NIL	NIL
(16,630 00)	Ordinary Shareholders	NIL	NIL
(22,227 00)	Ordinary A Shareholders	NIL	NIL
(15,655 00)	Ordinary B Shareholders	NIL	NIL
		NIL	NIL
(704,464.81)		(15,707.71)	6,973.63
	REPRESENTED BY		
	Vat Receivable		1,002 76
	Bank 1 Current		5,970 87
			6,973.63

AD. IQ LIMITED- IN LIQUIDATION

LIQUIDATOR'S PROGRESS REPORT TO MEMBERS AND CREDITORS FOR THE YEAR ENDED 10 JUNE 2015

I enclose for your information

- 1 A receipts and payments account for the period from 11 June 2013 to 10 June 2015 and for the period from 11 June 2014 to 10 June 2015,
- 2 A summary of my firm's time costs from 11 June 2013 to 10 June 2015 A summary of my firm's time costs for the period from 11 June 2014 and 10 June 2015 is also shown,
- 3 Details of my firm's charge out rates and disbursement policy

STATUTORY INFORMATION

Company Name	AD IQ Limited
Company Number	04485612
Current Registered Office	142/148 Main Road, Sidcup, Kent, DA14 6NZ,
Former Registered Office	Communications House, York Street, London, W1U 6PZ
Trading Address	Hub Westminster, First Floor, New Zealand House, 80 Haymarket, London, SW1Y 4TE
Office Holder(s) / Numbers	Nedim Ailyan (9072)
Liquidator's Date of Appointment	11 June 2013

LIQUIDATOR'S ACTIONS SINCE LAST REPORT

Within the period covered by this report I have ensured that all my statutory requirements have been adhered to and all other duties in relation to the management of the case have been completed

Sale of Business

As disclosed in my previous progress report, in 2011, the Company hired an independent consultant and an expensive marketing campaign was conducted to sell the business, however, no offers were forthcoming. It was agreed that the saleability of the Company could be improved by dividing the Company, selling the technology platform and leaving the Company's main focus on the more profitable client business.

In March 2012, the technology sale was completed, with a management buy-out of the technology platform and the Australian business, led by James Critchley and Paul Phillips. The sale was made with the agreement of the loan note holders, Venture Capitalists and a majority of shareholders. The total consideration was £125,000 and this money was used to pay off the principal of the loan.

As disclosed, following my appointment I received a number of telephone calls regarding the sale of the aforementioned technology platform, from creditors, who voiced concerns regarding the consideration

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received The creditor's requested that the sale be reviewed to ensure that the appropriate consideration was received

It should be noted that James Critchley was a former director of AD IQ Limited who at the time of liquidation was also a shareholder In addition Paul Philips was also a shareholder CloudIQ Limited purchased the technology platform and both James Critchley and Paul Philips are and were at the time of the purchase, directors of CloudIQ Limited

Therefore, I instructed my agents Edward Symmons LLP Chartered Surveyors & Valuers ("Edward Symmons"), to conduct an independent valuation of the technology platform Within the period covered by this report Edward Symmons confirmed that in their opinion if they had been requested to place the technology platform on the open market they would have suggested a quoting price of £100,000 in the hope of possibly achieving offers of £50,000 However, Edward Symmons also stated if the business had ceased trading any offers would have been highly speculative The purchase price of £125,000 received was deemed highly attractive and unlikely to have been beaten in an open market scenario

I can confirm therefore, that my investigations have been concluded and that no further action is required in this regard

Dividends

Within the period covered by this report I have taken steps to issue and advertise a notice of intended dividend, I have also taken steps to agree creditors claims, both secured and unsecured The dividend has been paid, however, it is not reflected in the enclosed receipts and payments account as it has been paid outside of the period covered by this report

RECEIPTS AND PAYMENTS ACCOUNT

My receipts and payments account for the period from 11 June 2014 to 10 June 2015 is attached

The balance of funds are held in an interest bearing estate bank account

ASSETS

Leasehold Property - Rent Deposit

As previously reported, according to Companies House there were two rent deposit deeds held in favour of Derwent Valley London Limited ("DVL")

Following my appointment DVL advised that all charges had been satisfied, however, due to the cost implications Companies House records had not been updated Therefore, no monies will be recoverable in this regard

Sale of Business to an Unconnected Party

As previously reported, Incentivated IQ Limited, an unconnected party entered into a sale agreement with the Company prior to my appointment Due to non-payment of the sale agreement a statutory demand was issued and payment of £22,382, was received A breakdown of the assets involved in the sale is detailed below,

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Tangible Assets

As previously reported, the Company held various items of tangible assets which were included within the aforementioned sale agreement. Prior to instructing Abbott Fielding the Company instructed independent professional valuers ITC (South East) Limited ("ITC"), Insolvency Agents & Valuers who attributed a willing buyer value of £2,500 to these items.

Intangible Assets

As previously reported, the principle assets of the Company were the intangible assets of the business, which were included within the aforementioned sale agreement.

ITC attributed a willing buyer value of £5,000 to the intangible assets of the Company. The estimated to realise value was calculated as £19,882, being the amount due under the sale agreement.

Book Debts

As previously reported, a sum of £3,380.92 has been received in respect of book debts. A sum of £2,814.56 has been written off following correspondence and evidence of payment.

It is not anticipated that any further recoveries will be made in this regard.

Investments

As previously reported, the Company held three investments representing 100% shareholding of Ad IQ PTY Limited, Ad IQ Inc and TXT4 More Limited. The current book value of these shares is £3 and for the purpose of the director's estimated statement of affairs, ("ESoA") an uncertain estimated to realise value was given.

On the basis that the group consolidated accounts showed a group financial loss of £751,187, no recoveries in this regard will be made.

Petty Cash

As previously reported, a sum of £16.35 was recovered from the Company in respect of petty cash held at the Company's former trading premises.

CREDITOR CLAIMS & DIVIDEND PROSPECTS

Secured Creditors

An examination of the Company's mortgage register held by the Register of Companies, showed that the Company has granted the following charges:

HSBC Bank Plc

As disclosed in the director's ESoA HSBC Bank plc ("HSBC") have a fixed and floating charge over all of the Company's assets dated 22 June 2005. Following my appointment copy bank statements from HSBC were received which indicate that the Company had small overdrawn balances on its accounts, however, to date a formal claim from HSBC has not been received.

Derwent Valley London Limited

As previously advised, the records at Companies House indicated that there is a rent deposit deed dated 9 December 2005 in the sum of £17,625 held in favour of Derwent Valley London Limited. I have written to the landlord regarding this amount who, as advised above, has confirmed that the charge has been satisfied.

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Oxford Capital Partners Limited (The Trustee)

As disclosed in the director's ESoA, the aforementioned Company has a fixed and floating charge over all of the Company's assets dated 18 February 2009. It is understood that the figure quoted represents the current balance in respect of the monies loaned.

Derwent Valley London Limited

As disclosed in the director's ESoA, the records at Companies House indicated that there is a rent deposit deed dated 10 September 2010 in the sum of £25,000 held in favour of Derwent Valley London Limited. I have written to the landlord regarding this amount who, as advised above, has confirmed that the charge has been satisfied.

Gino DeJaegher As Security Trustee for the Beneficiaries

As disclosed in the director's ESoA, Gino DeJaegher as Security Trustee for the Beneficiaries has a fixed and floating charge over all of the Company assets dated 24 December 2010. From the instruments filed at Companies House the beneficiaries represented are Dunia Silan, Guy Turner, Ari Sarkar and Irfan Dabhad. The figure quoted represents the balance due to the aforementioned individuals in respect of loans made to the Company in exchange for both loan stock and loan stock notes.

Gino DeJaegher provided a copy of the deed of priority which confirms that the charge takes precedence over the earlier registered charge to Oxford Capital Partners.

I previously reported that a claim totaling £750,624 had been received in respect of the aforementioned charge, however, it transpired that a large proportion of this claim was in respect of shareholdings and could not be admitted.

Therefore, within the period covered by this report, in order to admit the secured claim for dividend purposes, a full review of the Company bank statements to verify cash injections was undertaken and details of the loan stocks made to the Company by the individuals was requested. I can confirm that the following claims were admitted in respect of beneficiaries,

Dunia Silan	£6,982 00
Ari Sarkar	£27,776 00
Guy Turner	£18,441 00
Irfan Dabhad	£72,688 00

On date 4 June 2015 a dividend totaling £12,853 00 was paid representing 10.21p in the £ on agreed secured claims of £125,887 00.

Prescribed Part

The provisions of section 176A of the Insolvency Act 1986 require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a 'qualifying floating charge' over its assets to a lender on or after 15 September 2003. This is known as the 'prescribed part of the net property'. A company's net property is that left after paying any preferential creditors, but before paying the lender who holds a floating charge. A liquidator is required to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property, up to a maximum of £600,000

On the basis of realisations made, and after taking into account the costs of the liquidation to date, the value of the prescribed part was to be £6,963 00, based on net property available of £19,816 00.

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Unsecured Creditors

Unsecured creditors' claims in the directors ESoA totalled £497,294 68, of which £75,032 41 was attributable to HM Revenue & Customs. To date, I have received unsecured claims totalling £583,971 20, which includes final claims totaling £178,264 89 from HM Revenue & Customs. To date I have not received claims from creditors with original estimated claims in the statement of affairs of £41,779 57. I am pleased to confirm that a dividend has been paid to the unsecured creditors, however, it has been paid outside of the period covered by this report and is therefore, not reflected in the attached receipts and payments account.

After taking account of costs agreeing creditor's claims and making the distribution of the prescribed part, a dividend of £5,643 was made on 18 June 2015 being 1 03p in the £ on agreed unsecured claims of £532,389 86. A further equalising dividend representing 1 03p will be paid to an unsecured creditor whose claim is £51,581 34 who was omitted from the dividend on 18 June 2015.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.

I took the following action where I considered that further investigation was justified.

Sale of Business

As previously reported, I received a number of queries from creditors regarding the sale of the business. As detailed above, I have concluded my investigations into the sale of the business and can confirm that Edward Symmons agreed that appropriate consideration was received in this regard.

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. I would confirm that my report has been submitted.

PRE-APPOINTMENT REMUNERATION

The creditors previously authorised the payment of a fee of £3,000, plus VAT, plus disbursements, for assistance with the statement of affairs, producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 11 June 2013.

The fee for preparing the statement of affairs and convening and holding the meeting of creditors was paid from first realisations on appointment and is shown in the attached receipts and payments account.

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by the creditors at a meeting held on 11 June 2013 to be drawn on a time cost basis. My total costs to 10 June 2015, amount to £21,588 50 representing 96 40 hours at an average charge out rate of £223 95 per hour, of which £7,765 50, representing 31 80 hours work has been incurred in the period since 11 June 2014 at an average charge rate of £244 20 per hour.

I have not drawn any monies in respect of my fees to 10 June 2015.

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Schedules of my time costs incurred to date are attached

A description of the routine work undertaken since my last progress report is as follows

1 Administration and Planning

- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors

2 Cashiering

- Maintaining and managing the liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS
- Reviewing and adjudicating on proofs of debt received from creditors
- Statutory notifications and advertising in relation to the proposed dividends

4 Investigations

- Conduct investigations into sale of business pre appointment
- Liaise with my agents in relation to the sale of the business

A copy of creditors' guide to liquidators' fees can be obtained from Abbott Fielding or from our website at <http://www.abbottfielding.co.uk>

LIQUIDATOR'S EXPENSES

I have incurred expenses to 10 June 2015, of £1,180 94, of which £287 39 was incurred in the period since 11 June 2014

I have drawn £1,180 94 to date, all of which has been drawn in the period since 11 June 2014

Category 1 Disbursements

Type of expense	This Period		Cumulatively	
	Incurred	Paid	Incurred	Paid
Advertising		169 20	169 20	169 20
Bond and Insurance		60 00	60 00	60 00
Searches	2 00	8 00	8 00	8 00
Postage	96 42	179 82	179 82	179 82
Storage	188 97	763 92	763 92	763 92
Total	287.39	1,180.94	1,180.94	1,180.94

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Agents' Fees

I have used the following agents or professional advisors in the reporting period

Professional Advisor	Nature of Work	Fee Arrangement
Edward Symmons LLP	Valuers/Auctioneer	Fixed Fee
ERI Recoveries Limited	Process Servers	Fixed Fee

Agents' Fees

As previously reported, a sum of £100 plus VAT was paid to ERI Recoveries Limited, a process server, in respect of their costs incurred for the service of the statutory demand

A further sum of £1,600 plus VAT has been paid to Edward Symmons, in respect of the valuation provided in relation to the sale of business that occurred prior to my appointment

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

SUMMARY

I am required to provide a further report on the progress of the liquidation within two months of the next anniversary unless I have concluded matters prior to this, in which case I will provide all creditors with my final progress report ahead of convening the final meetings of members and creditors.

The liquidation will remain open until the unsecured dividend cheques have been cleared. I estimate that this will take approximately 4 to 6 months and once resolved the Liquidation will be finalised and my files closed.

Should you have any queries regarding this matter please do not hesitate to contact Chloe Butler who is dealing with this matter on my behalf.

Yours faithfully


Nedim Akyan
Liquidator

Nedim Akyan is licensed in the United Kingdom to act as an insolvency practitioner by Insolvency Practitioners Association

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Abbott Fielding Limited

Time costs are calculated using 6 minute units. Time spent by support and secretarial staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead of the firm. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Hourly Charge-out Rates

	Period from 1 January 2014	Period from 1 February 2015
Partners	£335	£345 - £500
Managers	£250 - 285	£260 - £350
Administrators	£220	£230 - £260
Support Staff	£160	£170 - £200

Disbursements recovered by Abbott Fielding

Insolvency practitioners are required to divide the expenses incurred in an insolvency assignment into two categories. These are described below, together with examples of the type of expenses relating to each category.

CATEGORY 1

Category 1 Disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. It will also include services specific to the case where these cannot practicably be provided internally, such as printing, room hire and document storage. Information relating to a specific Category 1 disbursement can be provided where reasonably requested.

CATEGORY 2

Category 2 Disbursements are those where costs are recovered which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs. These are identified and subject to approval by those approving the Insolvency Practitioner's remuneration. Such expenses should be of an incidental nature and directly incurred on the case. Where Category 2 disbursements are drawn there will be a reasonable method of calculation and allocation, for example a comparison with the cost of external provision of the expenses. The basis for charging Category 2 disbursements will be disclosed to creditors and authorised by those responsible for approving the Insolvency Practitioner's remuneration. Abbott Fielding will not be seeking to recover Category 2 disbursements in this case.

**AD. IQ Limited
(In Liquidation)**

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 11/06/2013 To 11/06/2014 (£)	From 12/06/2014 To 10/06/2015 (£)	Total (£)
Leasehold Property - Rent Deposit	Uncertain	0 00	0 00	0 00
Tangible Assets	2,500 00	2,500 00	0 00	2,500 00
Intangible Assets	19,882 00	19,883 00	0 00	19,883 00
Book Debts	5,086 00	3,380 92	0 00	3,380 92
Investments	Uncertain	0 00	0 00	0 00
Cash at Bank	275 00	0 00	0 00	0 00
Petty Cash		16 35	0 00	16 35
Bank Interest Gross		1 07	10 83	11 90
		25,781 34	10 83	25,792 17
PAYMENTS				
Preparation of S of A		3,000 00	0 00	3,000 00
Office Holders Expenses		0 00	1,180 94	1,180 94
Agents/Valuers Fees (1)		100 00	1,600 00	1,700 00
Statutory Advertising		0 00	84 60	84 60
The Oxford Capital Partners	(47,533 13)	0 00	0 00	0 00
Gino DeJaegher/Trustee for Beneficiaries	(130,069 00)	0 00	12,853 00	12,853 00
Trade & Expense Creditors	(289,916 27)	0 00	0 00	0 00
Loan Stock/Loan Note Holders	(132,346 00)	0 00	0 00	0 00
HM Revenue and Customs - PAYE and NIC	(55,653 10)	0 00	0 00	0 00
HM Revenue and Customs - VAT	(19,379 31)	0 00	0 00	0 00
Ordinary C / Priority Shareholders	(2,799 00)	0 00	0 00	0 00
Ordinary Shareholders	(16,630 00)	0 00	0 00	0 00
Ordinary A Shareholders	(22,227 00)	0 00	0 00	0 00
Ordinary B Shareholders	(15,655 00)	0 00	0 00	0 00
Vat Receivable		620 00	382 76	1,002 76
		3,720 00	16,101.30	19,821 30
Net Receipts/(Payments)		22,061 34	(16,090 47)	5,970 87
MADE UP AS FOLLOWS				
Bank 1 Current		22,061 34	(16,090 47)	5,970 87
		22,061 34	(16,090 47)	5,970 87

SIP 9 - Time & Cost Summary

Period 11/06/13 10/06/15

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 00	0 30	0 00	27 00	27 30	5,892 00	215 82
Investigations	2 30	0 00	0 00	37 70	40 00	8,887 50	222 19
Realisations of assets	0 00	0 00	0 00	12 00	12 00	2 562 00	213 50
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	3 20	0 00	0 00	13 90	17 10	4 247 00	248 36
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	5 50	0 30	0 00	90 60	96 40	21,588 50	223 95
Total Fees Claimed						0 00	

SIP 9 - Time & Cost Summary

Period 11/06/14 10/06/15

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 00	0 00	0 00	11 70	11 70	2,569 00	219 57
Investigations	2 30	0 00	0 00	2 90	5 20	1,408 50	270 87
Realisations of assets	0 00	0 00	0 00	0 70	0 70	157 00	224 29
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	3 20	0 00	0 00	11 00	14 20	3,631 00	255 70
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	5 50	0 00	0 00	26 30	31 80	7 765 50	244 20
Total Fees Claimed						0 00	

Abbott Fielding Limited

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Disbursements recovered by Abbott Fielding

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