

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

06278663

Name of Company

Aqueduct PLC

I / We

David Elliott, Victory House, Quayside, Chatham Maritime, Kent ME4 4QU

Simon Paterson, Victory House, Quayside, Chatham Maritime, Kent ME4 4QU

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 24/01/2014 to 23/01/2015

Signed



Date

23/03/15

Moore Stephens LLP
Victory House
Quayside
Chatham Maritime
Kent ME4 4QU

Ref C67613/DRE/DJS/LJC

TUESDAY



A27 24/03/2015 #255
COMPANIES HOUSE

Aqueduct PLC
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

| Statement of Affairs | | From 24/01/2014 To 23/01/2015 | From 24/01/2013 To 23/01/2015 |
|-----------------------------|--------------------------------|--|--|
| | ASSET REALISATIONS | | |
| 33,895 00 | Surplus from Administration | 8,409 10 | 34,414 11 |
| Uncertain | Plant & machinery | NIL | NIL |
| | Recovery of Insurance Costs | NIL | 9,163 97 |
| | | <u>8,409 10</u> | <u>43,578 08</u> |
| | OTHER REALISATIONS | | |
| | Interest gross of tax | 12 35 | 12 35 |
| | | <u>12 35</u> | <u>12 35</u> |
| | COSTS OF REALISATION | | |
| | Agent's fees & expenses | 1,417 50 | 1,475 00 |
| | | <u>(1,417 50)</u> | <u>(1,475 00)</u> |
| | COSTS OF ADMINISTRATION | | |
| | Bank charges | NIL | 0 15 |
| | Insurance | NIL | 3,278 85 |
| | Statutory advertising | 84 60 | 84 60 |
| | Travel train/air | 329 17 | 329 17 |
| | Storage costs | 760 50 | 1,267 50 |
| | Liquidators' fees | 10,372 50 | 10,372 50 |
| | Category 2 disbursements | 59 27 | 59 27 |
| | | <u>(11,606 04)</u> | <u>(15,392 04)</u> |
| 33,895.00 | | <u>(4,602.09)</u> | <u>26,723.39</u> |
| | REPRESENTED BY | | |
| | VAT receivable | | 2,118 41 |
| | NatWest Bank | | 24,604 98 |
| | | | <u>26,723.39</u> |

David Elliott
Joint Liquidator

Strictly Private & Confidential

AQUEDUCT PLC ("THE COMPANY")

Report to the members and creditors in accordance with Rule 4.49C CVL of the Insolvency Rules 1986

23 March 2015

Moore Stephens LLP
Victory House
Quayside
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ME4 4QU

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- 5 Joint Liquidators' expenses
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- 7 Liabilities

Appendices

- | | |
|--------------|---|
| Appendix I | Receipts and payments account for the period 24 January 2014 to 23 January 2015 |
| Appendix II | Breakdown of time costs and category 2 disbursements |
| Appendix III | Schedule of expenses incurred during the period |

This report is intended for use by those parties entitled to a copy thereof under Rule 4.49C CVL of the Insolvency Rules 1986. 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. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

David Elliott is authorised in the UK to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. Simon Paterson is authorised in the UK to act as an insolvency practitioner by the Insolvency Practitioners Association.

1 Statutory information

| | | |
|----------------------------|---|-------------------------------------|
| Company Name | Aqueduct PLC | |
| Company Number | 06278663 | |
| Former Registered Office | Suite 426 Linen Hall 162-168 Regent Street London W1B 5TE | |
| Trading Addresses | 2 Canon Harnett Court Wolverton Mill Milton Keynes MK12 5NF | 46 Bedford Row London W1G 4LR |
| Date of Appointment | 24 January 2013 | |
| Joint Liquidators | David Elliott Simon Paterson | |
| Joint Liquidators' Address | Moore Stephens LLP Victory House Quayside Chatham Maritime Kent ME4 4QU | |

2. Progress to date

- 2 1 The receipts and payments account attached in Appendix I details the asset realisations to date
- 2 2 Realisations in the period total £8,421 45, and comprise £8,409 10 of cash from the Administration together with £12 35 of Gross Bank Interest
- 2 3 The remaining asset in the Liquidation comprised a claim against Aqueduct Services Limited ("ASL") for an inter-company balance of £971,000 ASL is in Creditors' Voluntary Liquidation, and a claim lodged on behalf of the Company was formally rejected by the Liquidator of ASL in accordance with Rule 4 82(2) of the Insolvency Rules 1986 The decision to reject the claim was disputed, but I would advise that following a review of the position and the apparent lack of any material dividend prospects from ASL's liquidation, it was deemed that it would not be economical to pursue the matter further and there will be not be a recovery in respect of the debt owed to the Company
- 2 4 My firm is in the process of obtaining a PAYE scheme registration for the Company to enable a preferential dividend to be processed to employees in respect of wage arrears and holiday pay shortfalls Following the conclusion and payment of this, my firm's closing procedures will be instigated

3 Investigations

- 3 1 An appropriate report/return on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business Innovation & Skills in accordance with the joint liquidators' statutory duties Please note that the content of this report/return is of a confidential nature and so cannot be disclosed to third parties

4. Joint Liquidators' remuneration and category 2 disbursements

- 4 1 At the Paragraph 58 creditors meeting held by correspondence, the following resolutions were passed
- That the remuneration of the Joint Administrators be fixed by reference to the time properly given by the joint administrators and their staff in attending to matters arising in the administration in accordance with Rule 2 106(2)(b)
 - The Joint Administrators shall be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, mileage and room hire, as and when funds permit

- 4 2 Accordingly, pursuant to Rule 4 127(5A) of the Insolvency Rules 1986, the remuneration of the Joint Liquidators is deemed to have been fixed under Rule 4 127(2)(b)
- 4 3 The time costs incurred to date have arisen primarily as a result of continuing discussions with solicitors acting on behalf of S A Brain & Company Limited with regard to their alleged claim against the company and investigation into the background to the claim. Also dealing with Greencore regarding their contract and monies due in settlement of services provided. We have also dealt with the claim against Aqueduct Services Ltd, the statutory functions required under the Insolvency Act and Rules and also general enquiries from creditors and employees
- 4 4 A detailed breakdown of Joint Liquidators' time costs and category 2 disbursements, together with current charge out rates is attached in Appendix II. To date, fees in the sum of £10,372.50 have been drawn in respect of the Liquidation
- 4 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

5 Joint Liquidators' expenses

- 5 1 A schedule of all expenses incurred in the period has been detailed in Appendix III
- 5 2 Invicta Archive Storage Ltd have been retained to provide storage for the Company's physical books and records. In the period under review they have been paid the sum of £1,267.50 to date in respect of this
- 5 3 GWT Media Ltd provided IT support services to the Joint Administrators and their invoice for these works has been paid in the sum of £900
- 5 4 MacMillan Browne Limited have been retained as agents to provide logistical support in relation to the physical records of the Company in storage with Invicta Archive Storage Ltd. In the period they were paid the sum of £635 in respect of these services
- 5 5 JLT Speciality Limited provided insurance services to the Joint Administrators and latterly the Joint Liquidators, and their final invoice in respect of these services has been paid in the sum of £3,278.85

6. Creditors' rights

- 6 1 Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor 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

Within 14 days of receipt of the request, we must provide all of the information asked for, except so far as we 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
- we are subject to an obligation of confidentiality in respect of the information

We are also required to give reasons for not providing all of the requested information

- 6 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) 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

7. Liabilities

- 7 1 Secured creditors

Lloyds TSB Bank plc have a fixed and floating charge debenture which was created on 9 June 2009 and registered at Companies House on 18 June 2009. As the charge post dates 15 September 2003, the Prescribed Part rules apply. At this stage no prescribed part has been calculated as realisations have been insufficient

7.2 Preferential creditors

The estimated statement of affairs circulated in the Joint Administrators' Proposals showed estimated preferential creditor claims in respect of employees' holiday pay and arrears of pay totalling £62,963. A claim of £26,647 has been received from The Redundancy Payments Office, and the shortfall claims of the employees have been calculated to show further claims of £101,849. A dividend is anticipated to be paid to preferential creditors, and steps have been taken to apply for a PAYE scheme registration for the Company to enable the dividend to be processed and paid.

7.3 Unsecured creditors

I have received 115 unsecured non-preferential claims totalling £3,083,267, compared to £8,000,000 in the estimated statement of affairs.

At this stage, there is no prospect of a dividend being payable to the unsecured non-preferential creditors.



David Elliott
Joint Liquidator

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Joint Liquidators' receipts and payments account

Aqueduct PLC (In Liquidation)

| | Statement of affairs £ | From 24/01/2014 To 23/01/2015 £ | From 24/01/2013 To 23/01/2015 £ |
|-----------------------------|------------------------------|---------------------------------------|---------------------------------------|
| RECEIPTS | | | |
| Surplus from Administration | 33,895 00 | 8,409.10 | 34,414.11 |
| Plant & machinery | Uncertain | 0 00 | 0 00 |
| Recovery of Insurance Costs | | 0 00 | 9,163 97 |
| Interest gross of tax | | 12 35 | 12 35 |
| | | <u>8,421 45</u> | <u>43,590 43</u> |
| PAYMENTS | | | |
| Agent's fees & expenses | | 1,417 50 | 1,475 00 |
| Bank charges | | 0 00 | 0 15 |
| Insurance | | 0 00 | 3,278 85 |
| Statutory advertising | | 84 60 | 84 60 |
| Travel train/air | | 329 17 | 329 17 |
| Storage costs | | 760 50 | 1,267 50 |
| Liquidators' fees | | 10,372 50 | 10,372 50 |
| Category 2 disbursements | | 59 27 | 59 27 |
| | | <u>13,023 54</u> | <u>16,867 04</u> |
| Net Receipts/(Payments) | | <u>(4,602 09)</u> | <u>26,723 39</u> |
| MADE UP AS FOLLOWS | | | |
| VAT receivable | | | 2,118 41 |
| NatWest Bank | | | <u>24,604 98</u> |
| | | | <u>26,723.39</u> |

Breakdown of time costs and category 2 disbursements .

Aqueduct Plc - In Liquidation

Summary of Moore Stephens' time-costs from 24/01/2014 to 23/01/2015

| | Partner / Associate | Director / Manager | Administrator | Support staff | Total hours | Time cost (£) | Av rate £/h |
|--|---------------------|--------------------|-----------------|---------------|--------------|-----------------|---------------|
| Statutory compliance administration and planning | 0 80 | | 4 10 | 8 75 | 13 65 | 1 654 75 | 121 23 |
| Realisation of assets | 0 25 | | 2 95 | 0 85 | 4 05 | 545 50 | 134 69 |
| Creditors | 2 15 | | 4 60 | | 6 75 | 1,292 25 | 191 44 |
| Total hours | 3 20 | - | 11 65 | 9 60 | 24 45 | | |
| Total time costs £ | 1 200 00 | - | 1 307 00 | 985 50 | | 3 492 50 | 142 84 |

Summary of Moore Stephens' time-costs from 24/01/2013 to 23/01/2015

| | Partner / Associate | Director / Manager | Administrator | Support staff | Total hours | Time cost (£) | Av rate £/h |
|--|---------------------|--------------------|-----------------|-----------------|--------------|------------------|---------------|
| Statutory compliance administration and planning | 1 55 | 2 70 | 8 55 | 22 55 | 35 35 | 4 295 50 | 121 51 |
| Investigations | | - | - | 0 35 | 0 35 | 28 00 | 80 00 |
| Realisation of assets | 1 20 | | 3 45 | 0 85 | 5 50 | 961 75 | 174 86 |
| Creditors | 11 40 | 0 75 | 7 10 | | 19 25 | 5 197 25 | 269 99 |
| Total hours | 14 15 | 3 45 | 19 10 | 23 75 | 60 45 | | |
| Total time costs £ | 5 321 75 | 655 50 | 2 141 00 | 2 364 25 | | 10 482 50 | 173 41 |

Total remuneration drawn on account

10 372 50

Charge out rates -

| Rates effective from | 1st-Nov-2012 | 1st Nov-2010 |
|----------------------|--------------|--------------|
| Partner/ Associate | £320-£530 | £310-£510 |
| Director / Manager | £155-£300 | £150-£290 |
| Administrator | £55-£155 | £53-£150 |
| Support staff | £30-£115 | £30-£109 |

Time charged in 3 minute units or multiples thereof

Examples of work generally undertaken but not limited to

Statutory compliance, administration and planning

- Compliance with other regulatory requirements
- Statutory reporting and compliance
- Case planning
- Administrative set up
- Appointment notification
- Maintenance of records

Investigations

- SIP 2 review
- CDDA reports
- Investigating antecedent transactions

Realisation of assets

- Identifying securing insuring assets
- Retention of title
- Property business and asset sales
- Debt collection
- Tax reclaims

Creditors

- Communication with creditors
- Creditors' claims (including employees and other preferential creditors)

Breakdown of time costs and category 2 disbursements continued

Aqueduct Plc - In Liquidation

Summary of Moore Stephens' disbursements

| | Undrawn costs brought forward from previous period(s) £ | This period 24/01/2014 to 23/01/2015 | | Cumulative 24/01/2013 to 23/01/2015 | |
|--------------------------------------|--|---|------------------|--|--------------------|
| | | Costs incurred £ | Costs drawn £ | Costs incurred £ | Costs drawn £ |
| Car mileage | 59 27 | | 59 27 | 59 27 | 59 27 |
| Photocopying / printing | 0 15 | | | 0 15 | - |
| Total | <u>59 42</u> | <u>-</u> | <u>59 27</u> | <u>59 42</u> | <u>59 27</u> |
| Total undrawn costs to carry forward | | | | | <u><u>0 15</u></u> |

Category 2 disbursement rates -

| Type | Rate |
|------------------------|---|
| Car mileage | £0 45 per mile maximum |
| Photocopying/printing | £0 15 per sheet |
| Colour photocopying | £2 50 per sheet |
| Fax | £0 40 per sheet |
| Storage - standard box | £3 90 per box per quarter (min £30 per quarter) |
| Room hire | £50 per hour |

Summary of accrued and drawn costs

Aqueduct Plc - In Liquidation

| Cost Description | Undrawn costs brought forward from previous period(s) £ | This period 24/01/2014 to 23/01/2015 | | Cumulative 24/01/2013 to 23/01/2015 | |
|--------------------------------------|--|---|------------------|--|------------------|
| | | Costs incurred £ | Costs drawn £ | Costs incurred £ | Costs drawn £ |
| Agents fees & expenses | 900 00 | 517 50 | 1,417 50 | 1,475 00 | 1 475 00 |
| Insurance | - | - | - | 3,278 85 | 3,278 85 |
| Statutory advertising | - | 84 60 | 84 60 | 84 60 | 84 60 |
| Travel | - | 75 67 | 75 67 | 75 67 | 75 67 |
| Storage costs | - | 1,014 00 | 760 50 | 1 521 00 | 1,267 50 |
| Total | 900 00 | 1,691 77 | 2,338 27 | 6,435 12 | 6,181 62 |
| Total undrawn costs to carry forward | | | | | 253 50 |

Summary of professional services

| Professional advisor | Nature of work | Fee arrangement |
|-----------------------------|--------------------|--------------------|
| Invicta Archive Storage Ltd | Storage | Fixed Fee |
| MacMillan Browne Ltd | Logistical Support | Time Costs |
| GWT Media Limited | Data backup | Fixed fee |
| JLT Speciality Ltd | Insurance brokers | Risk based premium |