

Rule 1 26A/1 54

The Insolvency Act 1986

Notice to Registrar of Companies of  
Supervisor's Progress ReportPursuant to Rule 1 26A(4)(a) or  
Rule 1 54 of the  
Insolvency Rules 1986**R.1.26A(4)(a)/  
R.1.54**

For Official Use

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To the Registrar of Companies

Company Number

06928174

Name of Company

Peepo GPS Ltd

☒ We

John Dean Cullen FCCA FABRP, 2 Sovereign Quay, Havannah Street, Cardiff, CF10 5SF

Bethan Louise Evans ACCA MABRP, 2 Sovereign Quay, Havannah Street, Cardiff, CF10 5SF

supervisor(s) of a voluntary arrangement taking effect on

01 July 2013

Attach my progress report for the period

01 July 2014

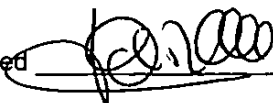
to

30 June 2015

Number of continuation sheets (if any) attached

☐

Signed



Date 27.8.2015

Menzies Business Recovery  
2 Sovereign Quay  
Havannah Street  
Cardiff  
CF10 5SF

Ref P3423/JDC/BLE/SJS

Insol

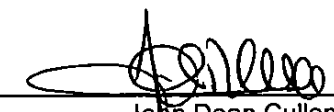
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SATURDAY

A06 29/08/2015 #312  
COMPANIES HOUSE

# Voluntary Arrangement of Peepo GPS Ltd

Statement of Affairs		From 01/07/2014 To 30/06/2015	From 01/07/2013 To 30/06/2015
<b>ASSET REALISATIONS</b>			
NIL	Plant & Machinery	NIL	NIL
NIL	Intellectual Property Rights/Patents	NIL	NIL
130,400 00	Net Proceeds of Share Issue	NIL	NIL
NIL	Tax Refund - R&D Credit	NIL	NIL
NIL	VAT Refund	NIL	NIL
NIL	Cash at Bank	NIL	NIL
		<hr/>	<hr/>
		NIL	NIL
<b>UNSECURED CREDITORS</b>			
(36,788 00)	Trade & Expense Creditors	NIL	NIL
(107,207 00)	Directors	NIL	NIL
(53,438 00)	Swansea Development Loan	NIL	NIL
		<hr/>	<hr/>
		NIL	NIL
<b>DISTRIBUTIONS</b>			
(101,200 00)	Ordinary Shareholders	NIL	NIL
		<hr/>	<hr/>
		NIL	NIL
<hr/>		<hr/>	<hr/>
<b>(168,233 00)</b>		<b>NIL</b>	<b>NIL</b>
<hr/>		<hr/>	<hr/>
<b>REPRESENTED BY</b>			
			<hr/>
			<hr/>
			NIL
			<hr/>
			<hr/>

  
 John Dean Cullen FCCA FABRP  
 Joint Supervisor

Ref JDC/BLE/SJS/P3423  
Date 27 August 2015  
Contact Sophie Smith



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## TO ALL MEMBERS AND CREDITORS

Dear Sirs

### PEEPO GPS LTD - UNDER A VOLUNTARY ARRANGEMENT

This is the Joint Supervisors' second annual progress report ("the report") for the year ended 30 June 2015

This report should be read in conjunction with my previous report, the directors' proposals for the Company Voluntary Arrangement and the letter to all known creditors dated 11 February 2015, which informed creditors of the resolutions which were passed on this date

The company's registered name is Peepo GPS Ltd and it trades in research and experimental development

The company was incorporated on 9 June 2009 under company number 06928174

Bethan Louise Evans ACCA MABRP and myself, of Menzies LLP, 2 Sovereign Quay, Havannah Street, Cardiff, CF10 5SF were appointed Joint Supervisors of the above-named company by High Court of Justice, Chancery Division, Cardiff District Registry on 1 July 2013

There have been no changes of Supervisor in the period to which this report relates

### 1. Progress of the Arrangement during the period of the report

#### Technology and development

The company is experiencing difficulties in progressing the prototype that I

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Any reference to a partner in relation to Menzies LLP means a member of Menzies LLP

Simon Underwood, Laurence Pagden, Mark Newton, Robert Pick and David Thurgood are licensed in the UK by the Insolvency Practitioners Association  
John Cullen, Bethan Evans and Jonathan Bass are licensed in the UK by the Association of Chartered Certified Accountants  
Freddy Khalastchi, Martin Atkins and Barry Lewis are licensed in the UK by the Institute of Chartered Accountants in England and Wales  
When acting as officeholders they do so without personal liability

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mentioned in my previous report. This is due to lack of access to capital required to licence-in critical navigation technology. In addition, the advent of robotic navigation (e.g., driverless cars) has increased the cost of in-licensing relevant technology, further exacerbating the issue.

#### IP Development

As mentioned previously, the main hurdle which remains in relation to IP development is the extensive existing intellectual property in the navigation domain. We have found that this has been further confounded by the expansion of robotic navigation (e.g., driverless cars) and entry of large corporate technology firms, such as Google, whom have extensive IP portfolios. However, I am advised that since the company is combining hardware and software, it is still able to develop a unique patent niche.

#### Securing Funding

The aforementioned interest from off-shore investors progressed to diligence, but was delayed due to volatility in Asian stock markets. However, Malaysian and Canadian investor interest seems positive and may enable an offer which would allow for all creditors' claims to be covered. The company is currently pursuing these avenues.

#### Administrative Matters

In addition to the work undertaken referred to above, throughout the period of our administration we have responded to the queries of creditors and shareholders and noted their claims. As creditors should be aware, the Joint Supervisors also convened meetings of creditors and shareholders which took place on 11 February 2015.

### **2. Abstract of the Joint Supervisors' receipts and payments**

I attach at Appendix 3 an abstract of our receipts and payments for the period of this report.

Please note that all items detailed on the receipts and payments account are shown net of VAT as the company was registered for VAT and the VAT can therefore be recovered for the benefit of the arrangement.

### **3. Joint Supervisors' remuneration**

In accordance with the proposals, fees of £5,500 have been charged by us for assisting in the preparation of the proposals and acting as Joint Nominees. These funds have been paid by the company from funds advanced by the director, Ajan Reginald, secured by way of a fixed charge over the IPR.

The cost of the arrangement has been estimated and is in respect of the supervisors' time costs for monitoring the CVA as detailed in the proposals. It is estimated at £1,500 for each year of the arrangement, plus disbursements.

Our remuneration as Joint Supervisors was fixed by the proposals on the basis of time properly incurred in the administration of the Arrangement as the Joint Supervisors' standard charge-out rates applicable at the time.

For creditor's information, the charge out value of time costs incurred during the period to which this report relates amounts to £12,285 00 made up of 43 90 hours at an average charge out rate of £279 84 per hour I intend to limit my fees to £1,500 for this year

This cost has primarily been incurred in the administration of the Arrangement as explained above

I attach at Appendix 1 a breakdown of the time costs between the grades of staff allocated to this case, which includes details of the current charge out rates of ourselves and our team who have been and will be dealing with the Company Voluntary Arrangement

No Joint Supervisors' fees have been drawn from the funds held in the Arrangement during the period under review, due to the lack of funds available

A copy of "A Creditors' Guide to Supervisor's Fees", issued by the Association of Business Recovery Professionals, which sets out the basis of fixing the Supervisors' Remuneration, is available on our website at

<http://www.menzies.co.uk/en/services/business-recovery/guide-to-fees/>

Please let me know if you do not have access to the internet and would prefer a hard-copy of this guide

#### **4. Joint Supervisors' expenses**

In the period to which this report relates, no Joint Supervisors' expenses have been incurred. The expenses which were incurred in the previous period have not been recharged, due to a lack of funds in the Arrangement, but will be recharged in due course

A statement with regard to our disbursements recovery policy is attached at Appendix 2

#### **5. Outcome for creditors**

Claims of £217,817 57 have been received from unsecured creditors. There are currently insufficient funds in hand to declare a dividend to any class of creditor

It is hoped that significant income will be generated from the completion of the product, enabling contributions to be made into the Arrangement and achieving the proposed distribution to creditors

The director has been reminded of the resolution which was passed on 11 February 2015, which requires that a one off contribution to the arrangement is made by 30 September 2015. The full implementation of the voluntary arrangement is contingent on this payment being made

**6. Next report**

We are required to provide a further progress report within two months of the end of the next anniversary of the Arrangement. This arrangement, however, is due to come to an end on 30 December 2015 and creditors will be notified of such at that time.

Should you have any further queries in relation to the contents of this report, or with regard to other matters arising, please do not hesitate to contact us.

Yours faithfully

A handwritten signature in black ink, appearing to read 'JDC', written over a horizontal line.

**John Dean Cullen FCCA FABRP**

Licensed as an Insolvency Practitioner in the UK by the Association of Chartered Certified Accountants

**Joint Supervisor**

**APPENDIX I**

**PEEPO GPS LTD  
TIME CHARGE OUT SUMMARY FOR THE PERIOD ENDED 1 JULY 2015**

Classification of work function	HOURS						Total Hours	Time Costs £	Average Hourly Rate £
	Partner	Senior Manager	Manager	Senior	Semi-Senior	Junior			
Admin and Planning	23 30	1 60	0 00	0 00	3 30	14 60	42 80	11,850 50	276 88
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	1 10	0 00	0 00	0 00	0 00	0 00	1 10	434 50	395 00
Support	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total Hours</b>	24 40	1 60	0 00	0 00	3 30	14 60	43 90		
<b>Total Costs</b>	9,572 00	528 00	0 00	0 00	561 00	1,624 00		12,285 00	
<b>Total Fees claimed (£)</b>	0 00	0 00	0 00	0 00	0 00	0 00		0 00	

**CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS 2014**

	£ per hour
Partner	380-545
Senior Manager	320
Manager	275
Senior	220
Semi-Senior	165
Junior	110
Support Staff	52

**CURRENT CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS**

	£ per hour
Partner	395-560
Senior Manager	330
Manager	285
Senior	230
Semi-Senior	170
Junior	115
Support Staff	54

**Note 1**

There may have been a number of promotions through the various grades during the period of the administration

**Note 2**

It is the policy of this firm to account for secretarial staff as an overhead cost Overhead costs are reflected in the charge out rates detailed

**Note 3**

The charge-out rate of the Insolvency Practitioner for this assignment is currently £[505] per hour, and the administrator is £[170] per hour

**Note 4**

Time is recorded in minimum units of 6 minutes

## **APPENDIX 2**

### **DISBURSEMENTS RECOVERY POLICY**

Professional advisors have been selected on the basis that they have the appropriate experience and qualifications to effectively deal with the issues arising in a case of this nature

All disbursements are shown as net of VAT. As the company was registered for VAT purposes VAT can be recovered for the benefit of the insolvent estate

#### **Category 1 Disbursements**

Specific expenditure relating to the administration of the insolvent estate and payable to an independent third party is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, telephone calls, postage, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

As there have been no realisations in this matter to date, all such disbursements such as statutory advertising, insurance of assets, search fees and specific penalty bonding have been paid by Harris Lipman LLP and will be recharged through the estate as and when funds are available.

#### **Category 2 Disbursements**

Expenditure incidental to the administration of the insolvent estate, which by its nature includes an element of shared or allocated cost is recoverable with creditor approval.

Payments in respect of the above are defined as 'Category 2 Disbursements'. They are as follows:

- Storage at £40 per box per annum or part thereof plus VAT
- Destruction at £3.50 per box plus VAT,

being the current rates applicable



**Appendix 3**  
**Voluntary Arrangement of**  
**Peepo GPS Ltd**

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<b>ASSET REALISATIONS</b>			
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<b>DISTRIBUTIONS</b>			
(101,200 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(168,233.00)</u>		<u>NIL</u>	<u>NIL</u>
<b>REPRESENTED BY</b>			
			<u>NIL</u>