

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

00827981

Name of Company

A&O Systems + Services UK Limited

I / We

William Antony Batty, 3 Field Court, Grays Inn, London, WC1R 5EF

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 16/03/2015 to 15/03/2016

Signed



Date

13 May 2016

Antony Batty & Company LLP
3 Field Court
Grays Inn
London
WC1R 5EF

Ref A&O/WAB/SH

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COMPANIES HOUSE

A&O Systems + Services UK Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs	From 16/03/2015 To 15/03/2016	From 16/03/2012 To 15/03/2016
ASSET REALISATIONS		
	NIL	1,000 00
Shares & Investments	NIL	86,138 85
Cash at Bank	33 10	678 57
Bank Interest Gross	64,745 34	187,677 01
Long Term Loan	NIL	28,135 90
Business Rates Refund	64,778 44	303,630 33
COST OF REALISATIONS		
	NIL	1,800 00
Specific Bond	NIL	7,000 00
Fees for convening S98 Meetings	NIL	500 00
Statement of affairs fees	NIL	39,224 20
Liquidators' remuneration	NIL	191 87
Liquidators' pre appointment disburse	NIL	27 18
Liquidators' disbursements - category	NIL	6 00
Creditor Gateway	NIL	5,000 00
Legal Fees (1)	NIL	127 93
Corporation Tax	NIL	(53,877 18)
UNSECURED CREDITORS		
(5,700 00) Trade & Expense Creditors	3,377 71	9,632 72
(763,292 45) H M Revenue & Customs VAT	34,055 65	97,121 67
(498,658 59) H M Revenue & Customs Tax	15,626 62	44,564 81
	(53,059 98)	(151,319 20)
DISTRIBUTIONS		
(4,250,400 70) Ordinary Shareholders	NIL	NIL
	NIL	NIL
(4,256,100 70)	11,718.46	98,433 95
REPRESENTED BY		
		10,389 85
Vat Receivable		88,044 10
Bank 1 Current		98,433 95

Note
Dividend information

7 unsecured creditors paid at 5P in £



William Antony Batty
Liquidator

A&O SYSTEMS + SERVICES UK LIMITED - IN LIQUIDATION

LIQUIDATOR'S PROGRESS REPORT

ANTONY BATTY & COMPANY LLP
3 FIELD COURT
GRAYS INN
LONDON
WC1R 5EF

A&O SYSTEMS + SERVICES UK LIMITED - IN LIQUIDATION

This report is prepared in accordance to the provisions of the Insolvency Act 1986, which require the Liquidator to provide creditors with an update of the progress of the liquidation. The report has been prepared for the purpose of advising creditors. The report is private and confidential and may not be relied upon, referred to, copied or quoted from, in whole or in part, by creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.

W A Batty was appointed as Liquidator of A&O Systems + Services UK Limited on 16 March 2012.

WA Batty, SJ Evans and HF Jesseman are licensed as Insolvency Practitioners in the UK by The Institute of Chartered Accountants in England & Wales under S 390 (2) of the Insolvency Act 1986.

Abbreviations used in this report

- A&O Systems + Services UK Limited - ("A&O" or "the Company")
- W A Batty - ("the Liquidator")
- HM Revenue & Customs - ("HMRC")
- Creditors Voluntary Arrangement - ("CVA")

A&O SYSTEMS + SERVICES UK LIMITED - IN LIQUIDATION

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- 1 Introduction
- 2 Asset realisations
- 3 Creditors – Claims and Distributions
- 4 Liquidator's receipts and payments
- 5 Liquidator's remuneration & expenses
- 6 Further Information for creditors
- 7 Conclusion of the Liquidation

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- I Statutory Information
- II Details of Liquidator
- III Liquidator's Receipts and Payments account
- IV Summary of Liquidator's time costs
- V Summary of Liquidator's expenses
- VI Schedule of charge out rates and disbursements policy

A&O SYSTEMS + SERVICES UK LIMITED - IN LIQUIDATION

1 INTRODUCTION

1 1 Purpose of Report

This report is prepared pursuant to the provisions of the Insolvency Act 1986, which require me as Liquidator to provide creditors and members with an update on the progress of the Liquidation

This report covers the period from 16 March 2015 to 15 March 2016

The following information is included in this report

- Details of asset realisations
- Details of any distributions made to creditors and likely further distributions
- Details of the Liquidator's receipts and payments including details of assets realised and any costs paid
- Information regarding fees and expenses
- Other information for creditors

1 2 Progress of the Liquidation

This report should be read in conjunction with my previous reports

The Liquidator has continued to monitor the progress of the Wildfield Limited CVA as detailed in point 2 1 below and has received a further dividend payable under the terms of the CVA

I have been liaising with PWC regarding a historic debt due from a Company that entered Liquidation on 19 June 2001 PWC have advised that there may be a dividend paid in the Liquidation so we have reviewed the Company's books and records and provided PWC with our claim with supporting evidence

I declared a second unsecured dividend to unsecured creditors in May 2015 and I am pleased to declare a third unsecured dividend with this report

2 ASSET REALISATIONS

We have made the following realisations during the period of this report

2 1 Long Term Loan/Dividend Payments

The major asset of the Company is the long term loan from Wildfield Limited of £1,261,951 which is included in the CVA of Wildfield

The Company has received a third dividend payment of £64,745 from Wildfield Limited in Creditor Voluntary Arrangement The total received to date is £187,677 with the next instalment due in early 2017

It is anticipated that a further £199,632 will be paid into the Liquidation if the CVA completes, which represents approximately 30P in the £ for a Long Term Loan in the sum of £1,135,951 due to A&O

The Liquidator will continue to monitor the progress of the CVA and collect any future dividends paid

2 2 Book debt

We have been made aware of two separate debts due from Companies in Liquidation where PWC are acting as Liquidators The debts were incurred prior to 2001 and appear to have been written off in the company's accounts

PWC have advised us that there will be a first and final dividend paid in early 2017, we have reviewed the Company's records and submitted claims with supporting evidence that total £536,294

The Liquidator will continue to monitor the Liquidations and collect the prospective future dividends

2 3 Bank interest

I have also received bank interest of £33 during the period of this report

3 CREDITORS – CLAIMS AND DISTRIBUTIONS

There are a number of different classes of creditors in insolvency matters These include

Secured Creditors are creditors who hold fixed and or floating charge debenture security, they are paid in priority to other creditors, subject to preferential creditors and unsecured creditors under the prescribed part

Preferential creditors comprise employees' claims for holiday pay and some arrears of wages Preferential creditors are paid in priority to the prescribed part, floating chargeholders and unsecured creditors

Unsecured creditors rank behind secured and preferential creditors Unsecured creditors receive the surplus from net realisations after secured and preferential creditors and any payment which is made under the prescribed part

3 1 Secured Creditors

Bank of Scotland Plc hold a fixed and floating charge dated 1 November 2007 over the assets of the Company Bank of Scotland Plc was not a creditor at the date the Company entered liquidation and have not made a claim in the liquidation

3 2 Preferential creditors

I am not aware of any preferential creditors in this matter

3 3 Prescribed Part

There are provisions of the insolvency legislation that 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 "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 the preferential creditors and the costs of the liquidation, but before paying the lender who holds a floating charge A liquidator has 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

The Company gave a fixed and floating charge to Bank of Scotland on 1 November 2007 The money due has been fully repaid As a result, I will not have to pay them any money under their floating charge, and the prescribed part provisions will not apply

3 4 Unsecured Creditors

I have received unsecured claims totalling £1,994,966 from seven creditors, which compares to the Statement of Affairs estimate of £1,267,651 from four creditors

On 12 May 2014 I issued Notice of Intended Dividend and set 25 July 2014 as the final proving date I also advertised this notice in the London Gazette

Following the last date for proving I reviewed all of the claims received and agreed creditors at £1,994,966 including unsecured creditors include claims from HM Revenue & Customs for £1,261,320 in respect of VAT and £578,764 in respect of PAYE & NIC

On 19 September 2014 I declared and paid a first interim dividend of 5p in the £ totalling £98,259 to unsecured creditors. There were unsettled claims of £29,352 and funds of £1,468 were retained for the dividend in respect of these potential claims

On 7 May 2015 I declared a second interim dividend of 2.7p in the £ totalling £53,060 to unsecured, as there are unsettled claims of £29,352.00 funds of £793 were retained from the dividend in respect of these potential claims

On 13 May 2016 I declared a third interim dividend. Accordingly I am pleased to enclose, where appropriate a cheque representing 3p in the £ to the agreed unsecured creditors of £1,994,966. The distribution totals £59,849 and as there are unsettled claims of £29,352.00 funds of £881 have been retained from the dividend in respect of these potential claims. Please note that whilst the payment of this dividend is outside of the reporting period, I am advising creditors of this now.

Further distributions will be made in due course as further recoveries are made received from distributions detailed at point 2.1 and 2.2

4 LIQUIDATOR'S RECEIPTS AND PAYMENTS

A summary of our receipts and payments relating to the Company for the period from 16 March 2015 to 15 March 2016 is enclosed at Appendix III. We confirm that no account was held with the Secretary of State, therefore the account has not been reconciled with the Insolvency Services Account. Please note that receipts and payments in the account are shown net of VAT.

In preceding periods I have paid Judge Sykes Frixou £5,000 plus VAT for advice given in respect of the Wildfield CVA and their assistance with the Memorex share sale and Marsh insurance brokers have been paid £1800 for the Specific Bond in this matter.

I have paid Corporation Tax in previous periods of £128 to HM Revenue & Customs.

Details of the significant receipts are shown in the Asset section of this report.

5 LIQUIDATOR'S REMUNERATION & EXPENSES

5.1 Approval of Basis of Remuneration & Expenses

My fees as Liquidator have been approved on a time cost basis, by reference to time properly given by me and my staff in attending to matters arising in the Liquidation, together with category 2 expenses, by the creditors at the creditors' meeting held on 16 March 2012.

Category 1 expenses are payable without approval from creditors.

5.2 Liquidator's Time Costs

Time costs for the period of the report amount to £14,753 representing fifty seven hours work, at an average charge out rate of £259 per hour. The total time costs for the liquidation amount to £58,998 representing two hundred and seventeen hours work, at an average charge out rate of £271 per hour.

To date I have drawn £39,224 plus VAT in respect of my remuneration, none of which has been drawn during the period of this report.

Appendix IV contains further information about time spent on the Liquidation and has been categorised into the headings shown below

- **Administration and Planning** includes case planning, administrative set-up, appointment notification, statutory reporting, compliance, cashiering, accounting, bank account reconciliations, and administrative functions
- **Realisation of Assets** includes specific bond application & review identifying, securing, insuring assets, retention of title issues, debt collection, property, business and asset sales
- **Investigations** includes reporting on the conduct of directors, investigating antecedent transactions and any other investigations that may be deemed appropriate
- **Trading** includes planning, strategy, trading accounting, managing operations on site, corresponding with suppliers and customers and on-going employee matters
- **Creditors** includes creditor set up, communication and meetings, reviewing and agreeing preferential and unsecured claims, corresponding with secured creditors, reviewing and obtaining advice in relation to security granted by the Company

For the period of this report the time spent on this matter has been spent on dealing with the assets, as detailed in Section 2, the interaction with creditors, as detailed in Section 3 and on the Case Administration and Planning. Specifically in relation to this last category I have spent time on case planning, the initial set up, the formalities of appointment, dealt with routine correspondence, opened and managed the estate bank account and cashbook, undertaken regular reconciliations of the bank account, conducted periodic reviews of the case, prepared and filed the necessary VAT & corporation tax returns and conducted the statutory tasks of the Liquidation such as filing the progress report and receipts & payments account at Companies House. Whilst this work does not give direct financial benefit to the creditors, it has to be undertaken by the office holder as it is required by statute or regulatory guidance, or is necessary for the orderly conduct of the proceedings.

Due to the length of the assignment, work such as preparing the necessary reports to the creditors and case management on this assignment has predominantly been carried out by a manager with the suitable level of experience and authority necessary to progress the Liquidation and who have worked on the assignment since the appointment, which avoids unnecessary duplication. Less complex areas of work such as administrative functions have been carried out by junior grades of staff.

A Guide to Liquidators' fees may be found at <http://www.antonybatty.com/resource>. I would also be pleased to send you a copy by e-mail or post on request. Details of current charge out rates are given at Appendix VI.

5.3 Liquidator's Expenses

A summary of my expenses for the period of this report is given at Appendix V. To date I have drawn £27 plus VAT in respect of my expenses, none of which has been drawn during the period of this report.

Details of the disbursements policy are given at Appendix VI.

5.4 Creditor's Request for Further Information about Remuneration & Expenses

Under insolvency legislation, creditors have the right to request in writing further information regarding the remuneration or expenses set out in this report. The request can be made by either

- a) a secured creditor, or

- b) an unsecured creditor with concurrence of at least 5% in value of unsecured creditors (including that creditor) or the permission of the Court

The request must be made in writing within 21 days of receipt of this report

5 5 Creditor's Claim that Remuneration and/or Expenses are Excessive

Under insolvency legislation, creditors have the right to challenge my remuneration and expenses by making an application to court. The application can be made by either

- a) a secured creditor, or
- b) an unsecured creditor with concurrence of at least 10% in value of unsecured creditors (including that creditor) or the permission of the Court

The application may be made on the grounds that my remuneration is, in all the circumstances, excessive, the basis of fixing the remuneration is inappropriate, or my expenses are, in all the circumstances, excessive

Any such application must be made within 8 weeks of receipt of this report

If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets

6 FURTHER INFORMATION FOR CREDITORS

6 1 Investigations

I am required to submit a report to the Department for Business, Innovation, and Skills concerning the conduct of those who have been directors of the Company at any time in the three years preceding the Liquidation. Whilst the content of this report is confidential, I confirm that this report has been submitted. This is a standard part of my duties and does not imply any criticism of the directors. Whilst complying with this statutory obligation is of no direct benefit to the creditors, it may identify potential recovery actions

I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. Any such recovery actions will ultimately be for the benefit of the creditors. On my appointment I obtained and reviewed the Company's records from the directors and wrote to the Bank in order to obtain the bank statements and relevant details directly

To date following a review of the books & records of the Company provided, I am not aware of any such matters

If there are any matters which may not have already been brought to my attention, please contact Stephen Hole at my office

6 2 EC Regulation on Insolvency Proceedings

I consider that the EC Regulation on Insolvency Proceedings apply to the Liquidation of the Company. I also consider that they are "main" proceedings since the Company's registered office and trading address are in the United Kingdom

6 3 Third Party Assets

Should any creditor believe that they own assets that may have been in the Company's possession, they should contact my office as soon as possible

7 CONCLUSION OF THE LIQUIDATION

The Liquidator will continue to monitor the progress of the Wildfield Limited CVA, on completion of the arrangement the Liquidator will be in a position to finalise this matter. Should you require any further information please contact Stephen Hole.

A handwritten signature in black ink, appearing to be 'W A Batty', written in a cursive style.

W A Batty
Liquidator

APPENDIX I

A&O SYSTEMS + SERVICES UK LIMITED - IN LIQUIDATION

STATUTORY INFORMATION

Company Number	00827981
Date of Incorporation	19 November 1964
Previous Registered Names	EDS Global Field Services Limited
Registered Office	3 Field Court, Gray's Inn, London, WC1R 5EF
Formerly	Prescott Road, Colnbrook, Slough, Berks, SL3 0AE
Trading Address	Prescott Road, Colnbrook, Slough, Berks, SL3 0AE
Principle business activity	Information Technology Service Activities

Directors

<u>Name</u>	<u>Appointed</u>	<u>Resigned</u>
Christopher John Bamforth	21/12/2011 01/09/2010	Present 01/12/2010
Satish Kannan	01/12/2010	21/12/2011
Stephen Ball	31/08/2011	01/09/2010
Udo Hermann Kuhnle	28/03/2008	07/12/2009

Company Secretary

<u>Name</u>	<u>Appointed</u>	<u>Resigned</u>
Christopher John Bamforth	22/04/2005	Present

Issued Share Capital 6,072,001 ordinary shares of £0.70 each

Shareholders

<u>Name</u>	<u>Ordinary Shares</u>	<u>Percentage</u>
Valgate Limited	6,072,001	100%

Chargeholders

<u>Name</u>	<u>Type of Charge</u>	<u>Date of Charge</u>
Bank of Scotland Plc	Fixed & Floating	01/11/2007

APPENDIX II

A&O SYSTEMS + SERVICES UK LIMITED - IN LIQUIDATION

DETAILS OF APPOINTMENT OF THE LIQUIDATOR

Name and address of Liquidator	W A Batty of 3 Field Court, Grays Inn, London, WC1R 5EF
Date of Appointment	16 March 2012
By Whom Appointed	Members and creditors

APPENDIX V

A&O SYSTEMS + SERVICES UK LIMITED - IN LIQUIDATION

SUMMARY OF LIQUIDATOR'S EXPENSES

	Category 1 Incurred for 16/03/15 to 15/03/16	Category 1 Total	Category 2 Incurred for 16/03/15 to 15/03/16	Category 2 Total
Statutory advertising	£75	£75		
Photocopying			£4	£28
Postage			£9	£26
Faxes				£1
	£75	£75	£13	£55
Drawn		£Nil		£27
Outstanding	£75	£75	£13	£28

A&O Systems + Services UK Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

APPENDIX III

Statement of Affairs	From 16/03/2015 To 15/03/2016	From 16/03/2012 To 15/03/2016
ASSET REALISATIONS		
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Business Rates Refund	64,778 44	303,630 33
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Specific Bond	NIL	7,000 00
Fees for convening S98 Meetings	NIL	500 00
Statement of affairs fees	NIL	39,224 20
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Liquidators' pre appointment disburse	NIL	27 18
Liquidators' disbursements - category	NIL	6 00
Creditor Gateway	NIL	5,000 00
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Corporation Tax	NIL	(53,877 18)
UNSECURED CREDITORS		
(5,700 00) Trade & Expense Creditors	3,377 71	9,632 72
(763,292 45) H M Revenue & Customs VAT	34,055 65	97,121 67
(498,658 59) H M Revenue & Customs Tax	15,626 62	44,564 81
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DISTRIBUTIONS		
(4,250,400 70) Ordinary Shareholders	NIL	NIL
	NIL	NIL
(4,256,100.70)	11,718.46	98,433.95
REPRESENTED BY		
Vat Receivable		10,389 85
Bank 1 Current		88,044 10
		98,433.95

Note
Dividend information

7 unsecured creditors paid at 5P in £



William Antony Batty
Liquidator

SIP 9 - Time & Cost Summary

Period 16/03/15 15/03/16

APPENDIX IV

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	1 60	0 00	5 00	2 60	9 20	2,021 40	219 72
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	3 40	0 00	23 10	0 00	26 50	6,785 10	256 04
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	5 60	1 00	14 20	0 50	21 30	5,946 40	279 17
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pre Jan 2003 Time	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	10 60	1 00	42 30	3 10	57 00	14,752 90	258 82
Total Fees Claimed						0 00	

SIP 9 - Time & Cost Summary

Period 16/03/12 15/03/16

APPENDIX IV

Time Summary

[illegible]

Creditors	16 90	1 00	45 20	0 50	63 60	17,436 30	274 16
Case Specific	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case Specific 1	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case Specific 2100	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Brought Forward	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pre Jan 2003 Time	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	56 10	5 20	151 70	4 80	217 80	58,998 20	270 88
Total Fees Claimed						39 224 20	

Antony Batty & Company LLP

Time Costs – Charge out rates per hour and disbursements policy

1 April 2013 – 31 March 2017

	2013/17
Office Holder (e.g. Liquidator)	£399
Senior Manager	£335
Case Manager	£295
Senior Administrator	£235
Administrator	£145
Junior Administrator	£80

	2012/13
Office Holder (e.g. Liquidator)	£399
Senior Manager	£325
Case Manager	£295
Senior Administrator	£225
Administrator	£135
Junior Administrator	£80

	2011/12
Office Holder (e.g. Liquidator)	£395
Senior Manager	£310
Case Manager	£285
Senior Administrator	£215
Administrator	£120

Please note that these rates may be increased from time to time. Creditors will be notified of changes in the annual report.

Time is recorded in units of six minutes, the minimum unit of time is therefore six minutes.

Members of staff with the appropriate level of experience and authority have been and will be used for the various aspects of work necessary in this assignment.

Disbursement Policy

Please note that the liquidator's disbursements are charged out at the following rates -

Category 1 - represent recovery of necessarily incurred disbursements at the cost incurred. Sundry disbursements, such as advertising, where incurred appropriately, are recharged at 100% of the cost incurred.

There is a statutory requirement to advertise the following notices in the London Gazette: first meeting of creditors, resolutions for winding-up, appointment of Liquidators, final meetings and notices to creditors to submit claims. The London Gazette's price list can be accessed at <https://www.thegazette.co.uk/place-notice/pricing>.

Insurance and bonding is recharged at 100% of the relevant charge to the office holder.

There is a statutory requirement for the Liquidator to apply for specific bond cover based on the expected realisations in each appointment. The bond premiums may be found on our website <http://antonybatty.com/resource>.

Travel costs with the exception of mileage costs are recharged at 100% of the cost incurred. VAT is charged as appropriate.

Category 2

Photocopying	15p per sheet
Postage	Royal Mail postage rates (non-franked mail)
Faxes	UK
	International
Internal meeting room hire -	£1 per sheet
Storage	£2 per sheet
File set up, stationery & record retention	£100 per hour, (minimum 1 hour)
Companies House search	£35 per box per annum
Travel where Antony Batty & Company LLP staff use their own vehicles in the course of their duties in this matter, the mileage is recharged at 45p per mile	£50 per folder
VAT is charged as appropriate	£20 per case