

Liquidator's Progress Report**S.192****Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986**

To the Registrar of Companies

Company Number

03520250

Name of Company

(a) Insert full name of
company

(a) Pedagog Limited

Limited

(b) Insert full name(s) and
address(es)

I/We (b)

Tim Dolder
Opus Restructuring LLP
MWB Business Exchange
494 Midsummer Boulevard
Milton Keynes
MK9 2EA

Colin Wilson
Opus Restructuring LLP
MWB Exchange House
494 Midsummer Boulevard
Milton Keynes
MK9 2EA

the liquidators 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 07 June 2012 to 21 May 2013

Signed

Date

22/5/13

Presenter's name,
address and reference (if
any)

Tim Dolder
Opus Restructuring LLP
1 Euston Square
40 Melton Street
London
NW1 2FD

SATURDAY



QIQ

Q293HO9M
25/05/2013
COMPANIES HOUSE

#52

**Pedagog Limited
(In Liquidation)**

Summary of Receipts & Payments

	Statement of Affairs (£)	From 07/06/2011 To 06/06/2012	From 07/06/2012 To 21 May 2013	Total
RECEIPTS				
Office Furniture & Equipment	6,000 00	0 00	4,109 25	4,109 25
Cash at Bank		10 32	0 00	10 32
Domain refund		57 04	0 00	57 04
Bank Interest Gross		0 07	2 33	2 40
		67 43	4,111 58	4,179.01
PAYMENTS				
Agents Disbursements		0 00	4,111 10	4,111 10
Specific Bond		20 00	0 00	20 00
Liquidators' Expenses		0 00	47 91	47 91
		20 00	4,159 01	4,179 01
Net Receipts/(Payments)		47 43	(47.43)	0 00
MADE UP AS FOLLOWS				
		0 00	0.00	0 00



Tim Dolder
Joint Liquidator

Pedagog Limited (“the Company”) – In Liquidation

**Joint Liquidators’ Final Report
for the period from 7 June 2012 to 21 May 2013**

Issued on: 20 March 2013

Pedagog Limited (“the Company”) – In Liquidation

**Joint Liquidators’ Final Report
for the period from 7 June 2012 to 21 May 2013**

Issued on: 20 March 2013

Pedagog Limited ("the Company") – In Liquidation

JOINT LIQUIDATORS' FINAL REPORT AS AT 21 MAY 2013

Timothy John Edward Dolder and Colin David Wilson are the Joint Liquidators of the Company, and this is their final report to the creditors and members of the Company, showing how the liquidation has been conducted. The report covers in summary the whole period of the liquidation and in more detail from the last progress report 7 June 2012 to the date of the final meeting.

In the absence of circumstances necessitating amendment, this report will be presented to the meetings of members and creditors.

1 Statutory Information

Statutory information relating to the Company is attached at **Appendix I**.

2 Joint Liquidators' Receipts and Payments Account

A summary of the Joint Liquidators' receipts and payments account relating to the Company for the relevant period from 7 June 2012 to 21 May 2013 and cumulatively (from commencement of liquidation on 7 June 2011 to date) is attached at **Appendix II**.

3 Action taken by the Joint Liquidators

The Company was wound up on 7 June 2011 and Timothy John Edward Dolder and Colin David Wilson were appointed Joint Liquidators at meetings of members and creditors held on 7 June 2011. The Company ceased to trade prior to our appointment.

4.1 Intellectual Property

As previously advised, the Intellectual Property Rights ("IPR") were perceived to be the main asset of the Company. The IPR was made up of the viewing system patent, Pedagog Limited name and logo, Iris name and logo, IP agreements and all licences granted to the Company. Wyles Hardy & Company Limited ("Wyles Hardy"), professional valuation agents, were instructed to value, market and realise the IPR. After various negotiations with several interested parties over a considerable period, a sale was, unfortunately, not satisfactorily concluded. The interested parties have now all withdrawn and all avenues for sale have been exhausted. The IP agreements and licences have now lapsed.

4.2 Cash at Bank

As previously advised, the sum of £10.32 was realised in respect of the cash at bank.

4.3 Domain Refund

The sum of £57.04 was received in respect of the refund of the domain name.

4.4 Chattel Assets

As detailed in the previous report Wyles Hardy & Co Limited were instructed by us to value and realise the chattel assets. The sum of £4,109.25 was realised in this respect. The amounts received by Wyles Hardy have been used to partially discharge their costs.

All known realisable assets have now been liquidated.

Investigations

The Joint Liquidators' have a duty to submit confidential reports to the Government's Disqualification Unit on the conduct of those persons who acted as directors of the Company in the three year period before the liquidation. We have complied with our duties in this respect.

4 Liabilities and Dividends

Secured Creditors

Highland Fund Managers Limited and Blue Star Capital Plc both hold Debentures, both created on 23 June 2008, granting fixed and floating charges over the Company's assets.

There were insufficient realisations to enable a payment to be made to any secured creditor.

Preferential Creditors

Claims totalling £14,988 were received from 8 employee/directors in respect of wage arrears.

There were insufficient realisations to enable a payment to be made to preferential creditors.

Prescribed Part

There are provisions of the insolvency legislation that require an Administrator 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 costs and expenses of the administration, but before paying the lender who holds a floating charge. An Administrator 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 granted fixed and floating charges to Highland Fund Managers Limited and Blue Star Capital Plc. Insufficient floating charge assets have been realised and therefore the Prescribed Part will not apply.

Ordinary Unsecured Creditors

No dividend has been paid to unsecured creditors because there were insufficient realisations to meet the Joint Liquidators' fees and other administrative costs of the estate.

Notice of 'no dividend' was sent to all creditors on 25 July 2012.

5 Joint Liquidators' Remuneration, Disbursements and Expenses

Basis of Remuneration and Disbursements

At the initial meeting of creditors held under Section 98 Insolvency Act 1986 held on 7 June 2011, it was resolved that the Joint Liquidators would be remunerated by reference to the time properly spent in dealing with matters in the liquidation and that their disbursements would be drawn in accordance with the tariff outlined in **Appendix III**.

Remuneration Charged and Drawn

The Joint Liquidators' time costs incurred (exc VAT) are as follows

	Incurred	Paid
For this period, from 7 June 2012 to 21 May 2013	£10,058	Nil
Since appointment on 7 June 2011 to 6 June 2012	£33,673	Nil
Total	£43,731	Nil

Due to insufficient funds a shortfall of £43,731 in respect of the Joint Liquidators' fees has necessarily been written off

A fixed fee of £10,000 plus VAT had been agreed by both secured chargeholders in the event that realisations are insufficient. This will not show in the receipts and payment account, attached at **Appendix II**, as this is being paid by the chargeholders to this firm directly

In accordance with Statement of Insolvency Practice 9, attached at **Appendix III** is a breakdown of these time costs

Disbursements Incurred and Drawn

The Joint Liquidators' disbursements incurred and reimbursed are summarised below. Details are in the attached **Appendix III**

No category 2 disbursements have been charged nor will be recovered in this matter

	Incurred	Paid
Category 1 disbursements for this period, from 7 June 2012 to 21 May 2013	£57 64	Nil
Category 1 disbursements since appointment on 7 June 2011 to 6 June 2012	£534 55	47 91
Total	£592 19	£47 91

Due to insufficient funds a shortfall of £544 28 in respect of the Joint Liquidators' disbursements has necessarily been written off

Expenses (Professional Advisors) Charged and Drawn

The following professional advisors have been instructed in this matter

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
Wyles Hardy & Co Limited	Agents valuation and sale of assets	Fixed fee and disbursements. Our agent has incurred substantial costs in trying to realise the IPR in particular. A substantial part of their time costs have been written off.

The choice of professionals was based on perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Liquidators' fee arrangement with them. Details of the costs incurred and paid by the Liquidators in relation to liquidation expenses for the period are also attached at **Appendix III**

Pre Appointment

At the initial meeting of creditors held on 7 June 2011, it was resolved that the fees of RSM Tenon Recovery for assisting the Directors in convening the statutory meetings to place the Company into liquidation, and for assistance in preparing the Statement of Affairs, would be a set fee of £7,500 plus VAT and disbursements to be paid out of the assets of the Company. A fixed fee of £10,000 plus VAT had been guaranteed by both secured chargeholders in the event that realisations are insufficient. Due to the paucity of assets, the secured chargeholders have been invoiced £10,000 plus VAT to defray our costs. To date the sum of £3,333.33 has been received. The remaining balance of £6,666.67 is outstanding. RSM Tenon will continue to realise the remaining amount. This does not affect the closure of the case.

Creditors' Guide to Fees and Statement of Creditors' Rights

Creditors have a right to request further information from the Joint Liquidators and additionally have a right to challenge the Joint Liquidators' remuneration and expenses. Time limits apply. Details can be found in the document 'Remuneration Guidelines Liquidation (post 6 April 2010)' which you can access and download at <http://www.rsmtenton.com/creditorguides>. Alternatively a copy is available free of charge upon request from the address above.

6 Conclusion of the Liquidation

The final general meetings of members and creditors have been convened at which it is intended that this report will be presented. Formal notice is enclosed. The Joint Liquidators will seek approval to release as Liquidator in this matter. This meeting is purely a formality and there is no requirement for you to attend. However, if you wish to do so it should be helpful if you would advise the above office in advance.



Tim Dolder
Joint Liquidator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

Statutory Information

Appendix I

Company Information

Company Name	Pedagog Limited
Previous Name	N/A
Company Number	03520250
Date of Incorporation	2 March 1998
Trading Address	Tredomen Business & Technology Centre, Ystrad Mynach, Hengoed, CF82 7FN
Current Registered Office	Cedar House, Breckland, Linford Wood, Milton Keynes, MK14 6EX
Former Registered Office	CBXII, 382 – 390 Midsummer Boulevard, Milton Keynes, MK9 2RG
Principal Trading Activity	Wireless Multimedia

Appointment details

Joint Liquidators' name and address	Timothy John Edward Dolder and Colin David Wilson of RSM Tenon Restructuring, Cedar House, Breckland , Linford Wood, Milton Keynes, MK14 6EX
Commencement of liquidation	7 June 2011
Date of appointment	7 June 2011
Appointment made by	Members and Creditors
The Joint Liquidators act jointly and severally	

Pedagog Limited
(In Liquidation)

Summary of Receipts & Payments

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Domain refund		57 04	0 00	57 04
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PAYMENTS				
Agents Disbursements		0 00	4,111 10	4,111 10
Specific Bond		20 00	0 00	20 00
Liquidators' Expenses		0 00	47 91	47 91
		20 00	4,159 01	4,179 01
Net Receipts/(Payments)		47 43	(47 43)	0 00
MADE UP AS FOLLOWS				
		0 00	0 00	0 00

Appendix III – Information relating to the Joint Liquidators' Fees and Expenses

Pedagog Limited

Information relating to the Joint Liquidators' Fees and Expenses

1 Explanation of Liquidators' charging and disbursement recovery policies

1.1 Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

	<u>Pre 01/11/2011</u>	<u>Post 01/11/2011</u>
	£	£
Director and licensed Insolvency Practitioner	350 – 475	395 – 495
Associate Director	-	350
Senior Manager / Assistant Manager	140 - 240	235 - 295
Senior Administrator / Administrator	130 – 195	130 – 195
Secretarial and support staff	100 - 140	100

1.2 Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Restructuring and then recharged to the estate, approval from creditors is not required.

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011).

Category 2 disbursements

These include elements of shared or allocated costs incurred by RSM Tenon Restructuring and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements charged by RSM Tenon Restructuring are as follows

Disbursement charge	Rate
Company searches (RSM Tenon Tracker)	£10 per case
File set up	£7 per file
Photocopying scanning and faxes	10p per side of paper
Mileage	45p per mile
Room hire (internal) - London	£150 per hour

Room hire (internal) - outside London	£100 per hour
Reports to creditors and members - posted	50p per report
Reports to creditors and members - published on line	25p per report

There are no Category 2 disbursements in this matter

2 Description of work carried out in the current period

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during this period
These can be summarised as follows

2.1 Administration and planning

The following activities have been undertaken

- > Statutory duties associated with the appointment,
- > Notification of the appointment to creditors, employees and other interested parties,
- > Setting up case files,
- > Reviewing available information to determine appropriate strategy,
- > Setting up and maintaining bank accounts,
- > Progress reviews of the case

Staff of different levels were involved in the above activities depending upon the experience required

2.2 Investigations

The time spent includes

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,
- > Completion of statutory returns to the Insolvency Service,
- > Completion of bank account schedules

Due to the nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff

2.3 Realisation of assets

Please refer to the main body of the report but in summary the time spent includes

- > Liaising with agents regarding the chattel assets,
- > Correspondence and meetings with interested parties,
- > Identifying, securing and insuring of assets,
- > Corresponding with agents and directors regarding the IPR

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake

2.4 Creditors and distributions

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Recording creditor claims,
- > Reporting to creditors,
- > Meetings of creditors,
- > Dealing with creditor queries

Staff of different levels were involved in the above activities depending upon the experience required

3 Incurred Time and charge out summary

For the period of this report from 7 June 2012 to 21 May 2013, a total of 54.63 hours have been spent at an average charge out rate of £184.12 bringing the total cost for this period to £10,058.33

The table below shows details of the time costs incurred (exc VAT) in the current period -

Classification of work function	Insolvency Practitioner / Partner / Director	Manager	Hours Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning	2.10	2.75	10.50	1.40	16.75	3,828.25	228.55
Investigations	0.00	0.00	7.50	0.00	7.50	1,200.00	160.00
Realisation of assets	0.00	0.25	0.50	0.00	0.75	153.75	205.00
Creditors	0.00	1.00	25.30	3.33	29.63	4,876.33	164.57
Total hours	2.10	4.00	43.80	4.73	54.63		
Total fees £	1,039.50	1,180.00	7,008.00	830.83		10,058.33	184.12

The following table shows all time costs incurred from appointment to date

Classification of work function	Insolvency Practitioner/ Partner/ Director	Manager	Hours Other senior professional s	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning	31 00	6 25	41 80	21 62	100 67	21,760 17	216 15
Investigations	0 00	0 25	37 30	0 00	37 55	5,822 75	155 07
Realisation of assets	13 30	11 25	12 60	0 00	37 15	9,359 75	251 94
Creditors	0 00	4 75	31 00	3 83	39 58	6,788 58	171 52
Total hours	44 30	22 50	122 70	25 45	214 95		
Total fees £	16 078 50	6 086 25	18,282 00	3,284 50		43,731 25	203 45

From appointment to date a total of 214 95 hours spent bringing the average charge out rate to £203 45

No fees have been drawn in the liquidation as insufficient assets were realised The time costs will have to be written off

4 Disbursements

Disbursements incurred during the period of this report and cumulatively, and those reimbursed in the period and cumulatively, to end of current period, are detailed below

Disbursements	This period		Previous period		Cumulatively	
	Incurred £	Paid £	Incurred £	Paid £	Incurred £	Paid £
Category 1						
Statutory advertising		Nil	153 00	Nil	153 00	Nil
Stationary		Nil	8 00	Nil	8 00	Nil
Bond premium		Nil	20 00	Nil	20 00	Nil
Postage		Nil	22 29	Nil	22 29	Nil
Insurance		Nil	212 00	Nil	212 00	Nil
Case management software system	17 64	Nil		Nil	17 64	Nil
Storage costs	40 00	Nil	6 00	Nil	46 00	Nil
Travel		Nil	81 30	47 91	129 21	47 91
Postal Redirect		Nil	25 96	Nil	25 96	Nil
Company Search		Nil	6 00	Nil	6 00	Nil
Total	57 64	Nil	534 55	47 91	592 19	47 91

The above costs exclude VAT

No category 2 disbursements have been charged to this matter

5 Professional advisors and expenses

The Joint Liquidators have incurred liquidation expenses in connection with the instruction of the following agent as shown below

Name & Activity	Total	
	Incurred £	Paid £
Wyles Hardy & Co Limited	24,039 84	4,111 10
Total	24,039 84	4,111 10

The balance of time costs have been written off by the agents

The above costs exclude VAT