

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 7 4 4 6 9 7 0

Company name in full Veoo Ltd

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice

Court case number 0 0 0 9 3 6 2 0 1 9

3 Administrator's name

Full forename(s) Andrew John

Surname Whelan

4 Administrator's address

Building name/number Unit 2 Spinnaker Court

Street 1C Becketts Place

Post town Hampton Wick

County/Region Kingston upon Thames

Postcode K T 1 4 E Q

Country

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5	Administrator's name ①	
Full forename(s)	Douglas John	① Other administrator Use this section to tell us about another administrator.
Surname	Pintea	
6	Administrator's address ②	
Building name/number	Unit 2 Spinnaker Court	② Other administrator Use this section to tell us about another administrator.
Street	1C Becketts Place	
Post town	Hampton Wick	
County/Region	Kingston upon Thames	
Postcode	K T 1 4 E Q	
Country		
7	Appointor/applicant's name	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	Veoo	
Surname	Limited	
8	Proposed liquidator's name	
Full forename(s)	Andrew John	
Surname	Whelan	
Insolvency practitioner number	8 7 2 6	
9	Proposed liquidator's address	
Building name/number	Unit 2 Spinnaker Court	
Street	1C Becketts Place	
Post town	Hampton Wick	
County/Region	Kingston upon Thames	
Postcode	K T 1 4 E Q	
Country		

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10 Proposed liquidator's name^①

Full forename(s) Douglas John

Surname Pinteau

Insolvency practitioner number 1 9 5 9 0

① Other liquidator

Use this section to tell us about another liquidator.

11 Proposed liquidator's address^②

Building name/number Unit 2 Spinnaker Court

Street 1C Becketts Place

Post town Hampton Wick

County/Region Kingston upon Thames

Postcode K T 1 4 E Q

Country

② Other liquidator

Use this section to tell us about another liquidator.

12 Period of progress report

From date 1 8 0 3 2 0 2 0

To date 1 4 0 8 2 0 2 0

13 Final progress report☒ I have attached a copy of the final progress report.**14** Sign and date

Administrator's signature

Signature

X  X

Signature date 1 4 0 8 2 0 2 0

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Douglas John Pinteau**

Company name **WSM Marks Bloom LLP**

Address
Unit 2 Spinnaker Court
1C Becketts Place

Post town **Hampton Wick**

County/Region **Kingston upon Thames**

Postcode **K T 1 4 E Q**

Country

DX

Telephone **020 8939 8240**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Joint Administrators' Final Progress Report

Veoo Limited (in Administration)

14 August 2020

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ATTACHMENTS

Receipts and Payments Account from 18 March 2020 to 14 August 2020

Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements

VEOO LIMITED (IN ADMINISTRATION)

1 Introduction

- 1.1 I, Andrew John Whelan, together with Douglas John Pinteau, was appointed Joint Administrator of Veoo Limited ('the Company') on 18 September 2019. The appointment was made by the Company.
- 1.2 This Administration is being handled by WSM Marks Bloom LLP at Unit 2 Spinnaker Court, 1C Becketts Place, Hampton Wick, Kingston upon Thames, KT1 4EQ. The Joint Administrators' contact details are by phone on 020 8939 8240 or via email at insolvency@wsm.co.uk. The Administration is registered in the High Court of Justice, Business and Property Courts at Manchester, reference number 000936 of 2019.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at wsm.co.uk/insolvency/creditors-guides. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The trading address of the Company was 22-25 Eastcastle Street, 4th Floor, London W1W 8DF.
- 1.5 The registered office of the Company is Unit 2 Spinnaker Court, 1C Becketts Place, Hampton Wick, Kingston upon Thames, KT1 4EQ and its registered number 07446970.
- 1.6 As the Administration has now been completed, the Joint Administrators are required to provide a final progress report covering the period from the date covered by our last progress report to now. This progress report therefore covers the period from 18 March 2020 to 14 August 2020 ('the Period') and should be read in conjunction with the Joint Administrators' proposals and 6-month progress report.

2 Progress of the Administration

- 2.1 The statutory objective being pursued in the Administration was realising property in order to make a distribution to the secured and preferential creditors. The Joint Administrators have met this objective, with all preferential and secured claims having been paid in full during the Administration.
- 2.2 In addition to the pursuance of this statutory objective, the Joint Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.3 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.
- 2.4 Attached is our receipts and payments account covering the Period, together with a cumulative receipts and payments for the duration of the Administration.
- 2.5 Further information about the basis of remuneration agreed in this case and the Joint Administrators' fees can be found in section 4 of this report.

VEOO LIMITED (IN ADMINISTRATION)

Administration (including statutory compliance & reporting)

- 2.6 As noted above, the Joint Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work this has involved over the course of the Administration has been provided with the fees proposals issued to creditors at the same time as our Proposals, at the same time as our 6-month progress report, and on 21 July 2020.
- 2.7 This work has not necessarily brought any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

- 2.8 There have been no asset realisations during the Period, aside from gross bank interest on the funds held in the Administration bank account.

Commission for Contracts

- 2.9 We have previously described the sale completed prior to the Administration of the Company's assets to Digital Box Solutions Limited ('DBSL'). DBSL is required to report monthly on all gross revenue generated from the Company's mobile phone/media company contracts sold, for a period of 18 months from completion of the sale. The Company would be entitled to 7.5% of this revenue during this period, which lasts to March 2021.
- 2.10 In our last progress report we stated that DBSL had advised us in February 2020 that they anticipated that they would start generating some revenue from these contracts in May/June 2020. However, while they have provided monthly statements up to and including July 2020, DBSL have advised that there has been no income arising from these contracts between February 2020 and the end of the Period, and that consequently nothing is due to the Company. We are seeking an explanation for this from DBSL, to ascertain that these statements are, in fact, correct.

Other assets: Subsidiaries & Investments

- 2.11 In our last progress report we reported that we were investigating the potential value in five wholly owned foreign subsidiaries of the Company, and had received notice from a party interested in acquiring the Company's shares in these subsidiaries. It is now our opinion that there is no practical value in these subsidiaries.
- 2.12 We also previously sought to obtain further information in an investment the Company made in Pocket App Ltd, and determine whether there is a value, and a market, for the shares held. As at the end of the Period, these investigations are still continuing.
- 2.13 The work the Joint Administrators and their staff have undertaken to date will bring a financial benefit to all classes of creditor, with preferential and secured creditors now paid in full through the Administration, and unsecured creditors to receive a dividend in due course following the Company being placed into creditors' voluntary liquidation.

VEOO LIMITED (IN ADMINISTRATION)

Creditors (claims and distributions)

- 2.14 Further information on the anticipated outcome for creditors in this case can be found at section 5 of this report. The Joint Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.15 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.16 The above work will not necessarily bring any financial benefit to creditors generally; however the Joint Administrators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Administrators in dealing with those claims.
- 2.17 Further details of the work done in dealing with creditors and their claims is detailed in part 5 below.

Investigations

- 2.18 Some of the work the Joint Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ('CDDA 1986') and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Administrators can pursue for the benefit of creditors.
- 2.19 We have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, we are unable to disclose the contents.
- 2.20 Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment considered information provided by creditors in response to our request to complete an investigation questionnaire, and considered the affairs of the Company that led to the tribunal claim from the PSA.
- 2.21 Our investigations remain ongoing, though at this time we will not divulge further details to avoid prejudicing any potential claims.

Unrealised Assets

- 2.22 We have realised all assets that were anticipated to be realisable during the Administration, based on the director's statement of affairs and our own investigations into the assets of the Company.

VEOO LIMITED (IN ADMINISTRATION)

- 2.23 We have not realised anything in respect of the Company's shares and investments (though these were anticipated to have no realisable value on the director's statement of affairs), while we have not yet realised any commission due from DBSL in respect of contracts purchased by them for income not yet generated. Any realisations possible from these assets will be realised during the creditors' voluntary liquidation that follows this Administration.

3 Pre-administration Costs

- 3.1 No pre-administration costs have been sought on this case.

4 Joint Administrators' Remuneration

- 4.1 The Joint Administrators' have sought fixed fee resolutions at stages during the Administration, based on the time spent for the periods sought. These were all decided through votes by correspondence and were agreed by creditors as follows:

Basis	Dates covered	Decision Date
Fixed fee of £25,192 plus VAT	18 September 2019 to 1 November 2019	27 November 2019
Fixed fee of £35,984 plus VAT	2 November 2019 to 3 April 2020	7 May 2020
Fixed fee of £28,500 plus VAT	4 April 2020 to end of Administration	11 August 2020

- 4.2 All fees have been drawn in full in accordance with the resolutions and total a lower amount than was estimated in the Estimated Outcome Statement provided with the Joint Administrators' Proposals.
- 4.3 A copy of "A Creditors' Guide to Administrators' Fees" is available on request or can be downloaded from wsm.co.uk/insolvency/creditors-guides. If you would prefer this to be sent to you in hard copy please contact our office.
- 4.4 Attached is additional information in relation to the Joint Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

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5 Outcome for Creditors

Secured Creditors

- 5.1 Redd Factors Limited ('Redd') and Web Zone Limited ('Web Zone') both held fixed and floating charges over the Company's assets.
- 5.2 Redd held a fixed charge over the Company's book debts, and confirmed prior to the Period that realisations had been sufficient to pay these in full. Accordingly, they had no claim in the Administration.
- 5.3 Web Zone submitted a claim in the Administration on 14 November 2019 for £683,541.57, to which interest was being added. We instructed JMW Solicitors to assist us in determining the validity of Web Zone's charge and the amount claimed, and they advised that the charge was valid, although there were potential matters to review with regards to the level of interest that had been charged and was being claimed.
- 5.4 On 23 April 2020 we received a letter from Web Zone offering to accept £385,000 in full and final settlement of their secured claim and any claim against the Company. Their reasoning was to ensure a prompt payment of funds to assist them during the coronavirus crisis, and to avoid any potential issues with challenges to the level of interest charged. (Their secured loan before interest was £450,000).
- 5.5 We instructed Russell Cooke Solicitors LLP to assist with drafting a formal settlement agreement including confirmation that form MR04 could be filed at Companies House following payment to confirm the charge had been satisfied in full, to ensure there would be no prospect of Web Zone reneging on the offer subsequently. This was signed by the director of Web Zone, and the settlement agreement was executed on 29 April 2020.
- 5.6 Web Zone were paid a first and final dividend of £385,000 in respect of their debt on 29 April 2020. Arising from this is a Prescribed Part of £100,000. Form MR04 confirming the full satisfaction of their charge was filed at Companies House on 22 May 2020.
- 5.7 All secured creditors have now been paid in full.

Preferential Creditors

- 5.8 Preferential claims were estimated in the director's estimated statement of affairs to be £10,027. These claims were subsequently agreed in the sum of £12,426.57, made up of the National Insurance Fund and five employees.
- 5.9 A first and final distribution to preferential creditors was paid on 7 April 2020. All payments have cleared.

Unsecured Creditors

- 5.10 The Joint Administrators have received claims totalling £3,740,278.94 from 37 creditors. A number of additional claims were received during the Period. We have yet to receive claims from 128 creditors whose debts total £5,866,823.46 as per the list of creditors provided with our Proposals.

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- 5.11 The Company granted a floating charge to Web Zone after 15 September 2003. Accordingly, the Joint Administrators were required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part).
- 5.12 As described in paragraph 5.6 above, a Prescribed Part of £100,000 was created on 29 April 2020 as part of the distribution to Web Zone. This is less than the remaining funds in the case.
- 5.13 Agreement of unsecured claims and a distribution to unsecured creditors will be done as part of the creditors' voluntary liquidation.

6 Creditors' Rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 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, in all the circumstances, the basis fixed for the Joint Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this progress report, are excessive.

7 Ending the Administration

- 7.1 In line with the Joint Administrators' Proposals, the Company is exiting Administration by moving into creditors' voluntary liquidation.
- 7.2 A copy of the notice bringing the Administration to an end and moving the Company into creditors' voluntary liquidation is enclosed with this report, which has already been sent to Companies House for filing. Once this notice is registered, the Company will be in liquidation and I would confirm that the Joint Administrators will become the appointed Joint Liquidators, as per our approved Proposals.
- 7.3 The Joint Liquidators will be required to report to creditors on the progress of the liquidation within two months of the anniversary of their appointment, and these reports will be available online in the same way as the Joint Administrators' reports have been to date. If a dividend is to be declared sooner, we will write to creditors to provide appropriate details and give a final opportunity to those yet to claim to do so in the intervening period.
- 7.4 The bases on which the Joint Liquidators are to be remunerated for their work required in the liquidation will be proposed to creditors in due course.

VEOO LIMITED (IN ADMINISTRATION)

- 7.5 As approved by the relevant creditors on 27 November 2019, the Joint Administrators will be discharged from liabilities under Paragraph 98(3) of Schedule B1 of the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

For and on behalf of
Veoo Limited



A J Whelan
Joint Administrator
14 August 2020

Joint Administrators' Summary of Receipts & Payments

Statement of Affairs		From 18/03/2020 To 14/08/2020	From 18/09/2019 To 14/08/2020
£		£	£
	SECURED CREDITORS		
(450,000.00)	Web Zone Ltd	385,000.00	385,000.00
		(385,000.00)	(385,000.00)
	ASSET REALISATIONS		
272,578.71	Asset Sale Debtor Consideration	NIL	146,395.03
33,250.00	Asset Sale Deposit Cash	NIL	35,000.00
95,000.00	Asset Sale Revenue Consideration	NIL	NIL
12,357.03	Cash at Bank	NIL	26,816.82
500,000.00	Surplus From CVA	NIL	494,261.17
	Bank Interest Gross	78.86	157.99
		<u>78.86</u>	<u>702,631.01</u>
	COST OF REALISATIONS		
	Specific Bond	NIL	360.00
	Office Holders Fees	64,484.00	89,676.00
	Office Holders Expenses	NIL	61.00
	The Creditor Gateway	48.00	96.00
	ERA Solutions	75.00	325.00
	Agents/Valuers Fees	NIL	8,778.08
	Legal Fees	4,662.50	12,117.50
	Statement of Affairs Assistance Fee	NIL	7,200.00
	Statutory Advertising	NIL	81.00
		(69,269.50)	(118,694.58)
	PREFERENTIAL CREDITORS		
(10,026.57)	Employee Arrears/HoI Pay	12,426.57	12,426.57
		(12,426.57)	(12,426.57)
	UNSECURED CREDITORS		
(7,886,437.91)	Trade & Expense Creditors	NIL	NIL
(44,215.94)	Employees	NIL	NIL
(110,465.29)	HM Revenue & Customs CT	NIL	NIL
(638,830.10)	HM Revenue & Customs PAYE	NIL	NIL
		NIL	NIL
		<u>(466,617.21)</u>	<u>186,509.86</u>
	REPRESENTED BY		
	Vat Receivable		22,214.72
	Current A/c		164,295.14
			<u>186,509.86</u>

VEOO LIMITED (IN ADMINISTRATION)

ADDITIONAL INFORMATION IN RELATION TO THE JOINT ADMINISTRATORS' FEES, EXPENSES & DISBURSEMENTS

Staff Allocation and the Use of Sub-Contractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of Partners, a Manager, and Administrators or Assistants. The exact constitution of the case team will depend on the anticipated size, complexity and experience requirements of the assignment.

On this case we have used the services of the following sub-contractors, which were chosen based on our past experiences of their specific expertise in asset valuation and realisation, and agreement of employee claims, respectively:

Service (s)	Provider	Basis of fee arrangement	Cost to date
Continued collection of amounts from DBSL	Marriott & Co	% of realisations	8,778.08
Agreement of employee claims	ERA Solutions Ltd	Fixed fee based on number of claims	325.00

Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
JMW Solicitors LLP (legal advice re validity of charge)	Hourly rate and disbursements
Russell Cooke Solicitors LLP (legal advice re settlement agreement relating to Web Zone)	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement.

Administrators' Expenses & Disbursements

The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Administrators' Proposals, as below:

Expense	Provider	Basis of fee arrangement	£ (net)
Statutory advertising	Legal & Public Notices	Cost per advert	160
Joint Administrators' bond	Insolvency Risk Specialists	Pre-agreed costs	720

VEOO LIMITED (IN ADMINISTRATION)

Legal advice on administering the Administration	JMW Solicitors	tbc	20,000
Employee claims processing	ERA Solutions Ltd	Proposed Hourly rate	150
Report web-hosting	The Creditor Gateway	Fixed fee per report	50

Current position of Administrators' expenses

An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in the Period £	Incurred but not paid to date £	Total cost £
Statutory advertising	Nil	Nil	81.00
Joint Administrators' bond	Nil	Nil	360.00
Legal advice	4,662.50	Nil	12,178.50
Employee claims processing	75.00	Nil	325.00
Report web-hosting	48.00	24.00	120.00
Agent fees	Nil	Nil	8,778.08

Note that the total cost above is just for the Administration. Further expenses will be incurred in the liquidation, and these will be reported on in the Joint Liquidators' future fees proposals and progress reports.

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Joint Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.