

# WU07

## Notice of progress report in a winding-up by the court



Companies House

SATURDAY



A16 \*A7E2EDDN\* 08/09/2018 #336  
COMPANIES HOUSE

### 1 Company details

Company number F C 0 2 6 1 5 3

Company name in full PHLUIDMEDIA, INC.

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

### 2 Liquidator's name

Full forename(s) Liam Alexander

Surname Short

### 3 Liquidator's address

Building name/number 3 Waterhouse Square 138 Holborn

Street

Post town

County/Region London

Postcode E C 1 N 2 S W

Country

### 4 Liquidator's name ①

Full forename(s) Graham Stuart

Surname Wolloff

① Other liquidator  
Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 2 AxonCommerce Road

Street

Post town

County/Region Peterborough

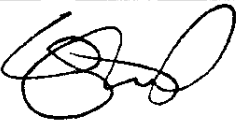
Postcode P E 2 6 L R

Country

② Other liquidator  
Use this section to tell us about  
another liquidator.

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|--|--|
| <b>6</b>  | <b>Period of progress report</b>  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
| From date   | d   | 0 | d | 7 | m | 0 | m | 7 | y | 2 | y | 0 | y | 1 | y | 7 |  |  |
| To date   | d   | 0 | d | 6 | m | 0 | m | 7 | y | 2 | y | 0 | y | 1 | y | 8 |  |  |
| <b>7</b>  | <b>Progress report</b>  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
| <input checked="" type="checkbox"/> The progress report is attached |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
| <b>8</b>  | <b>Sign and date</b>  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
| Liquidator's signature  | Signature   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
|   |  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |
| Signature date  | d   | 0 | d | 3 | m | 0 | m | 9 | y | 2 | y | 0 | y | 1 | y | 8 |  |  |

WU07

## Notice of progress report in a winding-up by the court

**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

Company name

Elwell Watchorn &amp; Saxton LLP

Address

109 Swan Street

Sileby

Post town

Leicestershire

County/Region

Postcode

L E 1 2 7 N N

Country

DX

Telephone

01509 815150

**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 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

LAS.BJP.PHL02

3 September 2018

**TO ALL MEMBERS & CREDITORS**

Dear Sirs

**PHLUIDMEDIA, INC. (the "Company")**  
**IN COMPULSORY LIQUIDATION**  
**IN THE HIGH COURT OF JUSTICE NO 003368 OF 2016**

Company number: FC026153

Office holders: Liam Alexander Short and Graham Stuart Wolloff

Date of appointment: 7 July 2017

Previous Registered Office: 48 Charlotte Street, London, W1T 2NS

Registered Office: 3 Waterhouse Square, 138 Holborn, London, EC1N 2SW

In accordance with Rule 18.8 of the Insolvency Rules 2016 (as amended), we write to provide all members and creditors of the Company with an account of our acts and dealings and of the conduct of the winding-up for the period 7 July 2017 to 6 July 2018 and to seek decisions by correspondence to fix the basis of our remuneration and disbursements as required by the legislation.

We enclose the following additional information:-

- a) Receipts and payments account.
- b) Charging Policy and Fees estimate for remuneration, disbursements and case expenses, with further information including:
  - (i) Notice of decision procedure by correspondence and voting form in accordance with rule 15.8 of the Insolvency Rules 2016.
  - (ii) Notice of my intention to deliver future documents by making them available on a website.
- c) Decisions by correspondence – voting form.
- d) Proof of debt form.

We are required to obtain creditor approval for decisions fixing the basis of our remuneration and disbursements. To vote on these decisions, please complete and return the enclosed Creditors decisions by correspondence voting form by ensuring that it is received by us by 23 59pm on 24 September 2018. This form should be returned with a completed Proof of debt form and supporting statement of account (or other suitable evidence if not already submitted to the liquidator) by the above deadline for your vote to count. It may be returned by post, email or fax.

**We seek decisions by correspondence in order to keep costs to the proceedings to a minimum. Rule 15.9(3) requires the return of at least one valid vote in favour by the deadline to approve the proposed decisions, failing which we are required to seek decisions by alternative means which will incur additional cost. Please return the voting form and proof of debt by the deadline above.**

Creditors who meet one or more of the statutory thresholds in the attached notice may, within 5 business days from the date of delivery of this notice seeking decisions by correspondence, require the appointee to summon a physical meeting of creditors to consider the matter.

The Charging Policy and Fees estimate enclosure provides an analysis of the work already undertaken in this matter and the estimated fees include the anticipated additional work required to complete the case based on all the information to hand at this stage. The narrative below provides full details of the work completed to date.

### ***Background***

A winding up order was made on 5 September 2016, on the petition of a former employee, presented on 16 June 2016. The debt related to arrears of salary.

On 7 July 2017 the Secretary of State appointed Liam Alexander Short and Graham Stuart Wolloff of Elwell Watchorn & Saxton LLP, 3 Waterhouse Square, 138 Holborn, London, EC1N 2SW as Joint Liquidators of the Company's estate.

### ***Use of website to deliver future documents***

We intend to take advantage of the legislative provisions whereby we can put future documentation onto a website and need not write to creditors to notify them that we have done so save for certain specified circumstances. We attach a formal 'Notice of general use of website' which provides full details.

### ***Asset realisations***

The overall asset realisations are generally in accordance with the statements of assets and liabilities prepared by the Official Receiver in their report to creditors of 14 October 2016.

### ***Bank Accounts and Uncashed Cheques***

The majority of time spent on this matter to date is in respect of enquiries and investigation into the Company's historical trading, including in respect of the Company's various bank accounts held with HSBC Bank. To our knowledge, the Company operated three accounts in the UK, in addition to a UK Money Market account, plus an account in the US with HSBC USA, NA. No positive bank balances have been identified on the UK accounts and while a negative balance has been confirmed on the US account, to date HSBC USA, NA have failed provide us with any further requested information, instead requiring us to register our interests in the United States of America. Our enquiries continue in this regard.

A limited amount of books and records were received from one of the former Company solicitors based in the US and these contained two uncashed cheques in the sums of \$6,306.61 and \$204.00. Our solicitor requested duplicate cheques from the payers and these were duly re-issued and are currently being retained in our solicitors' client account.

### ***Business Rates***

We are currently exploring the position regarding the Business Rates liability of the Company. Our enquiries are ongoing and we are liaising with Westminster City Council accordingly.

### ***Secured creditors***

We are not aware of any secured creditors of the Company with available assets secured by a fixed charge.

### ***Preferential creditors***

The preferential claims are in respect of employees' holiday pay accrued. We have received a claim from the Redundancy Payments Office in the sum of £16,292.86.

### ***Non-preferential creditors***

There are no monies available to make a distribution to the non-preferential creditors and we have not taken steps to formally admit the creditors' claims.

### ***Further work undertaken***

#### ***Investigations***

In accordance with Statement of Insolvency Practice 2, we have made an initial assessment of whether there could be any matters that may lead to recoveries for the estate and what further investigations may be appropriate. In addition to the records received, and subsequently reviewed, from the Company's former bankers and solicitors, in late 2017 we were contacted by a storage firm based in Essex who were holding 41 boxes of archived books and records belonging to the Company. I can confirm that these records were uplifted from site and re-located to our own storage facility. An inventory was prepared following their receipt and an initial review of the records was carried at that stage. Furthermore, enquiries have also been made of the Company's directors and key personnel and information sought from the Company's former accountants and solicitors in order to inform our investigations. We have met with our solicitors to discuss our findings and we are still in the process of liaising with our solicitors concerning our discoveries gleaned from the various sources of information.

#### *Other work undertaken*

We have sought to realise the assets of the Company and liaised with our agents as appropriate and we have dealt with queries raised by creditors as they have arisen.

Additionally, we have discharged our statutory duties as Joint Liquidators in the day to day matters associated with the case. We are bound by the Insolvency Code of Ethics when carrying out work relating to the insolvency appointment.

We are required to undertake specific statutory activities which provide no immediate financial benefit to creditors. These activities are detailed in the enclosed schedule of further information but specifically include, for instance, time spent in trying to obtain information from the Company's bankers and in re-housing the books and records of the Company (as detailed above).

The attached fees estimate for remuneration and disbursements details all of the work anticipated as being required in this case, utilising the relevant grades of staff for case assignments.

#### ***Known outstanding matters – work remaining to be completed***

In summary, the following key matters remain outstanding:

- to seek to establish the final position of the Company's bank accounts and Business Rates liability
- to finalise our investigations and liaise with our solicitors accordingly concerning any potential claims
- at the appropriate time, to issue our final account in this matter and progress the case to closure.

Based on the information currently available, we estimate the remaining time to complete this case being 18 months from the date of this report.

#### ***Joint Liquidators' remuneration***

No remuneration in respect of post appointment activities can be drawn until the creditors fix the basis of remuneration. Full details are provided on the enclosed fee estimate.

A guide to help creditors understand the law and their rights in relation to an insolvency process can be found at:-

<http://www.creditorinsolvencyguide.co.uk>

Additional information regarding how the Joint Liquidator will be paid can be downloaded at:-

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

Alternatively, a Creditor may obtain a printed copy by contacting this office directly.

#### ***Professional advisors engaged***

We have instructed professional advisors to assist with the administration and progression of the case. The choice of advisor is based on their relevant experience and ability to perform this type of work, the nature and complexity of the specific assignment and the basis of the fee arrangement negotiated. Full details are included in the attached schedule of further information.

#### ***Disclaimer***

This report has been circulated for the sole purpose of providing creditors with an update for information purposes only to fulfil the necessary statutory requirement. The contents are private and confidential and may not be relied upon, referred to, reproduced in whole or in part or otherwise used by creditors for any purpose other than providing an update for them for information purposes, or by any other person for any purpose whatsoever.

Yours faithfully



L A Short  
Joint Liquidator

Licensed in the United Kingdom to act as an insolvency practitioner  
by the Association of Chartered Certified Accountants

**PHLUIDMEDIA, INC.**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

| Statement<br>of Affairs<br>£ |                                  | From 07/07/2017<br>To 06/07/2018 |           |
|------------------------------|----------------------------------|----------------------------------|-----------|
|                              |                                  | US \$                            | £         |
|                              | ASSET REALISATIONS               |                                  |           |
| 0.00                         | Cheque receipts                  | 204.00                           | 4,603.91  |
|                              |                                  |                                  |           |
| 0.00                         | Less bal. held by solicitors     | 204.00*                          | 4,603.91  |
|                              |                                  |                                  |           |
|                              |                                  | 0.00                             | 0.00      |
|                              |                                  |                                  |           |
|                              | COST OF REALISATIONS             |                                  |           |
| 0.00                         | Official Receiver Balance        |                                  | 1,170.00  |
| 0.00                         | Sec of State Fees                |                                  | 88.00     |
|                              |                                  |                                  | -1,258.00 |
|                              |                                  |                                  |           |
| 0.00                         |                                  |                                  | -1,258.00 |
|                              |                                  |                                  |           |
|                              | REPRESENTED BY                   |                                  |           |
|                              | Insolvency Service Account (ISA) |                                  | -1,258.00 |
|                              |                                  |                                  |           |
|                              |                                  |                                  | -1,258.00 |

\*At the date of this report (03/09/18) the USD to GBP conversion rate is 0.777676,  
giving an approximate amount of £158 65 (GBP) held in USD on account by our solicitors

**PHLUIDMEDIA, INC.  
IN COMPULSORY LIQUIDATION**

**SCHEDULE OF REMUNERATION, DISBURSEMENTS AND CASE EXPENSES;  
WITH FURTHER INFORMATION**

***Firm's charging policy for appointments taken after 1 October 2015***

It is the firm's policy that all staff involved on an assignment will record all time spent on dealing with matters arising on that client and that the time will be categorised to show the type of activity carried out. The charge out rates of licensed insolvency practitioners, directors and managers do not therefore include provisions for time spent by secretaries, cashiers and support staff.

Irrespective of any basis of remuneration agreed, the legislation requires that time spent by all staff on a case is recorded. The recorded time cost is calculated by multiplying the time spent by the individual by their charge-out rate. Time is recorded in units of 6 minutes, with 10 units making up each hour of time spent. Charge-out rates are reviewed annually and are subject to change without prior notice. Full details of the rates applied to a specific case are available on application.

Although for most appointments, the legislation allows the office holder to seek to be remunerated on a combination of any or all of the following bases:

- a. A time cost basis
- b. A percentage of the value of the property dealt with by the office holder (realisations and / or distributions)
- c. A fixed fee

It is the Firm's current policy to seek remuneration on (a) a time cost basis for insolvent appointments.

The arrangements regarding office holder remuneration do not however apply to Members Voluntary Liquidations (MVL's), Company Voluntary Arrangements (CVA's) or Individual Voluntary Arrangements (IVA's). In MVL's, the company members agree the fee basis, usually as a fixed fee. In VA's, the fee basis is incorporated in the arrangement proposal which creditors agree when they approve the arrangement.

Office holders remuneration is subject to VAT with the exception of VA's which are VAT exempt.

The Firm has five grades of staff (including the office holder) as detailed below. We ensure that case assignments have been carried out by appropriate grades of staff. The charge-out rates of the persons involved in this case from commencement to the current time are as follows:-

|                                  | <b><i>Charge-out rate at<br/>commencement<br/>(up to £ per hour)</i></b> | <b><i>Proposed additional rate of<br/>uplift in accordance with fee<br/>proposal<br/>(up to £ per hour)</i></b> |
|----------------------------------|--|---|
| Licensed Insolvency Practitioner | 295.00   | 295.00  |
| Director / Senior Manager        | 200.00   | 200.00  |
| Manager                          | 150.00   | 150.00  |
| Other professionals              | 135.00   | 135.00  |
| Administrative staff             | 65.00  | 65.00   |

Each staff member involved in the case records actual time spent in a computerised time recording system together with a narrative describing the actual work undertaken. Work is analysed by prescribed task descriptors which are recorded under the following standardised categories:

- Administration (including statutory reporting)
- Investigations
- Realisation of assets
- Creditors (claims and distribution)



In seeking approval to be remunerated on a time costs basis, the office holder must provide a fee estimate to the creditors which then acts as a cap to ensure that the fees subsequently drawn cannot exceed the fee estimate without the office holder seeking further approval. The office holder must also provide details of the work intended to be undertaken together with details of the hourly rates proposed to be charged and an estimate of the time envisaged being taken to complete the required work. The office holder will also state whether it is envisaged at this stage whether there may be a future need to seek approval to exceed the original estimate and any reasons for which this could become necessary. To simplify matters, the estimated charges may be presented using a 'blended' (an average time cost) rate for the work carried out detailed in the fee estimate.

Should the office holder subsequently need to seek authority to draw fees in excess of the original fees estimate, details will be provided which include reasons why the original estimate has been or is likely to be exceeded, details of any additional work required to be undertaken, the hourly rates proposed and an estimate of the additional time envisaged being taken to complete the identified work. The office holder will again state whether it is envisaged at this stage whether there may be a future need to seek approval to exceed the estimate and any reasons for which this could become necessary.

Sufficient information will be provided about the appointment to demonstrate how the fee estimate reflects the requirements of the case. This will include any responsibility of an exceptional nature on the office holder, the effectiveness with which functions are carried out and the value and nature of the property dealt with by the office holder.

A guide to help creditors understand the law and their rights in relation to an insolvency process can be found at <http://www.creditorinsolvencyguide.co.uk>

Additional information regarding how the Insolvency Practitioner will be paid can be downloaded under "Fees" at <https://www.r3.org.uk/what-we-do/publications/professional/fees>

Alternatively, a creditor may obtain a printed copy by contacting this office directly.

### ***Disbursements***

Disbursements incurred by the office holder in connection with the case must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 - disbursements not requiring approval represent a re-charge to the estate for direct costs, payable to independent third parties, specifically incurred in the administration of the estate. In certain instances these costs were initially met from the firm's resources due to the lack of funds available at the time that payment was due

Category 2 - disbursements requiring approval, represent a charge to the estate for the costs incurred by the firm specifically in relation to the estate. The basis of payment of category 2 disbursements must be approved by creditors prior to any payment being drawn. It is proposed that payment shall be made in respect of Category 2 disbursements as follows.-

- Mileage will be charged at 45p per mile.
- Other disbursements where the firm makes payment to an external party for an expense incurred wholly, exclusively and necessarily in relation to the insolvent estate, will be recharged at cost.

### ***Professional advisors engaged***

We may appoint professional advisors to assist with the administration and progression of the case. The choice of advisor will be based on their relevant experience and ability to perform the required type of work, the nature and complexity of the specific assignment and the basis of the fee arrangement negotiated. Professional advisors' fees are charged at cost. We will provide details of fees to be incurred or likely to be incurred when seeking fee approval. Actual costs incurred, together with a comparison to the original estimate, will be detailed in routine periodic reporting of the case.

Anticipated costs associated with the use of professional advisors are as follows:

| <b>Professional Advisors</b>  | <b>Service provided</b>                       | <b>Basis of fees</b>      | <b>Estimated total £ *</b> |
|-------------------------------|---|---------------------------|----------------------------|
| Judge Sykes Frixou Solicitors | Legal advice regarding potential realisations | Time costs                | 20,000.00                  |
| PHD Property Advisory Limited | Business Rates Investigation                  | CFA – 25% of realisations | Nil                        |
| <b>TOTAL</b>                  |   |                           | <b>20,000.00</b>           |

Actual costs incurred in this reporting period are detailed as follows:

| <b>Advisor/Organisation</b>   | <b>Service provided</b>                       | <b>Reason selected</b>          | <b>Basis of fees</b>      | <b>Fees paid this reporting period</b> |
|-------------------------------|---|---------------------------------|---------------------------|--|
| Judge Sykes Frixou Solicitors | Legal advice regarding potential realisations | Sector knowledge and experience | Time costs                | £Nil                                   |
| PHD Property Advisory Limited | Business Rates Investigation                  | Sector knowledge and experience | CFA – 25% of realisations | £Nil                                   |

- \* Judge Sykes Frixou were engaged to advise on any potential claims identified during our investigations.
- \* PHD Property Advisory Limited were engaged to assist on investigating the final position on the Company's Business Rates liability.

We are satisfied that fees charged are considered reasonable in the circumstances of the case.

#### **Remuneration proposal and fees estimate summary**

For this case, we intend to seek approval on a time cost basis. Our fees estimate summary below sets out the work that will be undertaken, the time it is anticipated that the work will take and the cost associated with that work. We will ensure throughout that case assignments are carried out by appropriate grades of staff.

Work anticipated to be required on this case including that completed to date is detailed below. We are required by the legislation to indicate which of these activities are likely to provide a financial benefit to creditors of the case (shown in *italics*) as opposed to those that are required by statute (shown in normal type).

Creditors should be aware that it is the fees estimate *total* that acts as an overall cap on appointees' remuneration across all of the categories. The individual category totals form an *estimate* of the likely category time cost fees anticipated at the time of presentation. We have ensured throughout that case assignments are carried out by appropriate grades of staff.

Work anticipated to be required on this case including that completed to date is detailed below. Work carried out on this case in the period covered by this report is shown in **bold**. We are required by the legislation to indicate which of these activities are likely to provide a financial benefit to creditors of the case (shown in *italics*) as opposed to those that are required by statute (shown in normal type).

#### **Administration (including statutory reporting)**

- Dealing with initial appointment matters as required by the legislation
- Liaising with all relevant stakeholders (including, but not exhaustively, directors, creditors, employees) regarding appointment matters as necessary
- Sending out statutory appointment paperwork including the initial report to creditors, advertising the appointment
- Obtaining the specific penalty bond – a mandatory insurance to protect the case assets after realisation – and review level on a monthly basis
- Agreeing the outline strategy for progressing the case and briefing the relevant staff
- Management, organisation and coordination of staff involved in the case
- Entering of base data into the in house insolvency management database
- Setting up of case related files and the ongoing filing of paperwork
- Liaising with company officers and former staff, regarding general liquidation matters
- Dealing with general enquiries and all correspondence regarding the case and routine updating of data in our case management system

- Periodic review of case progress, asset realisations and other statutory case matters.
- Planning and management of strategies for subsequent case progression
- Recording of all receipts and payments made during the course of the liquidation
- Insolvency Service account reconciliations and production of statements for review purposes
- Organising the uplift of records, re-housing these and sorting records in-store
- Production of VAT returns, PAYE year end returns and Corporation Tax returns as required
- Production and submission of periodic reports to appropriate stakeholders
- **Filing of mandatory returns at Companies House**
- Conducting decision procedures to consult creditors, recording of results and reporting as required
- Case closure activities and final report

#### **Investigations**

- Uplift of books and records of the company and preparation of inventory
- Review of the company's records including the initial assessment required by Statement of Insolvency Practice 2.
- **Establishing any secondary information requirements**
- Liaison with former company officers and former company advisors
- Creating necessary correspondence and reviewing responses received
- Compilation of necessary records and minutes
- Undertaking the necessary investigational work to establish the legitimacy or otherwise of any potential issues identified in the initial SIP2 review including any necessary follow up
- Discussions, planning and advice in respect of any potential outcomes
- Investigation and reporting of any matters identified by creditors
- **Seeking appropriate legal advice and liaising with solicitors in respect of any investigational matters identified and acting accordingly**
- *Consideration of the possible actions necessary to take as liquidator*
- Progressing any identified issues to closeout

#### **Realisation of assets**

- Liaising with agents /solicitors
- Liaison with solicitors over legal matters associated with the assets in the case
- **Liaison with agents over Business Rates accounts**

#### **Creditors (claims and distribution)**

Contextual Information:

- a) Number of known creditors in this case: 42
- b) Number of former employees in this case: 26

#### **Employees**

- **Liaising with those employees with claims against the Company**
- Identifying any pension claims
- Addressing subsequent queries of former employees in respect of specific aspects of their claim
- Identifying and agreeing any preferential and non-preferential employee balancing claims

#### **Non-preferential creditors**

- **Dealing with calls and queries from creditors**
- Taking, relaying and actioning messages
- Management of correspondence to non-preferential creditors, including e mail queries and claim forms
- **Providing summary updates to creditors as required**

#### **Adjudication and distribution**

- Entry to our case management system of all preferential and non-preferential claims
- Consideration of preferential and non-preferential claims as appropriate, seeking additional information as required
- Written correspondence to relevant creditors of claims admission or rejection
- Circulation of statutory notice to non-proving creditors
- *Declaration of dividends to the relevant class of creditors as appropriate, including circulation of supplementary information required by statute.*

**Fees estimate summary**

The table below provides an estimate of the total time and associated time costs anticipated for the input required for all grades of staff to manage this case to full completion:

| <b>Work category</b>                         | <b>Estimated total hours</b> | <b>Estimated time cost £</b> | <b>Estimated additional time cost after applying uplift £</b> | <b>Total estimated time cost £</b> | <b>Blended rate £</b> |
|--|------------------------------|------------------------------|---|------------------------------------|-----------------------|
| Administration (inc statutory reporting)     | 115.80                       | 16,213.50                    | 16,213.50   | 32,427.00                          |                       |
| Investigations                               | 87 10                        | 13,375.50                    | 13,375.50   | 26,751.00                          |                       |
| Realisation of assets                        | 23.70                        | 3,840.50                     | 3,840.50  | 7,681.00                           |                       |
| Creditors (claims and distribution)          | 14 80                        | 2,375.00                     | 2,375 00  | 4,750 00                           |                       |
| Anticipated total for all categories of work | <b>241.40</b>                | <b>35,804.50</b>             | <b>35,804.50</b>  | <b>71,609.00</b>                   | <b>296.64</b>         |

This estimate is based on the information currently available. Whilst every care has been taken to ensure the accuracy of the data presented, it is based on the information presented to us and our experience in dealing with cases of a similar level of complexity. It is not anticipated at this stage that we will need to seek further approval in respect of fees. If circumstances are such that it becomes apparent that total time costs incurred are likely to exceed the above estimate, we will provide full details in the subsequent periodic report to creditors.

**Disbursement estimate summary**

Anticipated Category 1 disbursements are as follows.

| <b>Nature of Disbursement</b>    | <b>Estimated total £ *</b> |
|----------------------------------|----------------------------|
| Specific penalty bond            | 80.00                      |
| Statutory advertising            | 75 00                      |
| Travel                           | 34.20                      |
| Periodic report internet hosting | 40 00                      |
| Records uplift and handling      | 221.00                     |
| Unclaimed dividend fee           | 25.75                      |
| <b>TOTAL</b>                     | <b>475.95</b>              |

Anticipated Category 2 disbursements are as follows:

| <b>Nature of Disbursement</b>         | <b>Estimated total £ *</b> |
|---------------------------------------|----------------------------|
| Vehicle mileage at up to 45p per mile | 4 50                       |
| <b>TOTAL</b>                          | <b>4.50</b>                |

**Office holder's time costs**

The time costs during the course of our administration for the period covered by this report are summarised below:

| <b>Work category</b>                        | <b>Licensed Insolvency Practitioner hours</b> | <b>Director/ Senior Manager hours</b> | <b>Manager hours</b> | <b>Professional staff hours</b> | <b>Admin staff hours</b> | <b>Total hours</b> | <b>Time cost £</b> | <b>Average hourly rate £</b> |
|---|---|---------------------------------------|----------------------|---------------------------------|--------------------------|--------------------|--------------------|------------------------------|
| Administration (inc statutory reporting)    |   |                                       |                      |                                 |                          |                    |                    |                              |
| Appointment formalities                     | 2.00  | 0 00                                  | 0.00                 | 0.00                            | 0.00                     | 2.00               | 513.00             | 256.50                       |
| Case review                                 | 0 00  | 0.00                                  | 11 00                | 0.00                            | 0 00                     | 11.00              | 1,650.00           | 150.00                       |
| Cashiering function                         | 0.00  | 0 00                                  | 0.20                 | 0 80                            | 0.00                     | 1 00               | 106.00             | 106.00                       |
| General administration                      | 0.30  | 0.00                                  | 14 10                | 1.00                            | 32 80                    | 48.20              | 3,774.50           | 78.31                        |
| Non insolvency statutory returns            | 0.50  | 0.00                                  | 0.00                 | 0.00                            | 0.00                     | 0.50               | 147.50             | 295.00                       |
| Pension matters                             | 0.00  | 0.30                                  | 0 00                 | 0.00                            | 0 00                     | 0.30               | 52 50              | 175 00                       |
| Planning and monitoring                     | 5.30  | 0.10                                  | 0.00                 | 0 00                            | 0 00                     | 5.40               | 1,434.00           | 265.56                       |
| Statutory compliance – returns/reports/mtgs | 0.20  | 0.00                                  | 2 20                 | 0.00                            | 0.00                     | 2.40               | 389 00             | 162 08                       |
| Creditors (claims and distribution)         |   |                                       |                      |                                 |                          |                    |                    |                              |
| Employee claims                             | 1.50  | 0 00                                  | 0.00                 | 0.00                            | 0.00                     | 1 50               | 442 50             | 295.00                       |
| Non preferential creditors                  | 0 50  | 0.00                                  | 0 80                 | 0.00                            | 0.00                     | 1.30               | 267.50             | 205 77                       |
| Investigations                              |   |                                       |                      |                                 |                          |                    |                    |                              |
| Investigating antecedent                    | 0.40  | 0 00                                  | 27.60                | 0.00                            | 0.00                     | 28.00              | 4,258 00           | 152.07                       |
| Legal correspondence /                      | 0.00  | 0 00                                  | 5.20                 | 0 00                            | 0.00                     | 5.20               | 780.00             | 150.00                       |
| Review books & records                      | 0.30  | 0.00                                  | 4.00                 | 0.00                            | 4.60                     | 8 90               | 895.50             | 100.62                       |
| Realisation of assets                       |   |                                       |                      |                                 |                          |                    |                    |                              |
| Identifying, securing, insuring assets      | 0.90  | 0 00                                  | 0.00                 | 0.00                            | 0.00                     | 0.90               | 265.50             | 295.00                       |
| Other asset realisations                    | 0 00  | 0.00                                  | 3.80                 | 0.00                            | 0 00                     | 3.80               | 570.00             | 150 00                       |
| <b>Totals</b>                               | <b>11.90</b>                                  | <b>0.40</b>                           | <b>68.90</b>         | <b>4.10</b>                     | <b>38.00</b>             | <b>123.30</b>      | <b>15,815.00**</b> | <b>128.26</b>                |

\*\* It is proposed that, because of the lack of assets available to meet our costs in regard to this matter, that the joint liquidators be entitled to draw an additional uplift on their normal rates at an additional 100% of their normal rate. If the fee basis is approved by creditors, the recoverable costs as they relate to those identified in this table, would be increased by £15,815.00 to £31,630.00,

**Office holder's disbursements**

The Category 2 disbursements to are as follows:

| <b>Nature of Disbursement</b>         | <b>Specific Accruals £ *</b> |
|---------------------------------------|------------------------------|
| Vehicle mileage at up to 45p per mile | 4.50                         |
| <b>TOTAL</b>                          |                              |

\* We can confirm that the disbursements due under specific accruals above have not been drawn to date.

***Declaration regarding treatment of VAT and accruals***

In accordance with Statement of Insolvency Practice 7, all entries are shown net of VAT, with VAT recorded on a separate line. The receipts and payments account discloses all receipts and payments in the reporting period. However, there may be additional accrued expenditure due in respect of storage of company records and postage, stationery, telephone, mileage and external disbursements. These changes will be drawn upon case closure in accordance with the resolution already approved by creditors.

***Statement of creditors' rights to receive further information and statement of creditors' rights to challenge remuneration and/or expenses***

Please note, however, that decisions in respect of appointee remuneration and disbursements have not been approved at this stage.

*Relevant extracts of Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016*

**Rule 18.9**

- (1) The following may make a written request to the office holder for further information about remuneration or expenses set out in a final report under Rule 18.4:
  - a secured creditor,
  - an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - any unsecured creditor with the permission of the court.
- (2) A request or an application to the court for permission by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one creditor.

**Rule 18.34**

- (1) This rule applies to an application in a winding-up made by a person mentioned in paragraph (2) on the grounds that:
  - the remuneration charged by the office holder is in all the circumstances excessive;
  - the basis fixed for the office-holder's remuneration under Rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate, or
  - the expenses incurred by the office holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in Rule 18.36 or 18.37 as applicable:
  - a secured creditor; or
  - an unsecured creditor with either
    - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
    - (ii) the permission of the court.
- (3) The application by a creditor must be made no later than eight weeks after receipt by the applicant of the progress report or account under Rule 18.3 which first reports the charging of the remuneration or the incurring of the expenses in question.

A copy of our Standard Terms of Business may be downloaded from:-

<http://www.ewslfp.co.uk/downloads>

Alternatively, a Creditor may obtain a printed copy by contacting this office directly.

## NOTICE OF DECISION PROCEDURE

**COMPANY NAME:** PHLUIDMEDIA, INC. – IN COMPULSORY LIQUIDATION

**COMPANY NUMBER:** FC026153

This Notice is given under Rule 15.8 of the Insolvency (England and Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Liquidators of the Company, Liam Alexander Short and Graham Stuart Wolloff of Elwell Watchorn & Saxton LLP, 109 Swan Street, Sileby, Leicestershire, LE12 7NN (telephone number: 01509 815150) to the creditors.

It is proposed that the following decisions be made:

### Decision 1

That the Joint Liquidators' fees be fixed for the Joint Liquidators and their staff by reference to the time given in attending to matters arising in the liquidation. Such time to be charged at the rate of the grade of staff undertaking the work as detailed in the accompanying report and fees estimate (which has been prepared for the purposes of seeking fee approval), together with an additional uplift of 100% of the standard charged rates and to make interim drawings on account thereof.

### Decision 2

That the Joint Liquidator be authorised to recover all category 2 disbursements calculated as follows:-

- Mileage will be charged at 45p per mile.
- Other disbursements where the firm makes payment to an external party for an expense incurred wholly, exclusively and necessarily in relation to the insolvent estate, will be recharged at cost.

Also provided is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Liquidator by one of the methods set out below

By post to: Elwell Watchorn & Saxton LLP  
109 Swan Street, Sileby, Leicestershire, LE12 7NN  
By fax to: 01509 815 121  
By email to: b.peace@ewslp.co.uk

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered by 9.00 am on the next business day after it was sent.

**All voting forms and proofs of debt must be delivered by 23.59 pm on the Decision Date, 24 September 2018.**

If the Joint Liquidator has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:

|                               |
|-------------------------------|
| 10% in value of the creditors |
| 10% in number                 |
| 10 creditors                  |

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed .....  
Liam Alexander Short  
Joint Liquidator

Dated: 3 September 2018

Licensed in the United Kingdom to act as an insolvency practitioner  
by the Association of Chartered Certified Accountants

## NOTICE OF GENERAL USE OF WEBSITE

PHLUIDMEDIA, INC. PHORM UK INC.

COMPANY NUMBER: FC026153

This notice is given under Rule 1.50 of the Insolvency (England and Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Liquidator of the Company, Liam Alexander Short of Elwell Watchorn & Saxton LLP, 109 Swan Street, Sileby, Leicestershire, LE12 7NN (telephone number 01509 815150), who was appointed by the creditors.

### Accessing documents

The Joint Liquidator has chosen to deliver all future documents (other than those listed below) to members and creditors by making them available for viewing and downloading on the website set out below.

Website: [www.ewslip.co.uk](http://www.ewslip.co.uk)  
Select 'Creditor Reports' at the top of the home page  
Password: pm62au89kr

Documents will be uploaded to this website without further notice to members and creditors and the Joint Liquidator will not be obliged to deliver any such documents to any recipient of this notice unless it is specifically requested.

### Requesting hard copies

Recipients of this notice may at any time request a hard copy of any or all of the following:

- (i) documents currently available for viewing on the website; or
- (ii) future documents that may be made available there.

To request one or more hard copies, contact Brendan Peace by one of the following methods:

Telephone: 01509 815150  
Email: [b.peace@ewslip.co.uk](mailto:b.peace@ewslip.co.uk)  
By post: 109 Swan Street, Sileby, Leicestershire, LE12 7NN

### Documents that will not be uploaded to the website

The following documents will not be uploaded to the website but instead will be delivered by post or by email as required:

- (i) a document for which personal delivery is required;
- (ii) a notice under rule 14.29 of the Insolvency (England and Wales) Rules 2016 of intention to declare a dividend;
- (iii) a document which is not delivered generally.

Signed ..... Dated: 3 September 2018

Liam Alexander Short  
Joint Liquidator

Licensed in the United Kingdom to act as an insolvency practitioner  
by the Association of Chartered Certified Accountants

### Documents which are likely to be uploaded to the website

In Liquidations, the following reports and notices are generally issued.

| Document               | Approximate timescale<br>(from commencement of<br>Liquidation) |
|------------------------|--|
| Notice of Appointment  | Within 28 days   |
| Annual Progress Report | 14 months and annually<br>thereafter                           |
| Final Report           | Case end   |



## CREDITORS DECISIONS BY CORRESPONDENCE - VOTING

### PHLUIDMEDIA, INC. IN COMPULSORY LIQUIDATION

Mr Liam Short, the Joint Liquidator, provides below decisions for consideration. For each decision, please indicate whether you are in favour (for) of the decision or not in favour (against).

Decisions are being sought by correspondence in order to keep costs to the proceedings to a minimum. Rule 15.9(3) requires the return of at least one valid vote in favour by the deadline to approve the decisions, failing which we are required to seek decisions by alternative means which will incur additional cost. Please return this voting form enclosing a proof of debt (if one has not previously been submitted) ensuring that it is received by us by 23.59 pm on 24 September 2018 to Elwell Watchorn & Saxton LLP, 109 Swan Street, Sileby, Leicestershire, LE12 7NN or b.peace@ewslp.co.uk or 01509 815121.

#### Decision 1

That the Joint Liquidators' fees be fixed for the Joint Liquidators and their staff by reference to the time given in attending to matters arising in the liquidation. Such time to be charged at the rate of the grade of staff undertaking the work as detailed in the accompanying report and fees estimate (which has been prepared for the purposes of seeking fee approval), together with an additional uplift of 100% of the standard charged rates and to make interim drawings on account thereof.

**For / Against**

#### Decision 2

That the Joint Liquidator be authorised to recover all category 2 disbursements calculated as follows:-

- Mileage will be charged at 45p per mile.
- Other disbursements where the firm makes payment to an external party for an expense incurred wholly, exclusively and necessarily in relation to the insolvent estate, will be recharged at cost.

**For / Against**

Name of Creditor (Block Capitals).

Signature:

Name of Signatory (Block Capitals):

Date.

Position or other authority for signature.

Are you the sole member/shareholder of the creditor (where it's a company)? Yes/No

**Please complete all of the above**

**NOTE: Once a vote has been cast, it cannot be changed.**

Should you require any additional information before returning the voting paper, please do not hesitate to contact the office as detailed above.

## PROOF OF DEBT – GENERAL FORM

### PHLUIDMEDIA, INC. (Previously PHORM UK INC.) IN COMPULSORY LIQUIDATION

| DETAILS OF CLAIM  |  |  |
|---|--|--|
| 1   | Name of Creditor (if a company, its registered name).  |  |
| 2   | Address of Creditor (i.e. principal place of business).  |  |
| 3   | If the Creditor is a registered company: <ul style="list-style-type: none"> <li>For UK companies: its registered number.</li> <li>For other companies: the country or territory in which it is incorporated and the number, if any, under which it is registered.</li> <li>The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act</li> </ul> |  |
| 4   | Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25.  |  |
| 5   | If the total amount above includes any outstanding uncapitalised interest, please state.   | YES (£ ..... ) / NO  |
| 6   | Particulars of how and when debt incurred.   |  |
| 7   | Particulars of any security held, the value of the security and the date it was given.   |  |
| 8   | Details of any reservation of title in relations to goods to which the debt relates.   |  |
| 9   | Details of any document by reference to which the debt can be substantiated. (please note that the liquidator(s) may call for any document or evidence to substantiate the claim at his/their discretion).   |  |
| 10  | Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986.   | Category<br><br>Amount(s) claimed as preferential<br><br>£. .... |
| AUTHENTICATION  |  |  |
| Signature of Creditor or person authorised to act on his behalf   |  |  |
| Name in BLOCK LETTERS   |  |  |
| Date  |  |  |
| If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor |  |  |
| Are you the sole director of the Creditor?  |  | YES / NO   |