

**Notice of move from
administration to dissolution**

Name of Company
Cetonuk Ltd (formerly Cognotec UK Ltd)

Company number
03240928

In the High Court of Justice, Chancery Division
--

Court case number
20951 of 2009

We Jane Bronwen Moriarty
KPMG LLP
8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Allan Watson Graham
KPMG LLP
8 Salisbury Square
London
EC4Y 8BB
United Kingdom


having been appointed Administrators of Cetonuk Ltd (formerly Cognotec UK Ltd)

on 17 November 2009 by the Court

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

We attach a copy of the final progress report

Signed


Jane Moriarty, Joint Administrator

Dated

10 November 2010

Contact Details

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

Jo Bates
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When you have completed and signed this form, please send it to the
Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

FRIDAY



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12/11/2010

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COMPANIES HOUSE



Cetonuk Limited
(formerly Cognotec UK Limited)
(in administration)

Final Report to Creditors pursuant to Rule 2.110
of the Insolvency Rules 1986
(as amended)

KPMG LLP
10 November 2010



*Cetonuk Limited
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KPMG LLP

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Notice: About this report

- This Report has been prepared by Jane Bronwen Moriarty and Allan Watson Graham, the Joint Administrators of Cetonuk Limited, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the progress of the administration order, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Cetonuk Limited.
- Any estimated outcomes for creditors included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this Report for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Proposal.
- Jane Bronwen Moriarty is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in Ireland. Allan Watson Graham is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.
- The Joint Administrators act as agents for Cetonuk Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the administration.



*Cetonuk Limited
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Final Report to Creditors pursuant to Rule 2.110 of the Insolvency Rules 1986

KPMG LLP

10 November 2010

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1 Glossary

Administration Order	The Administration Order granted in the High Court of Justice, Chancery Division, Companies Court Court case number 20951 of 2009
CFO	Chief Financial Officer
Company Secretary	Hilary Guiney
Joint Administrators	Jane Bronwen Moriarty and Allan Watson Graham of KPMG LLP
Registered Office	c/o KPMG LLP, 8 Salisbury Square London, EC4Y 8BB
SIP 9	The Association of Business Recovery Professionals' Statement of Insolvency Practice No 9
The Act	The Insolvency Act 1986 (as amended by The Enterprise Act 2002)
The Bank	Barclays Bank Plc
The Company	Cetonuk Limited (Company Registered Number 03240928)
The Director	Brian Maccaba
The Premises	Part Fourth Floor, River Plate House, 7-11 Finsbury Circus, London EC2M 7EB
The Rules	The Insolvency Rules 1986 (as amended by The Enterprise Act 2002)

The references in this report to sections, paragraphs or rules are to the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 1986 (as amended) respectively



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2 Introduction

Further to my report of 14 June 2010 covering the prior to 16 May 2010, I write to provide a final progress report of this administration in accordance with Rule 2.110 of the Rules. Form 2.35B is enclosed providing formal notice to that effect.

In accordance with Paragraph 100(2) of Schedule B1 of the Act the functions of the Joint Administrators are to be exercised by either or both of them.

An abstract receipts and payments account covering the period 17 May 2010 to 9 November 2010 is attached as Appendix 3. The figures are shown net of VAT. Other statutory information requested to be provided by Rule 2.47 of the Rules is attached as Appendix 1.

2.1 Joint Administrators' proposals

A copy of the Joint Administrators' proposals was sent to all creditors on 8 January 2010. In accordance with Paragraph 52(1)(b) of Schedule B1 of the Act, a meeting of creditors was not convened as it was not anticipated that there would be any distribution to unsecured creditors. No request for a meeting of creditors was received and therefore the Joint Administrators' proposals are deemed to have been approved without modification.

A further copy of the Joint Administrators' proposals is provided at Appendix 2.

2.2 Purpose of the administration

In accordance with paragraph 3(i) Schedule B1 of the Act the Joint Administrators have the following hierarchy of objectives. In order, these are:

- a) rescuing the company as a going concern, or
- b) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up, or
- c) realising property in order to make a distribution to one or more secured or preferential creditors.

As set out in our first report the purpose of the administration has been outlined in (b) above.



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3 Progress of the administration to date

3.1 Strategy and action following appointment

As previously advised, on appointment, the Joint Administrators staff contacted the Company and were advised by its CFO, acting on behalf of the Director, that the Company had ceased to operate, the London offices had been vacated, and that all employees had been transferred to the parent company, Cognotec Limited (now in receivership), prior to the administration. The CFO advised that there were no assets of value in the Company.

We commenced an investigation and requested information from the Company, the Director and the CFO to substantiate the position. We also attended the Company's premises to secure and review the books and records left on site.

From the responses received from the CFO, the Director, and through our investigations we have been unable to identify any assets of value.

3.2 Statement of Affairs

As previously advised, the Statement of Affairs was first requested from the Director on 20 November 2009. Following a request from the Director, an extension of time to submit the Statement of Affairs was granted to 10 December 2009.

On 24 February 2010 Mr Maccaba attended KPMG LLP's offices, at his request, in order to review the books and records obtained from the premises. Following this a final two week extension was granted to Mr Maccaba to 10 March 2010.

Further reminders have been sent, and whilst we have seen a draft, no Statement of Affairs has been submitted.

The draft Statement of Affairs indicates that the Company had no realisable assets as at the date of appointment.

3.3 Employees

As previously advised, we have been provided with copies of signed letters confirming the transfer of 9 employees from the Company to Cognotec Limited on 1 November 2009. No employees were employed by the Company on the date of the administration order.



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KPMG LLP

10 November 2010

4 Realisation of assets

4.1 Leasehold property

The Company operated from office premises in River Plate House, 7-11 Finsbury Circus, London EC2M 7EB

Our agents Kings Sturge confirmed that there was no value to be realised from the lease, which has since been surrendered

4.2 Chattel assets, fixtures and fittings

There was a small amount of office furniture and equipment left on site. We instructed King Sturge to realise these assets, for which we received £639

4.3 Book debts

As previously advised, the CFO informed us that there was no value in the book debts as the Intellectual Property and contracts for the provision of services were owned by Cognotec Limited.

We have been provided with assignment letters for some of the Company's customers stating the contracts have been assigned to Cognotec Limited. The letters also request any outstanding payments to be made to Cognotec Limited.

£12,568 of debtor payments has been received into the Company's bank account during the administration. The CFO informed us that these funds relate to debtor payments made in error to the Company, as they are owed to Cognotec Limited. Following a request from the receivers of Cognotec Limited, these funds were paid to Cognotec Limited (in receivership).

4.5 Cash at bank

There was no cash at bank at the date of appointment.

4.6 Taxation

The Joint Administrators instructed KPMG Tax specialists to review the Company's tax affairs. No refunds were due to the Company.

4.7 Other realisations

Since the Administration, £2,907 has been received in relation to a business rates refund and a further £8,694 was received as a refund for advance payment of services not required during the administration.



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*KPMG LLP
10 November 2010*

5 Costs of realisation

5.1 Legal fees and expenses

The sum of £6,012 was incurred for legal advice throughout the administration

5.2 Storage costs

The sum of £2,140 is made up of various costs in relation to transportation and storage of the books and records left at the Premises

5.3 Insurance of assets

A premium of £105 was incurred for insurance during the administration

5.4 Agents' fees

The sum of £97 was incurred in relation to agents' fees

6 Creditors

6.1 Secured creditors

The Bank has a debenture dated 7 March 2006. Syndicated Capital Investments Limited also have a debenture dated 30 May 2008, however, there will not be any return to the secured creditors in respect of their indebtedness under the debentures

6.2 Preferential creditors

As all the employees contracts were transferred to Cognotec Limited prior to the administration, there are no preferential creditors

6.3 Unsecured creditors and the prescribed part

There are no funds available to the Company's unsecured creditors, either by way of an ordinary dividend or pursuant to the prescribed part provisions of the Act



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7 Investigations

Administrators have a duty to investigate the conduct of the Directors and, if appropriate, to submit a report to the Department for Business, Innovation and Skills, (formerly the Department of Business, Enterprise and Regulatory Reform) on the conduct of those Directors or shadow Directors who were in office in the three years prior to the Administration.

The Joint Administrators have complied with their obligations described above.

8 Joint Administrators' remuneration

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Rules. Further information is given in the Association of Business Recovery Professionals' publication *A Creditors' Guide to Administrators' Fees*, a copy of which can be obtained by logging onto the R3 website at [http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007\(1\).pdf](http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007(1).pdf). However, if you are unable to access this guide and would like a copy, please contact Jo Bates on 01727 733147.

Attached as Appendix 4 is a detailed analysis of time spent, and charge out rates, for each grade of staff for the various areas of work carried out from 17 May 2010 to 5 November 2010, as required by SIP9.

In the period from 17 May 2010 to 5 November 2010, we incurred time costs of £11,275.60 representing 70.25 hours at an average hourly rate of £160.51. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG LLP in-house specialists.

Disbursements of £2,471.98 have been incurred by the Joint Administrators during the course of the administration, and the sum of £2,396.98 has been drawn against these costs.

As no funds were available in the administration, no fees have been drawn in respect of time costs incurred. The Joint Administrators' fees may be covered by the Bank at a later date.



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9 Final matters

9.1 Exit from administration

Since there are no funds available to the unsecured creditors and our duties as Joint Administrators are now complete, the Company will be dissolved 3 months from the filing of this final report and registration of form 2.35B with the Registrar of Companies

Jane Moriarty
Joint Administrator



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Final Report to Creditors pursuant to Rule 2.110 of the Insolvency Rules 1986

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10 November 2010

Appendix 1: Statutory information

Trading name & style	Cetonuk Limited (formerly Cognotec UK Limited)
Administration Order	The Administration Order was granted in the High Court of Justice, Chancery Division, Companies Court, Case number 20951 of 2009
Date of appointment	17 November 2009
Administrators' details	Jane Bronwen Moriarty is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in Ireland
	Allan Watson Graham is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales
Functions	The functions of the Administrators are being exercised by either or all of them in accordance with Paragraph 100(2) of Schedule B1 of the Act
Applications of EC regulations	EC regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations
Company Registration number	03240928
Date of incorporation	22 August 1986
Previous registered office	River Plate House, 7-11 Finsbury Circus, London EC2M 7EB
Present registered office	c/o KPMG LLP, 8 Salisbury Square, London, EC4Y 8BB
Authorised and issued share capital	2 ordinary £1 shares
Shareholders	Cognotec Limited, 2 ordinary shares
Director	Brian Maccaba
Company Secretary	Hilary Guiney
Employees	9



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Appendix 2: Administrators' proposals

The Administrators propose the following

- To continue to do all such things reasonably expedient and generally exercise all their powers as Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company in accordance with the objective as set out above
- To investigate and, if appropriate, pursue any claims the Company may have
- To seek an extension to the administration period if deemed necessary by the Administrators
- In the event funds become available, that the Administrators be permitted to pay any realisations to secured and preferential creditors and then take the appropriate steps to dissolve the Company
- In the event funds become available, to apply to the Court for the authority to make a distribution to unsecured creditors (under the Prescribed Part) and then take the requisite steps to dissolve the Company
- If thought fit, the Joint Administrators will petition the Court for a winding up order placing the Company into compulsory liquidation, which the Joint Administrators will look to pass to the Official Receiver
- That the Joint Administrators be authorised to draw fees on account from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, that the Joint Administrators be authorised to draw disbursements from time to time to include category two disbursements
- That the costs of KPMG LLP in respect of forensic, tax, VAT and pension advice provided to the Administrators be based upon time costs and shall be paid out of the assets of the Company



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*KPMG LLP
10 November 2010*

Appendix 3: Joint Administrators' receipts & payments account

Cetonuk Ltd (formerly Cognotec UK Ltd)
(in administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 17/05/2010 To 09/11/2010	From 17/11/2009 to 09/11/2010
ASSET REALISATIONS		
Furniture & equipment	Nil	638 88
Book debts - received in error	Nil	12,568 37
	Nil	13,207 25
OTHER REALISATIONS		
Bank interest gross	Nil	Nil
Sundry refunds	Nil	2,906 95
Refunds for advanced payment	8,694 38	8,694 38
	8,694 38	11,601 33
COST OF REALISATIONS		
Agents'/Valuers' fees	Nil	96 69
Administrators' disbursements	2,039 98	2,039 98
Legal fees	6,017 97	6,017 97
Legal expenses	40 00	40 00
Storage costs	2,101 66	2,140 06
Insurance of assets	105 00	105 00
Book debts - received in error	12,568 37	12,568 37
VAT receivable	1,696 78	1,696 78
Bank charges	102 43	103 73
	(24,672 19)	(24,808 58)
	<u>-15,977 81</u>	<u>0 00</u>

Note: We have not received a Statement of Affairs from the director



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Appendix 4: Joint Administrators' time costs

Cottonuk Ltd - in administration

Time cost analysis for the period 17 May 2010 to 5 November 2010

	Partner/ Director	Manager	Administrator	Support	Total hours	Time cost £	Average hourly rate £
Administration & planning							
Cashiering							
General (Cashiering)		0 90			0 90	198 00	220 00
Reconciliations (& IPS accounting reviews)				0 10	0 10	7 50	75 00
General							
Fees and WIP		1 30			1 30	368 50	283 46
Statutory and compliance							
Appointment and related formalities			0 80		0 80	96 00	120 00
Bonding and bordereau			0 40	0 40	0 80	92 00	115 00
Checklist & reviews		2 00	17 40		19 40	2,578 40	132 91
Closure and related formalities	0 50	0 80	10 50		11 80	1,743 50	147 75
Reports to debenture holders	3 00	1 60			4 60	1,558 00	338 70
Statutory receipts and payments accounts			0 50	0 90	1 40	121 00	86 43
Strategy documents		2 40			2 40	679 50	283 13
Tax							
Post appointment corporation tax		0 20	8 35	1 00	9 55	1 451 00	151 94
Creditors							
Creditors and claims							
Secured creditors		0 30			0 30	88 50	295 00
Statutory reports		0 50	13 60		14 10	1,720 00	121 99
Employees							
Correspondence		0 30			0 30	66 00	220 00
Investigation							
Directors							
Disqual affidavits and proceedings		0 60			0 60	168 00	280 00
Realisation of assets							
Asset Realisation							
Debtors		0 70			0 70	200 50	286 43
Leasehold property			1 20		1 20	139 20	116 00
Total in period	3 50	11 60	52 75	2 40	70 25	11,275 60	160 51

Disbursements	Archives	2,006 68
	Advertising - Fees	75 60
	Sundry expenses	186 00
	Train costs	59 20
	Other transport costs	128 50
	Meal/Lunch allowance	16 00
		<u>2,471 98</u>

All staff who have worked on this assignment including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.



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Appendix 5: Schedule of Administrators' chargeout rates

	17 November 2009 to 30 September 2010	1 October 2010 to date
	£	£
RESTRUCTURING		
Partner	515	535
Director	440	460
Senior Manager	405	425
Manager	320	345
Senior Administrator/ Assistant Manager	225	240
Administrator	165	175
Support staff	105	120
TAX		
Partner	515	515
Senior Manager	405	405
Administrator	165	165
PENSIONS		
Senior Manager	705	705
Manager	455	455
Consultant	330	330
Assistant	245	245