

Section 106

Return of Final Meeting in a
Creditors' Voluntary Winding UpPursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

03543412

Name of Company

Asylum Entertainment UK Limited

X / We

M H Linton FCA FABRP, Brentmead House, Britannia Road, London, N12 9RU

Paul Weber BSc FCCA, Brentmead House, Britannia Road, London, N12 9RU

Note The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~/summoned for 18 December 2015 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of, and that ~~the same was done accordingly~~/ no quorum was present at the meeting.

2 give notice that a meeting of the creditors of the company was duly ~~held on~~/summoned for 18 December 2015 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that ~~the same was done accordingly~~/no quorum was present at the meeting

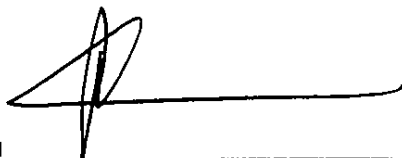
The meeting was held at Leigh Adams Limited, Brentmead House, Britannia Road, London N12 9RU

The winding up covers the period from 6 October 2011 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

It was noted that no quorum was present and no resolutions were passed against our release

Signed



Date 18 December 2015

Leigh Adams Limited
Brentmead House
Britannia Road
London
N12 9RU

Ref A1727/MHL/PAW/DC/DCQ

SATURDAY



A4MLCC2A

A14

19/12/2015

#219

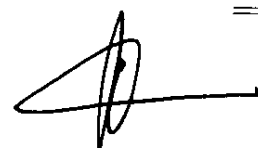
COMPANIES HOUSE

Asylum Entertainment UK Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 6 October 2011 To 18 December 2015

S of A £		£	£
	PROPERTY & LAND		
18,400 00	Rent Deposit	NIL	
(40,504 00)	Neillbush Limited	NIL	NIL
	ASSET REALISATIONS		
15,000 00	Book Debt	894 36	
Uncertain	Goodwill/Patents/Royalty Agreement	NIL	
NIL	Amount owed by Susidiary Company	NIL	
NIL	Development Costs	NIL	
	Water Rates Refund	23 77	
			918 13
	COST OF REALISATIONS		
	Specific Bond	50 00	
	Liquidators Fees	621 31	
	Online Reports	36 00	
	Statutory Advertising	203 82	
	Other Property Expenses	7 00	
			(918 13)
	FLOATING CHARGE CREDITORS		
(38,000 00)	HSBC Bank plc	NIL	NIL
	UNSECURED CREDITORS		
(414,562 00)	Trade & Expense Creditors	NIL	
(60,000 00)	Directors' Loan Accounts	NIL	
(800 00)	H M Revenue & Customs - PAYE/NI	NIL	
(4,911 00)	H M Revenue & Customs - Corporatio	NIL	
(124,313 00)	H M Revenue & Customs - VAT	NIL	
(200,000 00)	Shareholder Loans	NIL	
			NIL
	DISTRIBUTIONS		
(9,350 00)	Ordinary Shareholders	NIL	
(1,019,809 00)	Share Premium Account	NIL	
			NIL
(1,878,849.00)			0.00

REPRESENTED BY

NIL



Paul Weber BSc FCCA
Joint Liquidator

Asylum Entertainment UK Limited – In Creditors' Voluntary Liquidation

Joint Liquidators' Final Report to Creditors and Members

LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

Following my appointment as Joint Liquidator I set out below the detailed work I carried out but unfortunately there is insufficient funds to pay any class of creditor

RECEIPTS AND PAYMENTS ACCOUNT

Our Receipts & Payments Account for the period from 6th October 2011 to 18th December 2015 is attached

ASSETS

As you may recall from my previous reports the company had paid a rent deposit of £18,400 to the landlord Nellbush Limited. However, the amount owed to the landlord in respect of unpaid rent was £57,486.36 which was off-set against the rent deposit leaving a balance owed of £39,086.36. As a result the rent deposit proved to be irrecoverable.

Book Debt

In accordance with a Deed of Settlement between the company and P2 Games Limited dated 28th July 2011, should the company comply with its obligations under clause 3, the sum of £12,500 plus VAT would become payable in full and final settlement of the deed by 30th November 2011. The company has verified 70% of the data required, but was still to complete matters and therefore the amount payable has not yet been received. Furthermore, following our appointment I wrote to the debtor who referred the matter to their Solicitor who disputed the debt on technical grounds. As a result and as the former director has not been able to counter the dispute the debt has been written off.

Prior to my appointment the company had entered into a contract with Southpeak Interactive Limited whereby the company would benefit from royalties payable on distribution sales of a particular game and as a result of perceived breaches of contract in respect of non-payment of royalties due, the company had instructed solicitors in this matter. However, after having liaised with the solicitors and the company's former director and having considered the likely prospect of any recovery, it was ultimately decided that as there were no funds available that no further action should be taken in this matter.

I received a dividend of £894.36 from the Liquidator of Pinnacle Entertainment Limited.

Royalty/Licenses

Prior to my appointment, the company entered into an agreement with Oyster World Limited – formerly AE Games UK Limited whereby it would receive a percentage of new company's turnover for the next three years as follows -

Per Quarter	Amount Payable
£0 - £499,000	0.00%
£500,000 - £1,499,999	1.50%
£1,500,000 - £2,999,999	3.00%
£3,000,000 and over	5.00%

I can confirm that having reviewed the Company's accounts there was no royalty payable for the three years of the agreement. As the turnover figures did not reach the required levels.

Water Rates Refund

The sum of £23.77 has been received from Thames Water Utilities Limited representing the closing credit balance of the company's account.

LIABILITIES

Secured Creditors

An examination of the company's mortgage register held by the Registrar of Companies showed that the company had granted a fixed and floating charge debenture to HSBC Bank plc dated 27th July 2006

The balance of £38,000 overdrawn was personally guaranteed by former directors who agreed to pay this personally. No further action was required by myself.

Preferential Creditors

The Statement of Affairs did not anticipate that the company had any preferential creditors. I can confirm that no preferential claims have been received in this matter.

Crown Creditors

The Statement of Affairs included £130,024.40 owed to HMRC. HMRC's final claims of £125,132.19 have been received.

Non-Preferential Unsecured Creditors

The Statement of Affairs included fifty five unsecured creditors with an estimated total liability of £674,562.40. I have received claims from twenty six creditors at a total of £399,910.70 which includes claims amounting to £93,421.72 from three creditors not included in the original estimated Statement of Affairs. To date I have not received claims from thirty three creditors with original estimated claims in the Statement of Affairs of £379,271.06.

DIVIDENDS

A dividend will not be declared to non-preferential unsecured creditors as the funds realised have been used to meet the expenses of the Liquidation.

Floating Charge Creditor/Ordinary Unsecured Creditors

As previously advised, the Company gave a floating charge to HSBC Bank plc on 27th July 2006 and the prescribed part provisions will apply. On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs of the liquidation to date, since the company's net property is less than £10,000, the insolvency legislation does not require me to distribute the prescribed part of the net property to creditors if I think that the costs of distributing the prescribed part would be disproportionate to the benefits to creditors. I am of the view that the costs of distribution would be disproportionate and so will not be making a distribution of the prescribed part of the net property to unsecured creditors.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

An initial investigation into the company's affairs was undertaken to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries the funds likely to be available to fund an investigation and the costs involved. There were no matters that justified further investigation in the circumstances of this appointment.

Within six months of our appointment as Joint Liquidators we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. I would confirm that our report has been submitted.

PRE-APPOINTMENT REMUNERATION

The board previously authorised the payment of a fee of £6,000 plus VAT for assistance with preparing the

Statement of Affairs, producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 6th September 2011 The fee for the Statement of Affairs and meetings was paid prior to my appointment by AEUK Games Limited

JOINT LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by creditors at a meeting held on 6th October 2011 to be drawn on a time cost basis My total time costs to 18th December 2015 amount to £15,523 00, representing 69 50 of hours work at an average charge out rate of £223 00 per hour, of which £2,410 00, representing 13 00 of hours work, was charged in the period since my Third Annual Progress Report at an average charge out rate of £185 00 per hour I will draw the balance of my fees I am holding towards my outstanding costs and expenses A schedule of my time costs incurred to date is attached at Appendix 1

A description of the routine work undertaken in the Liquidation to date is as follows -

- 1 Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment
 - Statutory notifications and advertising
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details on IPS
 - Review and storage
 - Case bordereau
 - Case planning and administration
 - Preparing reports to members and creditors
 - Convening and holding meetings of members and creditors
- 2 Cashiering
 - Maintaining and managing the Joint Liquidators' cashbook and bank account
 - Ensuring statutory lodgements and tax lodgement obligations are met
- 3 Creditors
 - Dealing with creditor correspondence and telephone conversations
 - Preparing reports to creditors
 - Maintaining creditor information on IPS
 - Reviewing and adjudicating on proofs of debt received from creditors
- 4 Investigations
 - Review and storage of books and records
 - Prepare a return pursuant to the Company Directors' Disqualification Act
 - Conduct investigations into suspicious transactions
 - Review books and records to identify any transactions or actions a Joint Liquidator may take against a third party in order to recover funds for the benefit of creditors
- 5 Realisation of Assets
 - Corresponding with solicitors and attempting to collect the outstanding book debt and goodwill/patents/ royalty agreement
 - Liaising with solicitors concerning the company's rent deposit

A copy of 'A Creditors Guide to Liquidators' Fees, November 2011 published by the Association of Business Recovery Professionals, together with an explanatory note which shows Leigh Adams Limited's fee policy are available at the following link -

www.leighadams.co.uk/Resources/Usefullinks

A hard copy of both documents can be obtained free of charge from my office on request

JOINT LIQUIDATORS' EXPENSES

My expenses to 18th December 2015 amount to £283 82 plus VAT of which £7 00 plus VAT was incurred

since my third annual progress report

The following expenses have been incurred and have been paid -

Type of expense	Amount incurred/accrued to date	Amount still to be paid
Statutory Advertising	£203 82	£203 82
Bordereau	£ 50 00	£ 50 00
Online Reports	<u>£ 30 00</u>	<u>£ 30 00</u>
	<u>£283.82</u>	<u>£283.82</u>

The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Fee Arrangement
Foulds Ingham Associates Ltd	Valuation of Assets	Percentage of realisations
Valens Solicitors	Legal Advice	Time costs

The choice of professionals 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 my fee arrangement with them. No fees have been charged by the solicitors during the period of this report as insufficient funds have been realised.

SUMMARY

The winding up of the Company is now for all practical purposes completed and I was able to summon final meetings of the Company's members and creditors to receive my final report and for Martin Linton and myself to seek our release as Joint Liquidators.

Creditors and members should note that if I obtain my release as Liquidator at the final meeting of creditors on 18th December 2015, my case files are placed in storage thereafter. If creditors or members have any queries they are asked to contact the undersigned on 020 8446 6767 or email zuzana@leighadams.co.uk before the meetings are held.

At Leigh Adams Limited we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the liquidation of this case, then in the first instance you should contact me at the address given in this letter. If you consider that I have not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer Martin Linton, Leigh Adams Limited, Brentmead House, Britannia Road, London N12 9RU. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner, or you can email ip.complaints@insolvency.gov.uk, or you may phone 0845 602 9848 - calls are charged at between 1p and 10 5p per minute from a land line, or for mobiles, between 12p and 41p per minute if you're calling from the UK.



PAUL WEBER ACA FCCA FABRP
Joint Liquidator

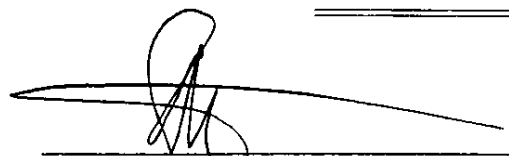
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Asylum Entertainment UK Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 06/10/2014 To 18/12/2015	From 06/10/2011 To 18/12/2015
	PROPERTY & LAND		
18,400 00	Rent Deposit	NIL	NIL
(40,504 00)	Nellbush Limited	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
15,000 00	Book Debt	NIL	894 36
Uncertain	Goodwill/Patents/Royalty Agreement	NIL	NIL
NIL	Amount owed by Susidiary Company	NIL	NIL
NIL	Development Costs	NIL	NIL
	Water Rates Refund	NIL	23 77
		NIL	918 13
	COST OF REALISATIONS		
	Specific Bond	50 00	50 00
	Liquidators Fees	621 31	621 31
	Online Reports	30 00	36 00
	Statutory Advertising	203 82	203 82
	Other Property Expenses	7 00	7 00
		(912 13)	(918 13)
	FLOATING CHARGE CREDITORS		
(38,000 00)	HSBC Bank plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(414,562 00)	Trade & Expense Creditors	NIL	NIL
(60,000 00)	Directors' Loan Accounts	NIL	NIL
(800 00)	H M Revenue & Customs - PAYE/NI	NIL	NIL
(4,911 00)	H M Revenue & Customs - Corporatio	NIL	NIL
(124,313 00)	H M Revenue & Customs - VAT	NIL	NIL
(200,000 00)	Shareholder Loans	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(9,350 00)	Ordinary Shareholders	NIL	NIL
(1,019,809 00)	Share Premium Account	NIL	NIL
		NIL	NIL
(1,878,849 00)		(912 13)	0 00

REPRESENTED BY

NIL


 Paul Weber BSc FCCA
 Joint Liquidator

APPENDIX 1

Asylum Entertainment UK Limited – time and cost analysis

Asylum Entertainment UK Limited SIP 9 Analysis (06 October 2011 – 18 December 2015)							
	Partner / Director	Manager	Administrator	Support	Total Hours	Time Cost	Average Hourly Rate (£)
Admin and Planning	20 8 0	32.10	5.50	1.60	60 00	13,642	227
Investigations	1 30	0.20	0.00	0 00	1 50	527	351
Realisation of Assets	0 40	1 50	0 00	0 00	1 90	489	257
Creditors	0 00	6 10	0.00	0 00	6 10	866	142
Trading	0.00	0 00	0.00	0.00	0 00	0	0
Support	0 00	0.00	0 00	0.00	0.00	0	0
Total in Period £	22 5 0	39 90	5 50	1 60	69.50	15,523	223

Hours Costs to date			
	Total hours	Time Cost (£)	Average hourly rate (£)
b/f (up to 06 October 2011)	0	0	0
In the period	69	15,523	223
c/f	69	15,523	223

In common with all professional firms, charge out rates increase from time to time over the period of the arrangement. As a consequence, there have been changes in the rates charged since appointment. The following table shows the rates used since January 2011.

Grade of Staff	Current charge-out rate per hour (£) effective from 01-Jan-15	Previous charge-out rate per hour (£) effective from 01-Jan-14
Partner	475	375 - 460
Manager	175	165 - 230
Administrator	120	25
Support Staff	60	55

The charge-out rates are reviewed on 1st January each year and are adjusted to take account of inflation and the firm's overheads.

APPENDIX 1

Asylum Entertainment UK Limited – time and cost analysis

Asylum Entertainment UK Limited SIP 9 Analysis (06 October 2014 – 18 December 2015)							
	Partner / Director	Manager	Administrator	Support	Total Hours	Time Cost	Average Hourly Rate (£)
Admin and Planning	1 90	5.80	4.30	0 70	12 70	2,267	179
Investigations	0 00	0.00	0 00	0 00	0.00	0	0
Realisation of Assets	0 30	0 00	0 00	0.00	0.30	143	475
Creditors	0 00	0 00	0.00	0 00	0.00	0	0
Trading	0.00	0.00	0.00	0.00	0.00	0	0
Support	0 00	0 00	0 00	0 00	0.00	0	0
Total in Period £	2 20	5.80	4.30	0 70	13.00	2,410	185

Hours Costs to date			
	Total hours	Time Cost (£)	Average hourly rate (£)
b/f (up to 06 October 2014)	58	13,113	228
In the period	13	2,410	185
c/f	71	15,523	220

In common with all professional firms, charge out rates increase from time to time over the period of the arrangement. As a consequence, there have been changes in the rates charged since appointment. The following table shows the rates used since January 2014.

Grade of Staff	Current charge-out rate per hour (£) effective from 01-Jan-15	Previous charge-out rate per hour (£) effective from 01-Jan-14
Partner	475	375 - 460
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