

Liquidator's Progress Report

Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

S.192

To the Registrar of Companies

Company Number

03701750

Name of Company

(a) Insert full name
of company

(a) Switchlab Limited

Limited

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

We (b)

Richard Brewer
RSM Restructuring Advisory LLP
25 Farringdon Street
London EC4A 4AB

and Graham Bushby
RSM Restructuring Advisory LLP
The Pinnacle
170 Midsummer Boulevard
Milton Keynes MK9 1BP

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 07 November 2014
to 06 November 2015

Signed

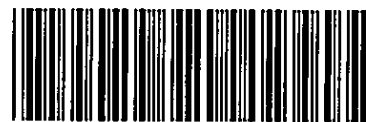


Date 5 January 2016

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

Richard Brewer
RSM Restructuring Advisory LLP, The Pinnacle, 170 Midsummer
Boulevard, Milton Keynes MK9 1BP
Ref RPB/GPB/LB/5530312

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COMPANIES HOUSE

IN THE MATTER OF
SWITCHLAB LIMITED IN LIQUIDATION

JOINT LIQUIDATORS' PROGRESS REPORT

5 JANUARY 2016

RICHARD BREWER AND GRAHAM BUSHBY
JOINT LIQUIDATORS

RSM RESTRUCTURING ADVISORY LLP
THE PINNACLE
170 MIDSUMMER BOULEVARD
MILTON KEYNES MK9 1BP

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1. PURPOSE OF REPORT

This report has been prepared in accordance with insolvency legislation to provide creditors, members and the registrar of companies with information relating to the progress of the Liquidation in the period from 7 November 2014 to 6 November 2015. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986 (as amended). It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

RSM Restructuring Advisory LLP was previously named Baker Tilly Restructuring and Recovery LLP until 26 October 2015.

Neither the Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

2. PROGRESS OF THE LIQUIDATION IN THE PREVIOUS TWELVE MONTHS

2.1. Realisation of Assets / Sale of Business

As previously advised, the business and employees were transferred to an associated company, Mundio Mobile Holdings Limited, prior to the Liquidation. To date I have not received a copy of the sales agreement and have recently requested a copy from the former directors. As not to prejudice the position of the Liquidators or the Company I confirm that our investigations are on going in this matter and we will report further in due course.

2.1.1. Potential Claim for Compensation for Mis-selling of Interest Rate Hedging Product

As you may be aware, a settlement agreement was recently reached between the Financial Conduct Authority ("FCA") and certain major banks, in relation to the sale of interest rate hedging products.

We are aware that a number of banks are in the process of developing a methodology to implement the terms of the settlement reached with the FCA in respect of the sale of these products. Our understanding is that this process will take several months to refine and finalise and, until such time, our own investigations cannot be completed.

Consequently, to ensure creditors' rights to any potential claim are protected, we are at present unable to conclude the Creditors Voluntary Liquidation.

2.2 Investigations

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Innovation and Skills in relation to the conduct of the directors.

2.3. Case Specific Matters

As stated previously, following from our appointment the Company was serviced with legal action in which the Company together with a number of associated companies were respondents. We have informed the solicitors acting for the applicant and the High Court of our appointment.

2.4. Change in Joint Liquidator

As a result of Peter Hughes-Holland leaving Baker Tilly Business Services Limited, by Court Order dated 16 May 2014 he was removed as Joint Liquidator and Richard Brewer (IP No 9038) of RSM Restructuring Advisory LLP was appointed in his place. A Notice to this effect was advertised in the London Gazette on 9 June 2014, and in accordance with the terms of the Order, Peter Hughes-Holland was released from office with effect from 16 May 2014. The Order also provided that each creditor of the estate was at liberty to apply to vary or discharge the Order within 21 days of publication in the Gazette (or receipt of this report, if sooner).

As a result of Nicholas Charles Simmonds leaving Baker Tilly Business Services Limited by Court Order dated 24 March 2015 he was removed as Joint Liquidator and Chris Cooke (IP No 13610) of

RSM Restructuring Advisory LLP was appointed in his place. A Notice to this effect was advertised in the London Gazette on 15 April 2015, and in accordance with the terms of the Order, Nicholas Charles Simmonds was released from office with effect from 7 May 2015. The costs of the application were met by RSM Restructuring Advisory LLP. The Order also provided that each creditor of the estate was at liberty to apply to vary or discharge the Order 28 days of publication in the Gazette (or receipt of this report, if sooner).

As a result of Chris Cooke leaving RSM Restructuring Advisory LLP, by Court Order dated 15 December 2015 Graham Bushby (IP No 8736) of RSM Restructuring Advisory LLP has been appointed in his place. A Notice to this effect will be advertised in the London Gazette shortly, and in accordance with the terms of the Order, Chris Cooke will be released as Joint Administrator. The costs of the application were met by RSM Restructuring Advisory LLP. The Order also provided that each creditor of the estate was at liberty to apply to vary or discharge the Order within 21 days of publication in the Gazette.

2.5. Administration and Planning

This includes dealing with the commencement of the case administration, statutory filing of appointment documents with Companies' House, requesting the submission of the Statement of Affairs, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations.

These include but are not limited to handling receipts and payments, tax issues such as notifying HMRC of the appointment and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, obtaining company searches, maintenance and obtaining books and records, general meetings/correspondence with creditors, statutory and other advertising, insurance, re-directed mail, statutory receipts and payments accounts.

3. ASSETS REMAINING TO BE REALISED

As referred to above our enquiries into the transfer of the business and employees are ongoing, we are not able to establish if there will be any recovery from the associated company.

4. CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

4.1 Secured Creditors

There are no secured creditors.

4.2. Preferential Creditors

There are no preferential creditors.

4.3. Unsecured Creditors

We have received three claims from unsecured creditors totalling £227,505. The agreement of creditors' claims by the Joint Liquidators is a separate matter and will be dealt with as appropriate in due course, initially by reference to the proofs of debt lodged in the proceedings by creditors themselves.

We are unable to confirm the timing or quantum of any dividend until the enquiries into the transfer of the business have been concluded and the outcome of the legal action referred to above is known.

4.4 Prescribed Part

The "Prescribed Part" is a statutory amount, calculated as a percentage of net floating charge realisations, which entitles unsecured creditors to a share of realisations. This is calculated on a sliding scale up to maximum of £600,000 before costs.

There are no creditors secured by charges over the assets and undertakings of the Company. There is therefore no requirement to estimate the amount of the prescribed part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

5. RECEIPTS AND PAYMENTS SUMMARY

We attach as Appendix B a summary of our receipts and payments for the period from 7 November 2014 to 6 November 2015

VAT Basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately

6 COSTS AND JOINT LIQUIDATORS' REMUNERATION

6.1 Joint Liquidators' Remuneration and Disbursements

The Joint Liquidators' remuneration was approved on a time cost basis by creditors at a meeting of creditors on 7 November 2013 in accordance with Section 98 of the Insolvency Act 1986 (amended). We have incurred time costs of £11,523 since the date of our appointment. Of this, a total of £832 (plus VAT) has been paid and £10,691 remains outstanding.

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix D.

6.2. Remuneration and Disbursements incurred in the period from 7 November 2014 to 6 November 2015

We have incurred time costs of £2,346 in the current period. An analysis of time incurred in the period is attached at Appendix G. Details of the sums drawn in respect of remuneration in the period covered by the report are shown on the receipts and payments account (Appendix B).

Category 2 disbursements incurred in the period are detailed in Appendix E.

7. JOINT LIQUIDATORS' STATEMENT OF EXPENSES

7.1. Statement of Expenses

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period.

At the Section 98 meeting on 7 November 2013 creditors approved the Statement of Affairs and Meeting of Creditors fee in the sum of £4,500 plus VAT to be paid to Baker Tilly Business Services Limited, £4,000 of these fees have been paid.

7.2 Detailed cost breakdown

Attached to this report are four Appendices relating to my costs on this assignment:

- Appendix C: A copy of RSM Restructuring Advisory LLP's charging, expenses and disbursements policy statement,
- Appendix D: Joint Liquidators' charge out and disbursement rates,
- Appendix E: Category 2 disbursements table, and
- Appendix G: Joint Liquidators' time cost analysis.

The work that we do as Joint Liquidators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we are dealing are set out briefly in both this report and in our earlier reports to creditors.

We believe this case generally to be of average complexity and accordingly no extraordinary responsibility has to date fallen upon us as Joint Liquidators. The underlying basis of charging proposed to and approved by the creditors has been RSM Restructuring Advisory LLP standard charge out rates. RSM Restructuring Advisory LLP charge out rates have been reviewed periodically.

8 CREDITORS' RIGHT TO INFORMATION AND ABILITY TO CHALLENGE REMUNERATION AND EXPENSES

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses

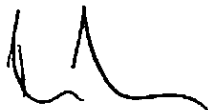
A request for further information must be made in writing within 21 days of receipt of this report

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive

A Guide to Liquidators Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <https://rsm-insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question

Should you have any further queries please do not hesitate to contact me



Richard Brewer
RSM Restructuring Advisory LLP
Joint Liquidator

Richard Brewer is licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association
Graham Bushby is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

Appendix A

STATUTORY INFORMATION

Company Name	Switchlab Limited
Joint Liquidators	Richard Brewer replaced Peter Hughes-Holland on 16 May 2014 Chris Cooke replaced Nicholas Simmonds on 24 March 2015 Graham Bushby replaced Chris Cooke on 15 December 2015 Richard Brewer and Graham Bushby current Joint Liquidators to act jointly and severally
Date of Appointment	07 November 2013
Company Number	03701750
Date of Incorporation	26 January 1999
Trading Name	Not Applicable
Trading Address	54 Marsh Wall London E14 9TP
Principal Activity	Telecommunications
Registered Office	RSM Restructuring Advisory LLP, The Pinnacle, 170 Midsummer Boulevard, Milton Keynes MK9 1BP Previous registered address 34 Clarendon Road, Watford, WD17 1JJ

Appendix B

JOINT LIQUIDATORS RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD 7 NOVEMBER 2014 TO 6 NOVEMBER 2015

SOA Value £	07/11/2014 to 06/11/2015		Total to 06/11/2015	
	£	£	£	£
ASSET REALISATIONS				
0 00 Bank Interest Gross	0 00		2 89	
5,509 13 Cash at Bank	<u>0 00</u>		<u>5,429 06</u>	
		0 00		5,431 95
COST OF REALISATIONS				
0 00 Liquidator's Disbursements	(360 98)		(360 98)	
0 00 Liquidator's Fees	(832 31)		(832 31)	
0 00 Preparation of Statement of Affairs	<u>0 00</u>		<u>(4,000 00)</u>	
		(1,193 29)		(5,193 29)
UNSECURED CREDITORS				
(173,500 00) HM Revenue & Customs - PAYE & NI	0 00		0 00	
(11,056,896 37) Ordinary Unsecured Creditors	<u>0 00</u>		<u>0 00</u>	
		0 00		0 00
EQUITY				
(990 00) Ordinary Shareholders	<u>0 00</u>		<u>0 00</u>	
		0 00		0 00
(11,225,877 24)		<u>(1,193 29)</u>		<u>238 66</u>
REPRESENTED BY				
VAT Receivable (Payable)			<u>238 66</u>	
				<u>238 66</u>

Appendix C

RSM RESTRUCTURING ADVISORY LLP

CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for RSM Restructuring Advisory LLP Milton Keynes are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "category 1" disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "category 2" disbursements
- A resolution to consider approving "category 2" disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Milton Keynes will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate

Appendix D

RSM RESTRUCTURING ADVISORY LLP

JOINT LIQUIDATORS' CURRENT CHARGE OUT AND CATEGORY 2 DISBURSEMENT RATES

HOURLY CHARGE OUT RATES		
	Rates at commencement £	Current rates £
Partner	395 to 495	495
Directors / Associate Directors	350 to 380	310
Manager	235 to 350	149
Assistant Managers	145 to 240	125
Administrators	130 to 195	70 to 110
Support staff	80	70

"CATEGORY 2" DISBURSEMENT RATES	
Internal room hire	£25 or £80 per room, used
Subsistence	£25 per night (from 3 rd September 2013) £23 per night (up to 2 nd September 2013)
Travel (car)	38p per mile (up to and including 31 March 2010) 40p per mile (from 1 April 2010) 42 5p per mile (from 1 April 2011)
"Tracker" searches	£10 per case

Appendix E

JOINT LIQUIDATORS' CATEGORY 2 DISBURSEMENTS TABLE

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, Type and Purpose	Paid	Unpaid
	£	£
Total	NIL	NIL

STATEMENT OF EXPENSES INCURRED BY THE JOINT LIQUIDATORS' IN THE PERIOD FROM 7 NOVEMBER 2014 TO 6 NOVEMBER 2015

Type and Purpose	Incurred in Period
	£
Joint Liquidators Disbursements Storage costs	175 00
Joint Liquidators Disbursements Insolvency Bond	10 00
Total	185 00

Appendix G

JOINT LIQUIDATORS' TIME COST ANALYSIS

FOR THE PERIOD FROM 7 NOVEMBER 2014 TO 6 NOVEMBER 2015

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From Jan 2003	Administration and Planning									
	Case Management	0.0	0.0	1.0	1.1	3.5	0.3	5.9	£ 825.00	139.83
	Closure	0.0	0.0	0.0	0.0	1.0	0.0	1.0	£ 110.00	110.00
	Receipts and Payments	0.0	0.0	0.2	1.0	0.8	0.2	2.2	£ 310.00	140.91
	Tax Matters	0.0	0.0	0.0	0.0	0.5	0.0	0.5	£ 55.00	110.00
	Total	0.0	0.0	1.2	2.1	5.8	0.5	9.6	£ 1,300.00	135.42
	Realisation of Assets									
	Assets general/other	0.0	0.0	0.0	1.7	0.0	0.0	1.7	£ 221.00	130.00
	Total	0.0	0.0	0.0	1.7	0.0	0.0	1.7	£ 221.00	130.00
	Creditors									
	Committee	0.5	0.0	0.0	0.0	0.0	0.0	0.5	£ 197.50	395.00
	Other Creditor Meetings and Reports	0.0	0.0	0.0	3.0	0.0	0.5	3.5	£ 627.50	179.29
	Total	0.5	0.0	0.0	3.0	0.0	0.5	4.0	£ 825.00	206.25
	Total Hours (From Jan 2003)	0.5	0.0	1.2	6.8	6.8	1.0	15.3	£ 2,346.00	153.33
	Total Time Cost (From Jan 2003)	£ 197.50	£ 0.00	£ 300.00	£ 1,094.50	£ 669.00	£ 85.00	£ 2,346.00		
Total Hours		0.6	0.0	1.2	6.8	6.8	1.0	15.3	£ 2,346.00	153.33
Total Time Cost		£ 197.50	£ 0.00	£ 300.00	£ 1,094.50	£ 669.00	£ 85.00	£ 2,346.00		
Average Rates		395.00	0.00	250.00	160.96	115.34	85.00	153.33		

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.