

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

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28/07/2017

#141

COMPANIES HOUSE

### 1 Company details

Company number 0 5 2 6 7 8 1 9

Company name in full The London Organising Committee of the Olympic  
Games and Paralympic Games Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Jeremy

Surname Willmont

### 3 Liquidator's address

Building name/number 150 Aldersgate Street

Street London

Post town EC1A 4AB

County/Region

Postcode

Country

### 4 Liquidator's name ①

Full forename(s) Emma

Surname Sayers

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 150 Aldersgate Street

Street London

Post town EC1A 4AB

County/Region

Postcode

Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

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**6** Period of progress report

From date	<sup>d</sup> 3	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 6
To date	<sup>d</sup> 2	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7
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LIQ03

Notice of progress report in voluntary winding up



**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 **Emma Sayers**

Company name **Moore Stephens LLP**

Address **150 Aldersgate Street**

**London**

Post town **EC1A 4AB**

County/Region

Postcode

Country

DX

Telephone **+44 (0)20 7334 9191**



**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)**

**Strictly Private & Confidential**

**THE LONDON ORGANISING COMMITTEE OF THE OLYMPIC GAMES AND PARALYMPIC GAMES LIMITED  
(IN MEMBERS VOLUNTARY LIQUIDATION) ("THE COMPANY")**

**Progress report to the members for the period 30 May 2016 to 29 May 2017**

**27 July 2017**

Moore Stephens LLP  
150 Aldersgate Street  
London  
EC1A 4AB

Tel: +44 (0)20 7334 9191  
Fax: +44 (0)20 7651 1854

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This report is intended for use by those parties entitled to a copy thereof under the Insolvency (England and Wales) Rules 2016. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited.

Any estimated outcomes for members are for illustration only and cannot be relied upon as guidance as to the actual outcome for members.

Jeremy Willmont and Emma Sayers are authorised in the UK to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. All of our work is conducted in accordance with the Insolvency Code of Ethics.

## 1. Statutory information

Company name: The London Organising Committee of the Olympic Games and Paralympic Games Limited

Company number: 05267819

Registered office: 150 Aldersgate Street  
London  
EC1A 4AB

Date of appointment: 30 May 2013

Joint liquidators: Jeremy Willmont  
Emma Sayers. Following Phillip Sykes' retirement from Moore Stephens LLP he was replaced as joint liquidator by Emma Sayers by an order made in the High Court of Justice on 12 January 2015.

Joint liquidators' address: 150 Aldersgate Street  
London  
EC1A 4AB

## 2. Progress to date

- 2.1. Attached at Appendix I is a receipts and payments account covering the period 30 May 2016 to 29 May 2017 ("the Period") and 30 May 2013 to 29 May 2017.

### *Trade and other receivables*

- 2.2. Against an estimate of £5,000,000, the liquidators have recovered a total of £8,966,430.77.
- 2.3. Recoveries net of bank interest in the Period total £318.26.
- 2.4. As set out in the last progress reports, the increase in the receivables is partly due to actual receivables being higher than anticipated and other monies being received which were not expected at the outset.

### *Gross interest*

- 2.5. Gross interest received on monies held amounts to £603.36 in the Period. The Company is exempt from corporation tax and thus there will be no tax to pay on this sum.

### **Outstanding issues**

- 2.6. The joint liquidators have been endeavouring to resolve the outstanding issues as quickly as possible so that the liquidation can be brought to a conclusion. These are set out in further detail below.

### **Business rates**

- 2.7. As at the date of the last progress report there remained one outstanding issue in respect of which a settlement had been agreed in principle. This matter has now concluded on the terms previously agreed in principle.

### **Taxation**

#### *Corporation tax*

- 2.8. LOCOG is exempt from corporation tax.

#### *VAT*

- 2.9. As set out previously, all pre-liquidation VAT matters are resolved and VAT due paid. The liquidators are currently in the process of submitting a claim for post de-registration input tax.
- 2.10. HMRC has advised that they would like to carry out a final VAT audit prior to conclusion of the liquidation, which is considered normal procedure for an organisation of this nature.

### **Debtors**

- 2.11. As set out previously, it is not considered commercially worthwhile to pursue the outstanding debtors and no further action will be taken in this regard.

### **Insurance claims**

- 2.12. As detailed in a previous report, all outstanding insurance claims made by LOCOG have been resolved.

#### *Personal injury claims*

- 2.13. The liquidators have continued to support the insurers in researching the validity of such claims but no cost to LOCOG arises as there are no excesses under the PI insurance cover.
- 2.14. The number of claims that remain to be dealt with has reduced since the last report and the liquidators are continuing to work closely with the insurers to ensure the claims are progressed as quickly as possible and resolved. As set out previously, the liquidators are not able to conclude their administration until all such claims have been settled or otherwise dealt with.

#### *Material damage claim*

- 2.15. There is one potential outstanding material damage claim to deal with. Steps have been taken to resolve this claim.

#### *Escrow accounts*

- 2.16. Two escrow accounts were set up in order to provide for excesses for known outstanding insurance claims as at the date of liquidation. In addition to known claims, a provision was also made for unknown claims. Once all insurance claims have been resolved the liquidators will be requesting the insurers to account to LOCOG for any residual monies held in these accounts.

### **3. Joint liquidators' remuneration and category 2 disbursements**

- 3.1. At the time of liquidation, the proposed liquidation costs as approved by the LOCOG management team were forecast to be £60,000 plus VAT. On this basis at the general meeting of members held on 30 May 2013 the following resolutions were passed:
- That the remuneration of the joint liquidators be determined by reference to the time properly given by the joint liquidators and their staff in attending to matters arising in the winding up (pre and post appointment) in accordance with Rule 4.148A(2)(b) of the Insolvency Rules 1986, limited to £20,000 plus VAT in relation to pre appointment matters and to £60,000 plus VAT in relation to post appointment matters without further resolution from the members of the Company.
  - The joint liquidators shall be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, mileage and room hire, as and when funds permit.
- 3.2. As set out previously, the above forecast was based on the assumption that any remaining matters would have been materially completed by LOCOG's staff in the period through to the end of June 2013. In the event, there were significantly more items that needed to be handed over to the liquidators than originally planned and the costs transpired to be significantly higher than this. Because of the increased costs the liquidators sought the approval of the members to increase their remuneration to £300,000 plus VAT. A resolution was passed by the members to this effect on 6 May 2014.
- 3.3. Subsequently, due to the existence of previously unforeseen complications in bringing the liquidation to a close, including, but not limited to, issues surrounding the insurance claims detailed in paragraphs 2.13 to 2.15 above, the liquidators sought a further resolution from members to increase the level of their remuneration. The members resolved to increase the liquidators' remuneration to £410,000 plus VAT on 15 April 2016.
- 3.4. On 15 April 2016 a further resolution was passed to the effect that if it becomes necessary to issue progress reports after the anniversary of the liquidation on 29 May 2016 the liquidators will be entitled to their costs of preparing this report and complying with their regulatory requirements limited to £5,000 plus VAT per year thereafter. This is in addition to the remuneration authorised at £410,000 plus VAT.
- 3.5. As can be seen from Appendix II, total time costs incurred in the period amount to £18,391.00. Costs incurred between 30 May 2013 and 29 May 2017 are £437,627.20. Against these, the liquidators have drawn the sum of £413,934.20 plus VAT in accordance with the resolution passed on 15 April 2016 as set out in paragraph 3.3 and 3.4 above.
- 3.6. All costs incurred by the liquidators have been settled save for advice currently being sought in relation to the storing and safeguarding of certain records of LOCOG.
- 3.7. Disbursements in the period amount to £33.92.
- 3.8. The work carried out by the liquidators in the Period may be summarised as follows:

#### *Tax/VAT/rates*

- 3.9. There have been ongoing VAT returns to complete and rating issues to resolve, as described above.

#### *Creditors*

- 3.10. As set out previously, despite LOCOG's best efforts, it was not possible to pay all creditors prior to liquidation. In the Period there have been further minimal claims received, which the liquidators have had to investigate.

#### *Personal injury claims*

- 3.11. As set out above, there remain a number of personal injury claims to resolve and the liquidators have been corresponding and assisting the insurers in this regard throughout the Period.

#### *Insurance claims*

- 3.12. As set out above, there is one material damage claim that remains to be resolved.

#### *Disputes*

- 3.13. In the Period the primary disputes have related to the rating issue which has now been resolved.

#### *Preservation of records*

- 3.14. The liquidators have sought further legal advice in relation to their obligations regarding the storing and safeguarding of certain records held. Unfortunately, it has not been possible to resolve this issue in the Period but efforts are being made to conclude the matter as quickly as possible.

#### *General administration*

- 3.15. We have dealt with the statutory functions required under the Insolvency Act and Rules and complied with regulatory requirements.

### **4. Members' rights**

- 4.1. Within 21 days of receipt of this report, members with at least 5% in value of the total voting rights of all members having the right to vote at general meetings of the Company or any member with the permission of the court may request in writing that the joint liquidators provide further information about their remuneration or expenses which have been itemised in the progress report.
- 4.2. Within 14 days of receipt of the request, we must provide all of the information asked for, except so far as we consider that:
- the time or cost of preparation of the information would be excessive, or
  - disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
  - we are subject to an obligation of confidentiality in respect of the information.

We are also required to give reasons for not providing all of the requested information.

- 4.3. Members with at least 10% in value of the total voting rights of all members having the right to vote at general meetings of the Company may, within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the joint liquidators' remuneration, the remuneration charged, or the expenses incurred by the joint liquidators as set out in the progress report are excessive.

### **5. Liabilities**

#### *Secured creditors*

- 5.1. There are no secured creditors.

#### *Preferential creditors*

- 5.2. There are no preferential creditors.

#### *Unsecured creditors and final date for proving*

- 5.3. As set out previously, the liquidators' solicitors have confirmed that the liquidators may rely on the provisions of Rule 4.182A of the Insolvency Rules 1986 ("Rule 4.182A") and there is no requirement for an application to court for a bar date. Further, notwithstanding the liquidators had previously issued a notice to claim under Rule 4.182A, for the sake of prudence and given the nature of the Company's business and speed with which its affairs were wound down, it was intended that



the liquidators would issue a further notice on the conclusion of the liquidation giving creditors one final opportunity to claim. This notice was issued/published in the Period and the final date for proving was 13 March 2015.

**DCMS**

- 5.4. The liquidators have made payments to DCMS on account of their claim in the sum of £23.5m after making adequate provision for further known possible claims.

**6. Return on capital**

- 6.1. There will be no return to the members.



Emma Sayers  
Joint Liquidator

## Joint Liquidators' receipts and payments account

**The London Organising Committee of the Olympic Games and Paralympic Games Limited (In Liquidation)**

	Note	Declaration of Solvency £	From 30/05/2016 To 29/05/2017 £	From 30/05/2013 To 29/05/2017 £
<b>RECEIPTS</b>				
Cash and cash receivables		34,000,000.00	-	35,054,356.48
Trade and other receivables		5,000,000.00	318.26	8,966,430.77
Shareholder distribution			-	7,638.48
IT Equipment (Servers)			-	12,408.33
Receipt from former employee re P60			-	25.78
Interest gross of tax			603.36	92,699.89
Suspense account			-	12,173.48
			<u>921.62</u>	<u>44,145,733.21</u>
<b>PAYMENTS</b>				
Agent's fees & expenses			-	11,340.07
Room hire			-	2,250.00
IT related costs			-	10,389.00
Courier charges			-	330.99
Printing & photocopying			-	1,108.89
Bank charges			14.24	471.03
Legal fees & expenses			6,250.00	20,855.00
Enquiry fees			-	5.00
Subsistence			-	171.12
Telephone fax & telex			-	116.32
Stationery & postage			-	1,028.91
Statutory advertising			-	2,666.85
Specific penalty bond			-	200.00
Travel train/taxi			-	859.80
Land registry & company search fees			-	3.00
Liquidators' fees			3,934.20	413,934.20
Companies House searches			-	1.00
Consultancy fees			-	15,000.00
Trade and other payables	(1)		129,259.00	19,462,247.86
Provisions	(1)		250,000.00	23,994,188.09
			<u>389,457.44</u>	<u>43,937,167.13</u>
Net Receipts/(Payments)			<u>(388,535.82)</u>	<u>208,566.08</u>

**Note**

- 1 According to the declaration of solvency, trade and other payables amounted to £16.6million and there were provisions for further payments of £22.8million. To date, total payments made to creditors are c£19 million and payments made in respect of provisions are c£23.99million. The latter primarily relates to payments made to the Department of Culture, Media and Sport, which collectively total £23.5million.

## Breakdown of time costs

## The London Organising Committee of the Olympic Games and Paralympic Games Limited (In Members Voluntary Liquidation)

## Summary of Moore Stephens time-costs from 30/05/2013 to 29/05/2014

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	39.20	148.10	92.30	-	-	160.60	440.20	88,718.80	201.54
Realisation of assets	18.30	36.25	28.70	-	-	16.65	99.90	24,083.00	241.07
IT	14.25	27.20	27.65	143.25	-	27.45	239.80	35,945.80	149.90
Tax	14.10	39.70	13.45	-	98.75	35.40	201.40	36,688.80	182.17
Creditors and claims	49.90	111.90	101.95	-	-	75.05	338.80	75,710.40	223.47
<b>Total hours</b>	<b>135.75</b>	<b>363.15</b>	<b>264.05</b>	<b>143.25</b>	<b>98.75</b>	<b>315.15</b>	<b>1,320.10</b>		<b>261,146.60</b>
<b>Total time costs £</b>	<b>54,300.00</b>	<b>111,850.20</b>	<b>38,023.20</b>	<b>15,471.00</b>	<b>13,769.00</b>	<b>27,733.20</b>		<b>261,146.60</b>	<b>197.82</b>

## Summary of Moore Stephens time-costs from 30/05/2014 to 29/05/2015

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	8.25	65.90	12.50	-	-	77.15	163.80	32,186.40	196.50
Realisation of assets	2.15	15.25	0.20	-	-	2.15	19.75	5,775.00	292.41
IT	-	-	-	-	-	-	-	-	-
Tax	0.65	10.45	-	-	31.10	1.35	43.55	9,059.00	208.01
Creditors and claims	29.70	92.95	22.70	-	-	43.75	189.10	47,627.40	251.86
<b>Total hours</b>	<b>40.75</b>	<b>184.55</b>	<b>35.40</b>	<b>-</b>	<b>31.10</b>	<b>124.40</b>	<b>416.20</b>		
<b>Total time costs £</b>	<b>16,300.00</b>	<b>56,841.40</b>	<b>5,097.60</b>	<b>-</b>	<b>5,461.60</b>	<b>10,947.20</b>		<b>94,647.80</b>	<b>227.41</b>

## Summary of Moore Stephens time-costs from 30/05/2015 to 29/05/2016

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	12.90	92.40	15.80	-	-	1.35	122.45	36,013.20	294.11
Realisation of assets	0.20	2.25	0.80	-	-	1.20	4.45	993.80	223.33
IT	-	6.50	-	-	-	-	6.50	2,002.00	308.00
Tax	0.15	8.20	0.20	-	3.50	-	12.05	3,062.40	254.14
Creditors and claims	12.45	47.40	11.95	-	-	0.80	72.60	21,370.40	294.36
<b>Total hours</b>	<b>25.70</b>	<b>156.75</b>	<b>28.75</b>	<b>-</b>	<b>3.50</b>	<b>3.35</b>	<b>218.05</b>		
<b>Total time costs £</b>	<b>10,280.00</b>	<b>48,279.00</b>	<b>4,140.00</b>	<b>-</b>	<b>448.00</b>	<b>294.80</b>		<b>63,441.80</b>	<b>290.95</b>

## Summary of Moore Stephens time-costs from 30/05/2016 to 29/05/2017

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	2.20	18.15	22.20	-	-	-	42.55	9,667.00	227.19
Realisation of assets	0.15	1.85	1.10	-	-	-	3.10	788.20	254.26
IT	-	-	-	-	-	-	-	-	#DIV/0!
Tax	0.20	3.20	2.45	-	2.90	-	8.75	2,114.80	241.69
Creditors and claims	1.80	13.85	5.80	-	-	-	21.45	5,821.00	271.38
<b>Total hours</b>	<b>4.35</b>	<b>37.05</b>	<b>31.55</b>	<b>-</b>	<b>2.90</b>	<b>-</b>	<b>75.85</b>		
<b>Total time costs £</b>	<b>1,740.00</b>	<b>11,411.40</b>	<b>4,543.20</b>	<b>-</b>	<b>696.40</b>	<b>-</b>		<b>18,391.00</b>	<b>242.47</b>

## Breakdown of time costs

## The London Organising Committee of the Olympic Games and Paralympic Games Limited (In Members Voluntary Liquidation)

Summary of Moore Stephens time-costs from 30/05/2013 to 29/05/2016

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	62.55	324.55	142.80	-	-	239.10	769.00	166,585.40	216.63
Realisation of assets	20.80	55.60	30.80	-	-	20.00	127.20	31,640.00	248.74
IT	14.25	33.70	27.65	143.25	-	27.45	246.30	37,947.80	154.07
Tax	15.10	61.55	16.10	-	136.25	36.75	265.75	50,924.80	191.63
Creditors and claims	93.85	266.10	142.40	-	-	119.60	621.95	150,529.20	242.03
<b>Total hours</b>	<b>206.55</b>	<b>741.50</b>	<b>359.75</b>	<b>143.25</b>	<b>136.25</b>	<b>442.90</b>	<b>2,030.20</b>		
<b>Total time costs £</b>	<b>82,620.00</b>	<b>228,382.00</b>	<b>51,804.00</b>	<b>15,471.00</b>	<b>20,375.00</b>	<b>38,975.20</b>		<b>437,627.20</b>	<b>215.56</b>

Total remuneration drawn on account

413,934.20

## Note

The time the period 30/05/15 - 29/05/16 includes an adjustment for director time of 44.95 hours which was not previously included for the period 30/05/13 - 29/05/14. Further details are available on request.

## Charge out rates:-

## Rates

Partner/ Associate	£400
Director / Manager	£308
Assistant manager	£144
IT Support	£108
Tax	£56-296
Administrative assistant	£88

Time charged in 3 minute units or multiples thereof

## Examples of work generally undertaken but not limited to

## Statutory compliance, administration and planning

- Compliance with other regulatory requirements
- Statutory reporting and compliance
- Case planning
- Administrative set up
- Appointment notification
- Maintenance of records
- Meetings with former LOCOG management
- Other miscellaneous matters arising to resolve

## IT

- Copy LOCOG's records to liquidators' system

## Tax

- VAT returns

## Realisation of assets

- Identifying,
- Corresponden
- Insurance
- Debt
- Tax reclaims

## Creditors and claims

- Communication with creditors
- Creditors' claims (including employees and other preferential creditors)
- Insurance
- Debt
- Tax reclaims