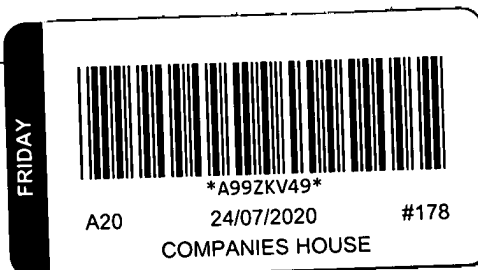


LIQ03

Notice of progress report in voluntary winding up



Companies House



1	Company details	
Company number	0 5 2 6 7 8 1 9	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	The London Organising Committee of the Olympic Games and Paralympic Games Limited	
2	Liquidator's name	
Full forename(s)	Jeremy	
Surname	Willmont	
3	Liquidator's address	
Building name/number	55 Baker Street	
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		
4	Liquidator's name ①	
Full forename(s)	Emma	① Other liquidator Use this section to tell us about another liquidator.
Surname	Sayers	
5	Liquidator's address ②	
Building name/number	55 Baker Street	② Other liquidator Use this section to tell us about another liquidator.
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 3	^d 0	^m 0	^m 5	^y 2	^y 0	^y 1	^y 9
To date	^d 2	^d 9	^m 0	^m 5	^y 2	^y 0	^y 2	^y 0

7 Progress report☐ The progress report is attached**8** Sign and date

Liquidator's signature

Signature

X J. Willmat**X**

Signature date

^d 2	^d 3	^m 0	^m 7	^y 2	^y 0	^y 2	^y 0
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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 **Andrew Morris**

Company name **BDO LLP**

Address **55 Baker Street**

Post town **London**

County/Region

Postcode **W 1 U 7 E U**

Country

DX

Telephone **020 7486 5888**

**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 or email 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



STRICTLY PRIVATE & CONFIDENTIAL

**THE LONDON ORGANISING
COMMITTEE OF THE OLYMPIC GAMES
AND PARALYMPIC GAMES LIMITED
("THE COMPANY")**

**PROGRESS REPORT TO THE MEMBERS FOR THE
PERIOD 30 MAY 2019 TO 29 MAY 2020 PURSUANT
TO RULES 18.3 AND 18.7 OF THE INSOLVENCY
(ENGLAND AND WALES) RULES 2016**

23 JULY 2020



IDEAS | PEOPLE | TRUST



CONTENTS

1. Statutory information
2. Progress to date
3. Joint Liquidators' remuneration
4. Joint Liquidators' expenses
5. Members' rights
6. Liabilities
7. Return on capital

APPENDICES

Appendix I Receipts and payments account

Appendix II Breakdown of time costs and category 2 disbursements

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: C/o BDO LLP
55 Baker Street
London
W1U 7EU

Date of appointment: 30 May 2013

Joint Liquidators: Jeremy Willmont
Phillip Sykes (to 12 January 2015)
Emma Sayers (from 12 January 2015 to date)

Joint Liquidators' address: BDO LLP
55 Baker Street
London
W1U 7EU

2. PROGRESS TO DATE

- 2.1. The receipts and payments account attached at Appendix I details the asset realisations during the period 30 May 2019 to 29 May 2020 ("the Period") and 30 May 2013 to 29 May 2020.

Trade and other receivables

- 2.2. The Joint Liquidators have made one further recovery in the Period in the sum of £27.49.
- 2.3. Against an estimate of £5m, to date, the Joint Liquidators have recovered a total of £9,155,877.53.
- 2.4. As set out in previous 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 of the liquidation.

Gross interest

- 2.5. Gross interest received on monies held amounts to £131.00 in the Period. The Company is exempt from corporation tax and thus there will be no tax to pay on this sum.

VAT

- 2.6. There is a nominal amount of VAT to pay and an amount of input VAT to reclaim. The Joint Liquidators are currently in the process of dealing with these issues. There are no other outstanding VAT matters.

HMRC

- 2.7. As previously advised, HMRC had 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. The Joint Liquidators have been in correspondence with HMRC with a view to arranging this audit.

Insurance claims

- 2.8. As detailed in previous reports, all outstanding insurance claims made by the Company have been resolved.

Personal injury claims

- 2.9. As set out previously, the Joint Liquidators supported the insurers in researching the validity of such claims and all claims have now been resolved. The Company did not incur any costs as there are no excesses under the PI insurance cover.

Material damage claim

- 2.10. As previously advised, the potential claimant has not pursued the claim and the time period to lodge any such claim has now expired. As a result, this matter is considered closed.

Escrow account

- 2.11. As set out previously, all insurance claims where excesses were potentially payable have been resolved and the monies that were held in the escrow accounts have been released.

Rates refund

- 2.12. The joint liquidators have recently been advised of a further rates refund. The joint liquidators have passed this matter to their instructed rating agents to ensure that there is no prospect of a recall or further adjustment in relation to the refund.

Rates demand

- 2.13. The joint liquidators have received a further demand for business rates. The joint liquidators have instructed rating agents to address this issue with the local council and the matter remains ongoing.

Debtors

- 2.14. The Joint Liquidators received a credit note in the sum of £41,336.40.
- 2.15. Enquiries were made of apparent debtor company in relation to the credit note, however, it transpired that the credit note was generated and paid in 2013, and was re-issued in error.

3. JOINT LIQUIDATORS' REMUNERATION AND CATEGORY 2 DISBURSEMENTS

- 3.1. At the time of liquidation, the proposed liquidation costs approved by the Company's 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 fixed 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 £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, document storage, mileage and room hire, as and when funds permit.

- 3.2. The above forecast was based on the assumption that any remaining matters relating to the winding down of the Company would have been materially completed by the Company's staff in the period through to the end of June 2013. It transpired that there were significantly more items that needed to be handed over to the Joint Liquidators than originally planned and this resulted in the Joint Liquidators' costs being significantly higher than originally envisaged. Because of the increased costs, the Joint Liquidators sought the approval of the members to increase their remuneration £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 insurance claims detailed in paragraphs 2.10 above, the Joint Liquidators sought a further resolution from members to increase the level of their remuneration. The members resolved to increase the Joint 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 Joint 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. During the period of this report, time costs of £15,116.80 have been incurred over 50.95 hours at an average rate of £296.70 per hour. The work undertaken during the Period is detailed in section 2 above. Essentially, this has comprised:
- a. making enquiries of the debtor company in relation to the credit note;
 - b. further correspondence with HMRC regarding the final VAT audit; and
 - c. liaising with the Company's former employees and instructing an agent in relation to the rates demand detailed at paragraph 2.14 and the rates refund at paragraph 2.13.
- 3.6. In addition we have dealt with all statutory matters and administrative work in relation to the liquidation and either required by legislation or necessary to perform the basic duties of a liquidator.
- 3.7. A detailed breakdown of Joint Liquidators' time costs, together with current charge out rates and examples of work undertaken in a liquidation are attached at Appendix II.
- 3.8. £10,000 plus VAT has been drawn in the Period in respect of the remuneration of the Joint Liquidators. Of this sum, £5,000 plus VAT relates to remuneration drawn for the period 30 May 2018 to 29 May 2019.
- 3.9. The work that remains outstanding includes:
- resolving the position in relation to the rates demand at paragraph 2.14;
 - confirming the terms of the rates refund detailed at paragraph 2.13;

- liaising with HMRC in relation to the final VAT audit; and
- following the resolution of the above, commencing closure formalities and bringing the liquidation to close.

3.10. Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides> or by requesting a copy from this office in writing or by telephone.

4. JOINT LIQUIDATORS' EXPENSES

4.1. A schedule of all expenses incurred in the period has been detailed in the receipts and payments account attached at Appendix I.

5. MEMBERS' RIGHTS

5.1. 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.

5.2. Within 14 days of receipt of the request, the Joint Liquidators must provide all of the information asked for, except so far as they 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
- they are subject to an obligation of confidentiality in respect of the information.

5.3. The Joint Liquidators are also required to give reasons for not providing all of the requested information.

5.4. 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.

5.5. The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

6. LIABILITIES

SECURED CREDITORS

6.1. There are no secured creditors.

PREFERENTIAL CREDITORS

- 6.2. I am not aware of any preferential creditors.

ORDINARY UNSECURED CREDITORS

- 6.3. The Joint Liquidators' solicitors have confirmed that the Joint 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 Joint 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, a further notice was issued giving creditors one final opportunity to claim, the final for proving was 13 March 2015.
- 6.4. According to the declaration of solvency, trade and other payables amounted to £16.6million and there were further provisions made for further payments of £22.8million. To date, total payments made to creditors are c£20million and payments made in respect of provisions are £24.24million. The latter primarily relates to payments made to the Department of Culture, Media and Sport, which collectively total £23.5million.
- 6.5. All known creditors' claims have now been dealt with.

7. RETURN ON CAPITAL

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



Jeremy Willmont
Joint Liquidator

Joint Liquidators' receipts and payments account

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

	Notes	Declaration of Solvency £	From 30/05/2019 To 29/05/2020 £	From 30/05/2013 To 29/05/2020 £
RECEIPTS				
Cash and cash receivables		34,000,000.00	0.00	35,054,356.48
Trade and other receivables		5,000,000.00	27.49	9,155,877.53
Shareholder distribution			0.00	7,638.48
IT Equipment (Servers)			0.00	12,408.33
Receipt from former employee re P60			0.00	25.78
Interest gross of tax			131.00	93,778.14
			<u>158.49</u>	<u>44,324,084.74</u>
PAYMENTS				
Agent's fees & expenses			0.00	11,340.07
Room hire			0.00	2,250.00
IT related costs			0.00	10,389.00
Courier charges			0.00	330.99
Printing & photocopying			0.00	1,108.89
Legal fees & expenses			0.00	21,355.00
Enquiry fees			0.00	5.00
Subsistence			0.00	171.12
Non recoverable VAT			0.00	61,580.72
Telephone fax & telex			0.00	116.32
Stationery & postage			0.00	1,028.91
Statutory advertising			0.00	2,666.85
Specific penalty bond			0.00	200.00
Travel train/taxi			0.00	859.80
Land registry & company search fees			0.00	3.00
Bank charges			1.11	483.01
Liquidators' fees			10,000.00	428,120.40
Companies House searches			0.00	1.00
Consultancy fees			0.00	15,000.00
Trade and other payables	(1)		0.00	19,463,685.45
Provisions	(1)		50,000.00	24,244,188.09
			<u>60,001.11</u>	<u>44,264,883.62</u>
Net Receipts/(Payments)			<u>(59,842.62)</u>	<u>59,201.12</u>

Notes

- 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£20million and payments made in respect of provisions are £24.24million. 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 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	36,688.60	182.17
Creditors and claims	49.90	111.90	101.95	-	-	75.05	338.80	75,710.40	223.47
Total hours	135.75	363.15	264.05	143.25	98.75	315.15	1,320.10		
Total time costs £	54,300.00	111,850.20	38,023.20	15,471.00	13,769.00	27,733.20		261,146.60	197.82

Summary of 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
Total hours	40.75	184.55	35.40	-	31.10	124.40	416.20		
Total time costs £	16,300.00	56,841.40	5,097.60	-	5,461.60	10,947.20		94,647.80	227.41

Summary of 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
Total hours	25.70	156.75	28.75	-	3.50	3.35	218.05		
Total time costs £	10,280.00	48,279.00	4,140.00	-	448.00	294.80		63,441.80	290.95

Summary of 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	-	-	-	-	-	-	-	-	-
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
Total hours	4.35	37.05	31.55	-	2.90	-	75.85		
Total time costs £	1,740.00	11,411.40	4,543.20	-	696.40	-		18,391.00	242.47

Summary of time-costs from 30/05/2017 to 29/05/2018

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	1.90	16.25	9.05	-	-	-	27.20	7,068.20	259.86
Realisation of assets	0.40	2.60	-	-	-	-	3.00	960.80	320.27
IT	-	-	-	-	-	-	-	-	-
Tax	0.25	1.75	-	-	2.25	-	4.25	927.00	218.12
Creditors and claims	1.10	5.35	0.20	-	-	-	6.65	2,116.60	318.29
Total hours	3.65	25.95	9.25	-	2.25	-	41.10		
Total time costs £	1,460.00	7,992.60	1,332.00	-	288.00	-		11,072.60	269.41

Summary of time-costs from 30/05/2018 to 29/05/2019

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	12.70	14.30	-	-	-	1.20	28.20	9,590.00	340.07
Realisation of assets	3.95	2.10	-	-	-	-	6.05	2,226.80	368.07
IT	-	-	-	-	-	-	-	-	-
Tax	3.90	0.30	-	-	-	-	4.20	1,652.40	393.43
Creditors and claims	4.85	0.20	-	-	-	-	5.05	2,001.60	396.36
Total hours	25.40	16.90	-	-	-	1.20	43.50		
Total time costs £	10,160.00	5,205.20	-	-	-	105.60		15,470.80	355.65

Summary of time-costs from 30/05/2019 to 29/05/2020

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	7.10	20.70	-	-	-	7.10	34.90	9,840.40	281.96
Realisation of assets	7.15	2.00	-	-	-	1.75	10.90	3,630.00	333.03
IT	-	-	-	-	-	-	-	-	-
Tax	0.65	2.60	-	-	-	-	3.25	1,060.80	326.40
Creditors and claims	1.20	0.20	-	-	-	0.50	1.90	585.60	308.21
Total hours	16.10	25.50	-	-	-	9.35	50.95		
Total time costs £	6,440.00	7,854.00	-	-	-	822.80		15,116.80	296.70

Summary of time-costs from 30/05/2013 to 29/05/2019

	Partner / Associate	Director / Manager	Assistant manager	IT Support	Tax	Administrative Assistant	Total hours	Time cost (£)	Av. rate £/h
Comp/admin	84.25	375.80	151.85	-	-	247.40	859.30	193,084.00	224.70
Realisation of assets	32.30	62.30	30.80	-	-	21.75	147.15	38,457.60	261.35
IT	14.25	33.70	27.65	143.25	-	27.45	246.30	37,947.80	154.07
Tax	19.90	66.20	16.10	-	138.50	36.75	277.45	54,565.00	196.67
Creditors and claims	101.00	271.85	142.60	-	-	121.50	636.95	155,233.00	243.71
Total hours	251.70	809.85	369.00	143.25	138.50	454.85	2,167.15		
Total time costs £	100,680.00	249,433.80	53,136.00	15,471.00	20,663.00	39,903.60		479,287.40	221.16

Total remuneration drawn on account

418,120.40

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

FOR MORE INFORMATION:

Andrew Morris

020 7486 5883

Andrew.Morris@bdo.co.uk