

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



A26 *A7BFZ083* #301
01/08/2018
COMPANIES HOUSE

1 Company details

Company number 0 6 6 0 9 1 6 5

Company name in full Psonar Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Mary Anne

Surname Currie-Smith

3 Liquidator's address

Building name/number Maynards

Street 24 High Street

Post town Whittlesford

County/Region Cambridge

Postcode C B 2 2 4 L T

Country

4 Liquidator's name ①

Full forename(s) Louise Donna

Surname Baxter

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode S S 1 2 E G

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 2	^d 8	^m 0	^m 7	^y 2	^y 0	^y 1	^y 7
To date	^d 2	^d 7	^m 0	^m 7	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

x  x

Signature date

^d 3	^d 1	^m 0	^m 7	^y 2	^y 0	^y 1	^y 8
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**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 **Mary Anne Currie-Smith**Company name **Begbies Traynor (Central) LLP**Address **1st Floor****24 High Street**Post town **Whittlesford**County/Region **Cambridgeshire**Postcode

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Country

DX

Telephone **01223 495660****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

Psonar Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 28 July 2017 to 27 July 2018

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- ☐ Interpretation
- ☐ Company information
- ☐ Details of appointment of liquidators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Liquidators' expenses
- ☐ Assets that remain to be realised and work that remains to be done
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
 - 1. Liquidators' account of receipts and payments
 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Psonar Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 28 July 2017.
"the liquidators", "we", "our" and "us"	Mary Anne Currie-Smith of Begbies Traynor (Central) LLP, 1st Floor, 24 High Street, Whittlesford, Cambridgeshire, CB22 4LT and Louise Donna Baxter of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):

Company registered number: 06609165

Company registered office: 1st Floor, 24 High Street, Whittlesford, Cambridgeshire, CB22 4LT

Former trading address: 15a Water Lane, Impington, Cambridge, CB24 9XW

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced: 28 July 2017

Date of liquidators' appointment: 28 July 2017

Changes in liquidator (if any): None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 28 July 2017 to 27 July 2018.

Chattel assets

The company's assets comprised computer equipment and a desk, three of which items were held in Berlin. Obviously, the cost to retrieve and sell these items would have exceeded the estimated realisable value. I therefore agreed a sale at £500 plus VAT to Egan and Talbot, although payment has not yet been received.

Property rights and patents

You will recall that the company had an interest in patent letters filed in the US for an online content distribution system. The directors were of the opinion that this asset had only a "hope" value. This asset, combined with the company's trading sale and goodwill, were offered for sale by independent agents, WH Peacock. The successful bidder at £2,000, was Water Lane IP 4 Limited, a company whose shareholders mirror those of this company. The sale was formalised with a legal assignment dated 20 October 2017.

VAT refund

The VAT refund of £11,324 shown on the statement of affairs was actually paid to the company by HMRC prior to liquidation. This had the effect of clearing the company's overdraft and leaving a credit balance in the company's bank account.

Cash at bank

The company's cash at bank of £5,594 was recovered in full.

Deposit interest

We have received a small amount of deposit interest on the funds held.

Petitioner's costs

You will recall that solicitors acting for IOS Bits Limited had presented a petition for the compulsory winding-up of the company. The creditor agreed to withdraw the petition if their petition costs were repaid, and these amounted to £846.

Specific bond premium

We are required to hold a specific bond to the value of the assets. We took out the minimum bond of £25,000 at a cost of £18.

Statement of affairs fee and disbursements.

We have drawn our statement of affairs fee of £5,000 plus VAT, as approved by creditors on 28 July 2017 by way of a decision procedure by correspondence. Our disbursements of £36.34 related to postage costs.

Agents' fees

We paid £500 plus VAT to WH Peacock for dealing with the sale of the company's intangible assets.

Statutory advertising

We paid £253.80 for the statutory notices which we are required to place in the London Gazette.

Balance in hand

As may be seen, the balance in hand stands at £941.15.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2.

General case administration and planning

We are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case. The time charged to this code relates to the periodic case reviews carried out at one month, three months and six-monthly thereafter.

Compliance with the Insolvency Act, Rules and best practice

The time charged to this code relates to our statutory obligations and filing relates to the submission of the company's duties, including writing to creditors seeking decisions by way of postal resolutions.

Investigations

The time charged to this code relates to our statutory investigative duties.

Realisation of assets

The time charged to this code relates to the sale of the company's intangible assets.

Dealing with all creditors' claims (including employees), correspondence and distributions

The time charged to this code relates to dealing with creditors' claims and enquiries.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel)

The time charged to this code relates to the submission of the company's tax returns.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs.

Secured creditor

There was no secured creditor.

Preferential creditors

There are no preferential creditors.

Unsecured creditors

Unsecured creditors were estimated at £262,321, and we have received claims totalling £162,998. However, these claims have not been formally adjudicated upon because there is no prospect of a dividend to unsecured creditors.

Notice to creditors that no dividend will be declared (Pursuant to Rule 14.37 of the Insolvency (England & Wales) Rules 2016)

Further to previous correspondence in this matter, I am required by the Insolvency (England & Wales) Rules 2016 to inform creditors if no dividend will be declared. No dividend will be declared in this matter because the funds realised have already been distributed or used or allocated for defraying the expenses of the administration of the liquidation estate.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a decision of the creditors on 18 August 2017 obtained via a Decision Procedure by way of correspondence by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 31 July 2017 in the sum of £9,705 and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9 in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 28 July 2017 to 27 July 2018 amount to £9,474 which represents 31.6 hours at an average rate of £299.81 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 28 July 2017 to 27 July 2018
- ☐ Begbies Traynor (Central) LLP's charging policy

To 27 July 2018, we have drawn no remuneration because there are insufficient funds to do so.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type

As this is our first progress report since the basis of our remuneration was fixed, we are obliged to provide creditors with details of the costs incurred in the period since appointment and a description of the work undertaken for the period since our appointment, and this is set out in Section 4 of this report.

Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of liquidators, were approved by the creditors on 28 July 2017.

Disbursements

To 27 July 2018, we have also drawn disbursements in the sum of £36.34 in respect of postage costs.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

Expenses actually incurred compared to those that were anticipated

Type of expense	Initial estimate £	Actual cost £
Advertisements	253.80	253.80
Bond	18.00	18.00
Storage costs	50.00	tba
Agents' fees	1,000.00	500.00
Legal fees	500.00	None
Petitioning creditor's costs	846.00	846.00
	2,667.80	1,617.18

As may be seen, the expenses incurred have been less than originally estimated.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

Assets that remain to be realised: Sale of chattel assets held abroad.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

Continuing six-monthly case reviews.

Compliance with the Insolvency Act, Rules and best practice

Issue of annual progress reports and the final report, in due course; statutory filing duties; maintenance of estate cash book.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel

Seek tax clearance from HMRC.

How much will this further work cost?

We anticipate that our total time costs will exceed the original fees estimate of £9,705, but it is academic because there are insufficient funds for us to recover all of our time costs.

Expenses

The only future expenses we expect to incur are the cost of storing the case files for six years after we cease to act, which we estimate at £50.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Connected party transactions

In accordance with Statement of Insolvency Practice 13, we are obliged to inform creditors of any sale of the Company's business or assets which involves a party connected to the Company. We confirm that the following assets were sold:

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
20.10.17	Goodwill, trading style and US patent letters.	£2,000.00	Water Lane IP 4 Limited	Common shareholders
Pending	Computer equipment	£500.00	Egan & Talbot	Common directors

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than

10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, appearing to read 'M Currie-Smith', with a stylized, cursive script.

Mary Currie-Smith
Joint Liquidator

Dated: 31 July 2018

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 28 July 2017 to 27 July 2018

**Psonar Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 27/07/2018**

[illegible]

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 28 July 2017 to 27 July 2018.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Cambridge office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 1 May 2011 – until further notice
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	60 - 110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SIP9 Psonar Limited - Creditors Voluntary Liquidation - 61PS024.CVL : Time Costs Analysis From 28/07/2017 To 27/07/2018

Staff Grade	Consultant/Partner	Director	Sr Mgr	Mngt	Asst Mngt	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning									4.3	1,698.50	395.00
	Administration						1.3			1.6	294.00	183.75
	Total for General Case Administration and Planning:						1.3			5.9	1,992.50	337.71
	Compliance with the Insolvency Act, Rules and best practice						0.4			2.6	923.00	355.00
Compliance with the Insolvency Act, Rules and best practice	Appointment											
	Banking and Bonding						1.5		2.8	4.6	629.00	136.74
	Case Closure									1.2	474.00	395.00
	Statutory reporting and statement of affairs									2.3	908.50	395.00
Investigations	Total for Compliance with the Insolvency Act, Rules and best practice:						1.9		2.8	10.7	2,034.00	274.35
	Total for Investigations:						3.0			4.9	1,155.50	235.82
	CCDA and investigations						3.0			4.9	1,155.50	235.82
	Total for Investigations:						3.0			4.9	1,155.50	235.82
Realisation of assets	Debt collection											0.00
	Property, business and asset sales						0.2			5.5	2,120.50	385.55
	Retention of Title/Third party assets											0.00
	Total for Realisation of assets:						0.2			5.5	2,120.50	385.55
Trading	Trading											0.00
	Total for Trading:											0.00
	Secured											0.00
	Others						1.5			2.8	718.00	255.71
Dealing with all creditors claims (including employees), correspondence and distributions	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:						1.5			2.8	718.00	255.71
	Seeking decisions of creditors											0.00
	Meetings											0.00
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel	Other						0.2			0.2	79.00	395.00
	Tax						1.0			1.6	476.00	297.50
	Litigation											0.00
	Total for Other matters:						0.4			1.8	555.00	308.33
Total time cost by staff grade:	Total hours by staff grade:						8.5		2.8	31.6		
	Total time cost by staff grade:						1,147.50		308.00		9,474.00	
	Average hourly rate £:						135.00		110.00			298.81
	Total fees drawn to date £:										0.00	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Agent's fees	WH Peacock	500.00	500.00	-
Petitioner costs	Francis Wilks & Jones	846.00	846.00	-
Statutory advertising	Courts Advertising	253.80	253.80	-
Specific bond premium	Insolvency Risk Services	18.00	18.00	-
Postage costs	Royal Mail	36.34	36.34	-