

**Liquidator's Progress  
Report****S.192****Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

06625564

Name of Company

Moko Digital Limited

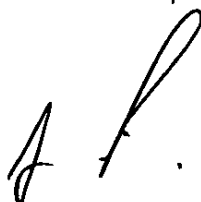
I / We  
Steven Philip Ross  
Tenon House  
Ferryboat Lane  
Sunderland  
Tyne and Wear  
SR5 3JN

Ian William Kings  
Tenon House  
Ferryboat Lane  
Sunderland  
Tyne and Wear  
SR5 3JN

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 25/05/2010 to 24/05/2012

Signed



Date

11.6.12

RSM Tenon Recovery  
Tenon House  
Ferryboat Lane  
Sunderland  
Tyne and Wear  
SR5 3JN

Ref 5509131/SPR/IWK/KA

WEDNESDAY



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COMPANIES HOUSE

**Moko Digital Limited (“the Company”) – In Liquidation**

**Joint Liquidators’ Second Progress Report  
for the period from 25 May 2010 to 24 May 2012**

## **Moko Digital Limited ("the Company") – In Liquidation**

### **JOINT LIQUIDATORS' SECOND PROGRESS REPORT AS AT 10 JUNE 2012**

Steven Philip Ross and Ian William Kings are the Joint Liquidators of the Company and this is their second progress report, to the creditors and members of the Company, showing how the liquidation has been conducted. The report covers the period from 25 May 2010 to 24 May 2012. This report should be read in conjunction with previous progress reports.

#### **1. Statutory Information**

Statutory information relating to the Company is attached at **Appendix I**.

#### **2. Joint Liquidators' Receipts and Payments Account**

A summary of the Joint Liquidators' receipts and payments account relating to the Company for the period from 25 May 2010 to 24 May 2012 is attached at **Appendix II**.

#### **3. Action taken by the Joint Liquidators since last Report**

The Company was wound up on 25 May 2010 and Steven Philip Ross and Ian William Kings were appointed Joint Liquidators at meetings of members and creditors held on 25 May 2010.

##### **3.1 Plant, machinery and computer equipment**

Plant, machinery & computer equipment was sold to the directors of the company prior to our appointment for £1,200. Realisations have been received in full.

##### **3.2 Book Debts**

The company's book debts with a book value of £370,047 had been discounted to £17,105 in order to provide for contra, counterclaims, doubtful debts, collection costs etc. The value of the debts had been discounted significantly due to a dispute with Monster Travel Limited, a major debtor of the company, who has since been placed into Liquidation although any future realisations are doubtful.

To date, £293.75 has been received however the remaining debts are uncollectable.

##### **3.3 Scott Meikle – Staff Loan**

According to the company's records, a staff loan of £150 remains outstanding. This is currently being disputed by the staff member and any realisations are unlikely in this matter.

##### **3.4 Intercompany Debt**

Dene Communications in Liquidation, a related company, owes Moko Digital Limited £415,002. There is a small possibility of a dividend from the Liquidators, however based on present information it is not possible to quantify the amount or timing.

#### **4. Investigations**

The Joint Liquidators' have a duty to submit confidential reports to the Government's Disqualification Unit on the conduct of those persons who acted as directors of the Company in the three year period before the liquidation these have been completed and there are no outstanding lines of enquiry

#### **5 Future Actions of the Joint Liquidators**

The only remaining assets to realise in this case are the outstanding book debt collections and to receive a dividend in respect of the amount due from Dene Communications Limited

#### **6. Liabilities and Dividends**

##### **Secured Creditors**

There are no secured creditors in this case

##### **Preferential Creditors**

The claims so far received are -

	Statement of Affairs £	Claim Received £
Redundancy Payments Service -		
Employees claims to arrears of pay and holiday pay	6,353 00	6,370 11
Employees arrears of pay & holiday pay	820 00	819 96
	<u>7,173 00</u>	<u>7,190 07</u>

##### **Floating Charge Creditors**

There are no floating charge creditors in this case

##### **Ordinary Unsecured Creditors**

As regards to non-preferential creditors, we have so far received the claims of 20 creditors whose claims total £315,016 against total non preferential claims of £375,966 per the Statement of Affairs

Notice is given that no dividend will be declared to unsecured creditors as the funds realised have already been distributed, used or allocated for defraying the expenses of administration

## 7. Joint Liquidators' Remuneration, Disbursements and Expenses

### Basis of Remuneration and Disbursements

At the initial meeting of creditors held on 25 May 2010 it was resolved that the Joint Liquidators would be remunerated by reference to the time properly spent in dealing with matters in the liquidation and that their disbursements would be drawn in accordance with the tariff outlined in **Appendix III**.

### Remuneration Charged and Drawn in the Period

The Joint Liquidators' time costs were charged (exc VAT) as follows

	Incurred	Paid
For this period, from 25 May 2011 to 24 May 2012	£812 00	£Nil
Since appointment on 25 May 2010 to 24 May 2011	<u>£6,251 00</u>	<u>£Nil</u>
Total	<u>£7,063 00</u>	<u>£Nil</u>

In accordance with Statement of Insolvency Practice 9, attached at **Appendix III** is a breakdown of these time costs

### Disbursements Incurred and Drawn

The Joint Liquidators' disbursements incurred and reimbursed are summarised below Details are in the attached **Appendix III**

No category 2 disbursements have been charged nor will be recovered in this matter

	Incurred	Paid
Category 1 disbursements for this period, from 25 May 2010 to 24 May 2011	£310 80	£151 20
Category 1 disbursements since appointment on 25 May 2011 to 24 May 2012	<u>£Nil</u>	<u>£Nil</u>
Total	<u>£310 80</u>	<u>£151 20</u>

### Expenses (Professional Advisors) Charged and Drawn in the Period

The following professional advisors have been instructed in this matter

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
Group Recoveries Limited	Book Debt/Staff Loan Collection	Set Fee Agreed

The choice of professionals was based on perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the Liquidators' fee arrangement with them

Details of the costs incurred and paid by the Liquidators in relation to liquidation expenses for the period are also attached at **Appendix III**

#### **Pre appointment costs**

At the initial meeting of creditors held on 25 May 2011, it was resolved that the fees of RSM Tenon Recovery for assisting the Directors in convening the statutory meetings to place the Company into liquidation, and for assistance in preparing the Statement of Affairs, would be a set fee of £3,500 plus VAT and disbursements to be paid out of the assets of the Company, of which £1,000 will be paid to RMT Accountants

These fees have not yet been drawn in full as sufficient assets have not yet been realised

#### **Creditors' Guide to Fees and Statement of Creditors' Rights**

Creditors have a right to request further information from the Joint Liquidators and additionally have a right to challenge the Joint Liquidators' remuneration and expenses time limits apply Details can be found in the document 'Remuneration Guidelines Liquidation (post 6 April 2010)' which you can access and download at <http://www.rsmtenton.com/creditorguides> Alternatively a copy is available free of charge upon request from the address above

#### **8. Conclusion of the Liquidation**

I hope this report sufficiently updates you on the current position of the Liquidation However, should you require any further clarification please contact Lisa Bryce of my office



**Steven P Ross**

Joint Liquidator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales*

## **Statutory Information**

## **Appendix I**

### **Company Information**

Company Name	Moko Digital Limited
Previous Name	N/A
Company Number	06625564
Date of Incorporation	20 June 2008
Trading Address	146-148 Westmoreland Road, Newcastle Upon Tyne, Tyne & Wear, NE4 7JS
Current Registered Office	Tenon House, Ferryboat Lane, Sunderland, SR5 3JN
Former Registered Office	146-148 Westmoreland Road, Newcastle Upon Tyne, Tyne & Wear, NE4 7JS
Principal Trading Activity	Other Computer Related Activities

### **Appointment details**

Joint Liquidators' name and address	Steven Philip Ross of RSM Tenon Recovery, Tenon House, Ferryboat Lane, Sunderland, Tyne and Wear, SR5 3JN and Ian William Kings of RSM Tenon Recovery Tenon House, Ferryboat Lane, Sunderland, Tyne and Wear, SR5 3JN
Commencement of liquidation	25 May 2010
Date of appointment	25 May 2010
Appointment made by	Members and Creditors
The Joint Liquidators act jointly and severally	

**Moko Digital Limited**  
**(In Liquidation)**  
**Joint Liquidatorss' Abstract of Receipts & Payments**  
**To 24/05/2012**

S of A £		£	£
	<b>ASSET REALISATIONS</b>		
1,200 00	Plant, Machinery & Computer Equipme	1,200 00	
150 00	Scott Meikle - Staff Loan	NIL	
17,105 00	Book Debts	1,433 86	
3 00	Cash at Bank - Yorkshire Bank PLC	NIL	
			2,633 86
	<b>COST OF REALISATIONS</b>		
	Legal Advice And Costs	536 59	
	Statutory Advertising	151 20	
	Debt Recovery Fees	228 02	
			(915 81)
	<b>PREFERENTIAL CREDITORS</b>		
(6,353 00)	RPS - Arrears of Pay & Holiday Pay	NIL	
(820 00)	Employee Claims Arrears/Hol Pay	NIL	
			NIL
	<b>UNSECURED CREDITORS</b>		
(20,703 00)	Trade Creditors	NIL	
(10,183 00)	RPS - Wages in Lieu of Notice	NIL	
(760 00)	RPS - Redundancy Payments	NIL	
(5,687 00)	Employee Claims	NIL	
(106,733 00)	Intercompany Creditor - Dene Films	NIL	
(1,595 00)	Deferred Tax	NIL	
(1,279 00)	Stephen Salem - Director Loan	NIL	
(92,427 00)	HM Revenue & Customs - PAYE/NIC	NIL	
(133,406 00)	HM Revenue & Customs - VAT	NIL	
(3,171 00)	Intercompany Creditor - Imagine TX	NIL	
			NIL
	<b>DISTRIBUTIONS</b>		
(950 00)	Ordinary Shareholders	NIL	
			NIL
<b>(365,609.00)</b>			<b>1,718.05</b>
	<b>REPRESENTED BY</b>		
	Vat Receivable		137 92
	Bank Current		1,580 13
			<b>1,718 05</b>



## **Appendix III – Information relating to the Joint Liquidators' Fees and Expenses**

**Moko Digital Limited****Information relating to the Joint Liquidators' Fees and Expenses****1 Explanation of Liquidators' charging and disbursement recovery policies****1.1. Time recording**

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

	From 1 May 2010	From 8 February 2011	Rate From 22 March 2012
	£	£	£
Director and licensed Insolvency Practitioner	225-280	225-280	320
Manager	160-230	200-250	225-250
Other senior professionals	110-220	110-230	175-230
Assistants and support staff	50-140	50-140	90-120

Secretarial and support staff are not charged to the cases concerned, being accounted as an overhead of RSM Tenon Recovery

**1.2 Disbursement recovery**

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Recovery and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case, (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011). Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements include elements of shared or allocated costs incurred by RSM Tenon Recovery and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, all business mileage (for cases commencing on or after 1 November 2011), internal room hire and internal storage.

## **2. Description of work carried out in the current period**

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during this period  
These can be summarised as follows

### **2 1. Administration and planning**

The following activities have been undertaken

- > Statutory duties associated with the appointment,
- > Notification of the appointment to creditors, employees and other interested parties,
- > Setting up case files,
- > Reviewing available information to determine appropriate strategy,
- > Maintaining bank accounts,
- > Progress reviews of the case

### **2 2 Investigations**

The time spent includes

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,
- > Liaising with the liquidation committee on such matters
- > Completion of statutory returns to the Insolvency Service

### **2 3. Realisation of assets**

Staff of different levels were involved in the above activities depending upon the experience required

### **2 4. Creditors and distributions**

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Recording creditor claims
- > Reporting to creditors,
- > Meetings of creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims,

### 3. Time and charge out summary

For the period of this report from 25 May 2011 to 24 May 2012, a total of 7 30 hours have been spent at an average charge out rate of £111 23 bringing the total cost to £812 00

The table below shows details of the time costs charged (exc VAT) in the current period

Classification of work function	Insolvency Practitioner/ Director/ Associate Director	Manager	Hours Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning		0 40	4 50		4 90	562 00	
Investigations							
Realisation of assets		0 10			0 10	20 00	
Trading							
Creditors			2 30		2 30	230 00	
<b>Total hours</b>		<b>0 50</b>	<b>6 80</b>		<b>7 30</b>	<b>812 00</b>	<b>111 23</b>
<b>Total fees claimed £</b>						<b>Nil</b>	

The following table shows all fees charged from appointment to the end of the current period

Classification of work function	Insolvency Practitioner/ Director/ Associate Director	Manager	Hours Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning		4 30	12 00		16 30	2,094 00	128 47
Investigations		1 40	5 30		6 70	762 50	113 81
Realisation of assets		1 10	0 30		1 40	233 50	166 79
Debtors	7 00		4 10		11 10	2,337 00	210 54
Creditors		4 10	8 20		12 30	1,636 00	133 01
<b>Total hours</b>	<b>7 00</b>	<b>10 90</b>	<b>29 90</b>		<b>47 80</b>	<b>7,063 00</b>	<b>147 76</b>
<b>Total fees claimed £</b>						<b>Nil</b>	

#### 4. Disbursements

Disbursements incurred during the period of this report and cumulatively, and those reimbursed in the period and cumulatively, to end of current period, are detailed below

Disbursements	Incurred £	This period		Previous period		Incurred £	Cumulatively	
		Paid £	Incurred £	Paid £	Paid £			
Category 1								
Statutory advertising	-	-	226 80	151 20	226 80	151 20		
Collection of Records	-	-	30 00	-	30 00	-		
Bond premium	-	-	54 00	-	54 00	-		
Total	-	-	310.80	151.20	310.80	151.20		

The above costs exclude VAT

No category 2 disbursements have been charged to this matter

#### 5. Professional advisors and expenses

The Joint Liquidators have incurred liquidation expenses in connection with the instruction of the following parties shown below. Expenses incurred during the period of this report and cumulatively, and those paid in the period and cumulatively, to end of current period, are detailed

Name & Activity	Incurred £	This period		Incurred £	Year 1 Paid £	Incurred £	Cumulatively	
		Incurred £	Paid £				Incurred £	Paid £
Group Recoveries Limited – Debtor and loan collection	-	-	-	764 61	764 61	764 61	764 61	764 61
<b>Total</b>	-	-	-	<b><u>764.61</u></b>	<b><u>764.61</u></b>	<b><u>764.61</u></b>	<b><u>764.61</u></b>	

The above costs exclude VAT