

## 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

06631227

Name of Company

Oxford-Emergent Tuberculosis Consortium Limited

I / We

Sandra Lillian Mundy, Latimer House, 5 Cumberland Place, Southampton, SO15 2BH

Susan Rosemary Staunton, 2 Chawley Park, Cumnor Hill, Oxford, OX2 9GG

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 24/05/2013 to 23/05/2014

Signed



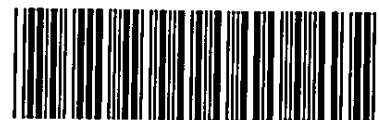
Date

22 / July / 2014

James Cowper LLP  
Latimer House  
5 Cumberland Place  
Southampton  
SO15 2BH

Ref JOET002L/SM/SRS/TR/IR/JM


THURSDAY



A07 \*A3CRRJUQ\* 24/07/2014 #153  
COMPANIES HOUSE

**Oxford-Emergent Tuberculosis Consortium Limited  
(In Liquidation)  
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 24/05/2013 To 23/05/2014
	<b>ASSET REALISATIONS</b>	
206,438 00	Book Debts	NIL
390,332 00	Cash at Bank	237,080 25
	Bank Interest Net of Tax	183 91
	Subscription Monies Refunded	289 00
		<u>237,553 16</u>
	<b>COST OF REALISATIONS</b>	
	Specific Bond	185 00
	Joint liquidators' fees	13,077 00
	Joint liquidators' expenses	93 48
	Review Of Tax Postion & Implications	1,000 00
	Advise on the Structuring	750 00
	Legal Fees Manches LLP	9,188 56
	Statutory Advertising	493 65
	Bank Charges	120 52
		<u>(24,908 21)</u>
	<b>FLOATING CHARGE CREDITORS</b>	
(160,553 00)	Current intercompany	<u>NIL</u>
	<b>UNSECURED CREDITORS</b>	
(57,985 00)	Trade & Expense (inc accrued costs)	20,887 00
(126,720 00)	Aeras - trial expenses	123,483 25
(14,485 00)	Employee bonus	NIL
(219,970 00)	Subordinated EPDU (£5,120,595)	NIL
		<u>(144,370 25)</u>
	<b>SHAREHOLDERS</b>	
(490 00)	Ordinary A Shareholders	NIL
(510 00)	Ordinary B Shareholders	NIL
		<u>NIL</u>
		<u><b>68,274.70</b></u>
	<b>REPRESENTED BY</b>	
	Vat Receivable	518 90
	Current Account	67,755 80
		<u><b>68,274.70</b></u>

  
 Sandra Lillian Mundy  
 Joint Liquidator

**Oxford-Emergent Tuberculosis Consortium Limited (In Liquidation)**

First annual progress report to members pursuant to Section 92A of  
the Insolvency Act 1986

Sandra Mundy & Sue Staunton  
James Cowper LLP  
Latimer House  
5 Cumberland Place  
Southampton  
SO15 2BH

**SUMMARY INFORMATION**

<b>The Company</b>	Oxford-Emergent Tuberculosis Consortium Limited
<b>Registered Number</b>	06631227
<b>Registered Address</b>	Latimer House 5 Cumberland Place Southampton SO15 2BH
<b>Trading Address</b>	540 Eskdale Road Winnersh Triangle Wokingham Berkshire RG41 5TU
<b>Activity of the Company</b>	Joint development of the MVA85A vaccine
<b>Date of the Liquidation</b>	24 May 2013
<b>Liquidator Details</b>	Sandra Mundy & Sue Staunton James Cowper LLP Latimer House 5 Cumberland Place Southampton SO15 2BH
<b>Changes to Office Holders</b>	N/A
<b>Dividend Prospect</b>	<p>Following receipt of the Corporation Tax refund, there will be a distribution of the remaining funds to the Company's major investor as discussed below</p> <p>No funds will be available for distribution to the Company's shareholders, as was detailed in the Agreement</p>

## **Introduction**

This progress report has been prepared in accordance with Rule 4 49C of the Insolvency Rules 1986 to provide members with an update on the work undertaken by me as joint liquidator during the first year of the liquidation

The following attachments accompany this report

Appendix A - Receipts and payments account for the period of the liquidation

Appendix B - Analysis of time costs

Appendix C - Statement of remuneration and expenses

Appendix D – Member rights to request information and challenge the liquidators' remuneration and expenses

## **Assets**

### **Termination and Assignment Agreement re: Intellectual Property and Debtors**

The Company's Declaration of Solvency identified the Company as having book debts of £206,438. The Company operated as a drug trial and research company in relation to a Tuberculosis vaccine. The drug failed at final trials and the Company's shareholders, in conjunction with the Company's major investor, Emergent Product Development Limited and Emergent Biosolutions Inc (collectively known as 'Emergent'), opted to clear all the outstanding creditors and wind the company up. A Termination and Assignment Agreement ('the Agreement') was entered into in May 2013 with Emergent.

The Agreement provided that Emergent agreed to subordinate the debt owed to it by the Company in favour of the costs of the liquidation and the Company's other creditors in return for certain assets of the Company, along with the associated Intellectual Property, being transferred to Emergent.

During the course of the liquidation, confirmation has been received from the Company's solicitors that all the Company's contracts have been novated and as such realisation of the Company's book debts will be continued by Emergent.

### **Cash at Bank**

The Company's records estimated that £390,332 would be received as cash at bank. During the course of the liquidation £237,080 has been received.

### **Other**

Bank interest of £183 and subscription refunds of £289 have also been received during the first year of the liquidation. A refund of pre-appointment corporation tax of £6,211 is due following the completion of the Company's pre-appointment tax returns. The Company has no further assets.

## **Liquidators' Remuneration**

The meeting of members held on 24 May 2014 approved the basis of the joint liquidators' remuneration, pursuant to Rule 4 148(2A) of the Insolvency Rules 1986, as a fixed amount of £7,000 in respect of statutory matters and by reference to the time properly given by the liquidators and their staff in respect of any other matters arising. I can confirm that, in addition to the £7,000 fixed fee, a further £6,077 has been drawn as agreed in respect of non-statutory work.

In the reporting period the joint liquidators have incurred disbursements of £99.48 and drawn disbursements of £93.48.

The joint liquidators have reviewed the work undertaken and reported here and consider this level of costs to be appropriate bearing in mind the nature and complexity of the case.

## **Charging Policy**

The firm's policy is to recharge the following

- a Cash disbursements such as company searches, legal notices, postage, external photocopying and subsistence where appropriate at cost
- b Mileage in relation to the assignment at rates comparable with those advised by motoring organisations for the vehicles used by firm and its staff
- c No charge is made for office overheads, the use of rooms in house, or for incidental expenses

## **Statutory Rights**

Members have certain rights to request information and challenge the liquidators' remuneration and expenses. Details of these rights can be found at Appendix D

## **Creditors**

### **Prescribed Part**

No funds are to be set aside under the provisions of Section 176A of the Insolvency Act 1986, as no charges have been registered after the relevant date

### **Preferential creditors**

The declaration of solvency stated there were no preferential creditors

### **Secured creditors**

There are no secured creditors

### **Intercompany and Subordinated Creditors**

At the date of the appointment of liquidators, £5,120,595 remained outstanding to Emergent - of which £264,723 related to accrued interest. A total of £160,553 was also due in relation to intercompany debts

As part of the agreement discussed above, Emergent agreed to subordinate their claim in the liquidation in favour of the other creditors. To date, no funds have been paid to Emergent

### **Trade and Expense Creditors**

Trade and expense creditors were estimated to be approximately £57,985 at the appointment of liquidators. Following an advertisement placed in the London Gazette, a number of creditor claims were received. It is believed that a number of the creditors had been paid by Emergent directly thereby leading to a reduced level of creditor claims in comparison to the Declaration of Solvency

During the course of the liquidation, £20,887 has been paid in relation to the creditors claims plus statutory interest

### **Accountancy Costs, and Legal Costs**

The costs of accountancy advice and legal fees were estimated in the Declaration of Solvency to be £1,750 and £7,057 respectively. During the liquidation, costs of £9,187 have been paid in relation to legal costs and £1,750 in respect of accountancy advice

### **Aeras Trial Expenses**

A total of £123,483 has been paid from the liquidation in relation to Aeras Trial Expenses in comparison with an estimated £126,720 as per the Declaration of Solvency

### **Employee Bonus**

It was anticipated that an employee bonus of £14,485 would be payable by the Company following the liquidation. However, no such claim has been received and no claim is expected to be received prior to the conclusion of the liquidation.

### **Dividends**

Following receipt of the Corporation Tax refund discussed above, a distribution of the remaining funds available will be paid to Emergent as full and final settlement of their claim.

No funds will be available for distribution to the Company's creditors, as was detailed in the Agreement.

### **Conclusion**

Should any member have any queries regarding this report, please do not hesitate to contact my assistant, Ian Robinson, or me.



**Sandra Mundy**  
**Joint Liquidator**

**22 July 2014**

## Appendix A

### Joint Liquidators' Abstract Of Receipts And Payments To 23 May 2014

RECEIPTS	Declaration of Solvency (£)	Total (£)
Book Debts	206,438 00	0 00
Cash at Bank	390,332 00	237,080 25
Bank Interest Net of Tax		183 91
Subscription Monies Refunded		289 00
		<u>237,553 16</u>
<b>PAYMENTS</b>		
Specific Bond		185 00
Joint liquidators' fees		13,077 00
Joint liquidators' expenses		93 48
Statutory Advertising		493 65
Bank Charges		120 52
Current intercompany	(160,553 00)	0 00
Trade & Expense (inc accrued costs)	(57,985 00)	20,887 00
Aeras - trial expenses	(126,720 00)	123,483 25
Employee bonus	(14,485 00)	0 00
Subordinated EPDU (£5,120,595)	(219,970 00)	0 00
Accountancy costs	(1,750 00)	1,750 00
Legal costs	(7,057 00)	9,188 56
		<u>169,278 46</u>
<b>Balance in hand</b>		<u>68,274 70</u>
<b>MADE UP AS FOLLOWS</b>		
Current Account		67,755 80
VAT Receivable / (Payable)		518 90
		<u>68,274 70</u>



**Oxford-Emergent Tuberculosis Consortium Limited in Liquidation**  
**Progress Report dated 23 May 2014**

## Appendix B

**Oxford-Emergent Tuberculosis Consortium Limited, - 015349**

### Analysis of time costs

**From: 15/04/2013**

**To: 23/05/2013**

#### Pre-Appointment SIP 9

Classification of Work Function	Hours					Total Hours	Time Cost	Av hourly Rate
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>							£	£
Administration and planning	5 90					5 90	2,284 50	387.20
Planning and strategy	4 50					4 50	1,777 50	395 00
Set up	15 30			2 00		17 30	6,233 50	360 32
<b>Total Hours /Costs</b>	<b>25 70</b>			<b>2 00</b>	<b>0 00</b>	<b>27 70</b>	<b>10,295 50</b>	<b>371 68</b>
<b>Total Fees Claimed (£)</b>							<b>7,000 00</b>	

#### Post-Appointment SIP 9

Classification of Work Function	Hours					Total Hours	Time Cost	Av hourly Rate
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>							£	£
Administration and planning	0 10	0 30			15 00	15 40	1,704 50	110 68
Appointment notification	2 50					2 50	987 50	395 00
Planning and strategy	1 00					1 00	395 00	395 00
Statutory reporting	0 20					0 20	79 00	395 00
Taxes Post Appointment	2 10	7 50		4 80	0 80	15 20	3,032 50	199 51
File reviews	1 20	1 00		0 90	2 30	5 40	1,102 50	204 17
Set up		0 10				0 10	29 00	290 00
Accounting - Other	0 60					0 60	237 00	395 00
<b>Realisation of Assets</b>								
Insuring	0 40					0 40	158 00	395 00
Assets - Other		0 10				0 10	29 00	290 00
<b>Creditors</b>								
Creditors Unsecured	7 80	0 10				7 90	3,110 00	393 67
<b>Case Specific Matters</b>								
Case specific	6 80					6 80	2,686 00	395 00
<b>Total Hours /Costs</b>	<b>22 70</b>	<b>9 10</b>		<b>5 70</b>	<b>18 10</b>	<b>55 60</b>	<b>13,550 00</b>	<b>243 71</b>
<b>Total Fees Claimed (£)</b>							<b>6,077 00</b>	

#### Category 2 Disbursements

Other amounts paid or payable to the office holder's firm or to party in which the office holder or his firm or any associate has an interest

Transaction Date	Type and Purpose	Amount
		£
09/05/2013	Milage	56 34
03/06/2013	Companies House searches	5 00
08/06/2013	Postage	32 14
02/04/2014	Postage	6 00
	<b>Total £</b>	<b>99.48</b>

Appendix C

Statement of Remuneration / Expenses

For period 24 May 2013 to 23 May 2014

Account	Incurring In Period	Accrued In Period	Total In Period
Specific Bond	185 00	0 00	185 00
Joint liquidators' fees*	13,077 00	9,368 50	22,445 50
Joint liquidators' fees written off*	0 00	(9,093 50)	(9,093 50)
Joint liquidators' expenses	93 48	6 00	99 48
Review Of Tax Position & Implications	1,000 00	0 00	1,000 00
Advice on the Structuring	750 00	0 00	750 00
Legal Fees Manches LLP	9,188 56	0 00	9,188 56
Statutory Advertising	493 65	0 00	493 65
Bank Charges	120 52	0 00	120 52
<b>Total</b>	<b>24,908 21</b>	<b>281 00</b>	<b>25,189 21</b>

\* Of the £9,368 50 accrued liquidators' fees, £9,093 50 has been written off as excess statutory work covered by the £7,000 fixed fee

## Appendix D

### Members' rights to request information under Rule 4.49E and their right to challenge the liquidators' remuneration & expenses under Rule 4.148C

#### 4.49E – Creditors' and members' request for further information

- 1) If –
  - a) Within the period mentioned in paragraph (2)
    - i A secured creditor, or
    - ii An unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
    - iii Members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or
  - b) With the permission of the court upon an application made within the period mentioned in paragraph (2) –
    - i Any unsecured creditor, or
    - ii Any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B (1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

- 2) The period referred to in paragraph (1)(a) and (b) is –
  - a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and
  - b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report of draft report in any other case
- 3) The liquidator complies with this paragraph by either –
  - a) Providing all of the information asked for, or
  - b) So far as the liquidator considers that –
    - i The time or cost of preparation of the information would be excessive, or
    - ii 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
    - iii The liquidator is subject to an obligation of confidentiality in respect of the information,giving reasons for not providing all of the information
- 4) Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of –
  - a) The giving by the liquidator of reasons for not providing all of the information asked for, or
  - b) The expiry of the 14 days provided for in paragraph (1),and the court may make such order as it thinks just
- 5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131 (1B) or 4 148C(2) by such further period as the court thinks just
- 6) This Rule does not apply where the liquidator is the official receiver

**4.148C – Members' claim that remuneration is excessive**

- 1) Members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or any member with the permission of the court, may apply to the court for one or more orders in paragraph (6) on the grounds that-
  - a) The remuneration charged by the liquidator,
  - b) The basis fixed for the liquidators' remuneration under Rule 4 148, or
  - c) Expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

- 2) The Application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or 4 weeks when the liquidator has resigned in accordance with Rule 4 142) after receipt by the applicant of the report or account which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- 3) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it must not do so unless the applicant has had the opportunity to attend the court for a hearing of which the applicant has been given at least 5 business days' notice but which is without notice to any other party
- 4) If the application is not dismissed paragraph (3), the court shall fix a venue for it to be heard and give notice to the applicant accordingly
- 5) The applicant must at least 14 days before the hearing send to the liquidator a notice stating the venue and accompanied by a copy of the application and of any evidence which the applicant intends to adduce in support of it
- 6) If the court considers the application to be well-founded, it must make one or more of the following orders –
  - a) An order reducing the amount of remuneration which the liquidator was entitled to charge,
  - b) An order fixing the basis of remuneration at a reduced rate or amount,
  - c) An order changing the basis of remuneration,
  - d) An order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
  - e) An order that the liquidator or the liquidators' personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

And may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

- 7) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation