

Section 106

Return of Final Meeting in a
Creditors' Voluntary Winding UpPursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

07146132

Name of Company

Academic Concept Knowledge Ltd t/a AQnowledge

I / We

Jonathan James Beard, 2/3 Pavilion Buildings, Brighton, East Sussex, BN1 1EE

John Walters, 2/3 Pavilion Buildings, Brighton, East Sussex, BN1 1EE

Note The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly held-on/summoned for 30 July 2015 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of, ~~and that the same was done accordingly~~ / No quorum was present at the meeting,

2 give notice that a meeting of the creditors of the company was duly held-on/summoned for 30 July 2015 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of ~~and that the same was done accordingly~~ No quorum was present at the meeting

The meeting was held at Begbies Traynor, 2/3 Pavilion Buildings, Brighton, East Sussex, BN1 1EE

The winding up covers the period from 25 September 2014 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

Signed



Date 30 July 2015

Begbies Traynor (Central) LLP
2/3 Pavilion Buildings
Brighton
East Sussex
BN1 1EE

Ref AC065CVL/JJB/JW/SJW/MK

FRIDAY



A4CSSHQI

A07

31/07/2015

#50

COMPANIES HOUSE

Academic Concept Knowledge Ltd t/a AQnowledge (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation pursuant
to Section 106 of the Insolvency Act 1986 and Rule
4.126 of the Insolvency Rules 1986

Period: 25 September 2014 to 30 July 2015

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This 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 since appointment
- ❑ Outcome for creditors
- ❑ Remuneration and disbursements
- ❑ Liquidators' expenses
- ❑ Unrealisable assets
- ❑ Other relevant information
- ❑ 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"	Academic Concept Knowledge Ltd t/a AKnowledge (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Insolvency Act 1986 on 25 September 2014
"the liquidators", "we", "our" and "us"	Jonathan James Beard of Begbies Traynor (Central) LLP, 2/3 Pavilion Buildings, Brighton, East Sussex, BN1 1EE and John Walters of Begbies Traynor (Central) LLP, 2/3 Pavilion Buildings, Brighton, East Sussex, BN1 1EE
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"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

This is our final report and account of the liquidation

2. COMPANY INFORMATION

Trading name(s)	AQknowledge
Company registered number	07146132
Company registered office	Spoffoths LLP, Third Floor South, One Jubilee Street, Brighton, East Sussex, BN1 4GE
Former trading address	Suite 5 Denham House, 5 Norman Avenue, Epsom, KT17 3AB

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	25 September 2014
Date of liquidators' appointment	25 September 2014
Changes in liquidator (if any)	None

4. PROGRESS SINCE APPOINTMENT

Attached at Appendix 1 is our abstract of receipts and payments for the period from 25 September 2014 to 30 July 2015

Cash at Bank

Cash at bank in the sum of £7,014 41 was received from the Company's bankers shortly after liquidation

Book Debts

A general bad debt provision of 10% was applied to the Company's outstanding book debt ledger for the purpose of the directors' Statement of Affairs

The debtors have been pursued by this office, with the assistance of the directors

The sum of £314 98 has been received to date

The remaining sole debtor has disputed the sum outstanding. Due to this amount being nominal, I no longer deem it economical to pursue this debtor and the balance has subsequently been written off

Funds Held on Account

The balance of £1,513 00 was held on account by the Company accountant

It should be noted that the Company accountant has assisted the directors in preparing the statement of affairs. A fixed fee of £1,500 00 plus VAT was approved by the creditors at the Section 98 meeting and has been paid in full from the funds held on account

Bank Interest Gross

Bank interest of £8 63 has accrued in the liquidation

5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs included within the report sent to creditors further to our appointment as liquidators

On the basis of realisations, the outcome for each class of the Company's creditors is as follows

Secured creditor

There is no secured creditor

Preferential creditors

There are insufficient funds to pay a dividend to preferential creditors as the balance of funds have already been used for defraying the expenses of the liquidation

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

We confirm that no dividend is available for unsecured creditors as the funds realised have already been used for defraying the expenses of the liquidation. Consequently we have not taken steps to formally agree the claims of unsecured creditors

6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act 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 liquidation 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, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 25 September 2014 to 30 July 2015 amount to £7,471 00 which represents 40 60 hours at an average rate of £184 01 per hour

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

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 25 September 2014 to 30 July 2015
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 30 July 2015, we have drawn the total sum of £3,922 93 on account of our remuneration, against total time costs of £7,471 00 incurred since the date of our appointment. Our unbilled time costs of £3,548 07, have been written off as irrecoverable. However, we reserve the right to recover the written off costs in circumstances where the Company is restored to the register in the future as a result of assets that we are not aware of, subsequently coming to light

To 30 July 2015, we have also drawn disbursements in the sum of £416 29

No category 2 disbursements have been drawn

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' 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 since our appointment is attached at Appendix 3

8 UNREALISABLE ASSETS

In line with the directors' statement of affairs, the following assets have proved to be unrealisable

The computer equipment comprised of a broken laptop computer, which has no value

The Company website is registered in one of the director's names and the website development costs are deemed to have no value

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, as explained in the report circulated prior to the meeting of creditors convened pursuant to Section 98 of the Act, 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 Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company. Our assessment consisted largely of a detailed review of the Company's books and records. We also requested the completion of comprehensive questionnaires by all individuals who occupied the position of director during the period of 3 years prior to our appointment. To date we have not become aware of any potential additional recoveries for the estate.

Connected party transactions

We have not been made aware of any connected party transactions.

10. CONCLUSION

This report and account of receipts and payments will be laid before final meetings of the Company and the creditors to be held on 30 July 2015 in accordance with Section 106 of the Act.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, Sarah Worts in the first instance, who will be pleased to assist.



J J Beard
Joint Liquidator

Dated 30 July 2015

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 25 September 2014 to 30 July 2015

S of A £		£	£
	ASSET REALISATIONS		
7,054 37	Cash at Bank	7,014 41	
413 27	Book Debts	314 98	
NIL	Computer Equipment	NIL	
NIL	Website Development Costs	NIL	
	Funds Held on Account	1,513 00	
	Bank Interest Gross	8 63	
			8,851 02
	COST OF REALISATIONS		
	Statement of Affairs Fee	3,000 00	
	Accountant's Fee (Re Statement of Affairs)	1,500 00	
	Joint Liquidators' Fee	3,922 93	
	Statutory Advertising	355 32	
	Storage Costs	19 28	
	Stationery & Postage	23 69	
	Specific Bond	18 00	
	Bank Charges	10 00	
	Corporation Tax	1 80	
			(8,851 02)
	PREFERENTIAL CREDITORS		
(1,600 00)	Employees re Arrears/Hol Pay	NIL	NIL
	UNSECURED CREDITORS		
(24,091 62)	Trade Creditors	NIL	
(80,512 16)	Employees re Redundancy/Notice	NIL	
(49,030 00)	Directors	NIL	NIL
	DISTRIBUTIONS		
(40 00)	Ordinary Shareholders	NIL	NIL
(147,806 14)			-

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 25 September 2014 to 30 July 2015

TIME COSTS AND DISBURSEMENTS

SECTION A

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. Best practice guidance² requires 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 usually 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 incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(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 (London £150) 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

TIME COSTS AND DISBURSEMENTS

SECTION B

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 Brighton office as at the date of this report are as follows:

Grade of Staff	Charge-out Rate 1 May 2011 until further notice (£ per hour)	Charge-out Rate 1 July 2008 to 30 April 2011 (£ per hour)
Partner	395	350
Director	345	325/295
Senior Manager	310	295
Manager	265	250
Asst Manager	205	195
Senior Administrator	175	160
Administrator	135	130
Junior Administrator	110	100
Cashier	110	100
Secretarial	110	100

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in 6 minute units.

TIME COSTS AND DISBURSEMENTS

SECTION C

SUMMARY OF OFFICE HOLDERS' TIME COSTS

1 CASE OVERVIEW

1.1 Summary

This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

The majority of our time cost in this case has been incurred in dealing with our statutory duties as liquidators

1.3 Exceptional responsibilities

No exceptional responsibilities have arisen in this case to date

1.4 The office holders effectiveness

We believe that we have dealt with all matters arising in this liquidation to date appropriately and at least cost to the liquidation estate

1.5 Nature and value of property dealt with by the office holders

Nature of property	Value (£)
Cash at Bank	7,014 41
Book Debts	314 98
Funds Held on Account	1,513 00
Bank Interest Gross	8 63

1.6 Anticipated return to creditors

There will be no dividend distribution to any class of creditor

1.7 Time costs analysis

An analysis of time costs incurred between 25 September 2014 and 30 July 2015, prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

Appropriately experienced staff undertook the various tasks arising in the liquidation to ensure matters were properly dealt with at the least cost to the liquidation estate

The time costs analysis provides details of work undertaken by us and our staff following our appointment only

1.8 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 summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors at the Section 98 meeting. This has been paid from the liquidation estate

At the same meeting, it was also agreed that the Company accountant be paid the sum of £1,500 00 plus VAT for assisting the directors in preparing the statement of affairs. This has been paid in full.

1 9 The views of the creditors

Creditors were invited to attend a meeting of creditors pursuant to Section 98 of Act which was duly held on 25 September 2014. At the meeting, creditors were presented with the director's company history and the Statement of Affairs. Creditors were invited to ask questions in relation to the Company's trading and financial position and the liquidation process. Shortly following the meeting a report was issued to all known creditors inviting them to contact us with any questions or concerns in relation to the Company, the conduct of the directors, the liquidation process, or any other matters that they felt should be brought to our attention. Section 10 of this report details creditors' rights to request further information in relation to our remuneration and expenses.

1 10 Approval of fees

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act 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 liquidation.

1 11 Approval of Expenses and Disbursements

We are authorised to draw disbursements in accordance with our firm's policy as agreed by creditors at the meeting held pursuant to Section 98 of the Act.

1 12 Category 2 Disbursements

No category 2 disbursements have been charged in this case.

1 13 Other professionals employed & their costs

Professionals employed	Purpose	Cost (£)
Spoffthorpe LLP	Assisting with the preparation of the Statement of Affairs	1,500 00

2. EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 2.

2 2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2.

3. SUMMARY OF WORK CARRIED OUT SINCE OUR APPOINTMENT

3 1 Since the date of our appointment, the following work has been carried out:

- Dealing with our statutory duties as liquidators
- Providing creditors with notice of our appointment
- Reviewing the Company's books and records and preparing a submission to the Department for Business, Innovation and Skills on the conduct of the directors during the period prior to our appointment
- Realising the Company assets
- Dealing with creditors' telephone calls and correspondence
- Preparing this report

184 01

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Accountant's fee	Spoffoths LLP	1,500 00	1,500 00	Nil
Statutory Advertising	Courts Advertising Limited	355 32	355 32	Nil
Storage Charges	Restore plc	19 28	19 28	Nil
Stationary & Postage	Neopost (UK) Limited	23 69	23 69	Nil
Specific Bond	AUA Insolvency Risk Services Limited	18 00	18 00	Nil