

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 7 5 7 4 1 7 5
Company name in full Synapse Information Limited

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

2 Liquidator's name

Full forename(s) Gavin
Surname Bates

3 Liquidator's address

Building name/number The Old Rectory
Street Main Street
Post town Glenfield
County/Region Leicester
Postcode L E 3 8 D G
Country

4 Liquidator's name ①

Full forename(s)
Surname

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

5 Liquidator's address ②

Building name/number
Street
Post town
County/Region
Postcode
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 5	^m 0	^m 8	^y 2	^y 0	^y 2	^y 2
To date	^d 2	^d 4	^m 0	^m 8	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X *L L Bate*

X

Signature date

^d 1	^d 7	^m 1	^m 0	^y 2	^y 0	^y 2	^y 3
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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 Sharon Hill

Company name Smart Business Recovery Limited

Address The Old Rectory

Main Street

Post town Glenfield

County/Region Leicester

Postcode L E 3 8 D G

Country

DX

Telephone 0116 2325117



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

Synapse Information Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 25/08/2022 To 24/08/2023 £	From 25/08/2022 To 24/08/2023 £
	SECURED ASSETS	
	Goodwill	1.00
		1.00
	SECURED CREDITORS	
(327,292.00)	Asset Advantage Limited	NIL
		NIL
	ASSET REALISATIONS	
13,482.94	Cash at Bank - Client Account	13,482.94
1,400.00	Furniture & Equipment	897.00
NIL	Investments	NIL
10,000.00	IPR	102.00
	Other Refunds	4,520.48
		19,002.42
	COST OF REALISATIONS	
	Agents/Valuers Fees	500.00
	Bordereau Premium	370.00
	Liquidators Remuneration	10,000.00
	Motor Expenses	38.70
	Postage	32.30
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	PREFERENTIAL CREDITORS	
(17,851.29)	Employee Arrears/Hol Pay	NIL
		NIL
	SECONDARY PREFERENTIAL CREDITORS	
(189,103.40)	HMRC	NIL
		NIL
	UNSECURED CREDITORS	
(174,570.00)	Associated Company	NIL
(143,434.00)	Banks/Institutions	NIL
(62,406.29)	Employees / Directors	NIL
(106,462.22)	HP/Lease Agreements	NIL
(1,187,475.00)	Investors	NIL
(278,581.95)	Trade & Expense Creditors	NIL
		NIL
	DISTRIBUTIONS	
(2,385.00)	Ordinary Shareholders	NIL
		NIL
(2,464,678.21)		6,691.06
	REPRESENTED BY	
	Bank 1 Current	4,502.59
	Fixed Ch Vat Payable	(0.20)
	Vat Payable	(199.80)
	Vat Receivable	2,388.47
		6,691.06

Gavin Bates

Gavin Bates
Liquidator

LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS FOR THE YEAR ENDING 24 AUGUST 2023

SYNAPSE INFORMATION LIMITED FORMERLY KNOWN AS REAL TIME CHANGE LIMITED ("THE COMPANY") – IN CREDITORS' VOLUNTARY LIQUIDATION

EXECUTIVE SUMMARY

Synapse Information Limited ("the Company") was founded in 2012 by a British entrepreneur and Silicon Valley veteran. The Company offered integrated database expertise to various companies, including blue companies and banks.

Following the death of the founder and the lasting impact the Covid 19 pandemic had had on the Company, the remaining director took the decision to bring the business to a close and I was instructed to assist with the controlled wind down of the Company.

The Company held little in the way of fixed assets but held substantial Intellectual Property ("IP"), cash at bank and some furniture and equipment. However, despite a marketing campaign, little interest was received in the IP, which was sold for substantially less than its book value.

STATUTORY INFORMATION

Company name:	Synapse Information Limited formerly known as Real Time Change Limited
Registration number:	07574175
Principal Trading Address:	33 Ludgate Hill, Birmingham, B3 1EH
Registered Office:	The Old Rectory, Main Street, Glenfield, Leicester, LE3 8DG
Former Registered Office:	33 Ludgate Hill, Birmingham, B3 1EH
Principal trading activity:	IT Consultancy and Support
Liquidator's names:	Gavin Bates
Liquidator's address:	The Old Rectory, Main Street, Glenfield, Leicester, LE3 8DG
Liquidator's contact details:	gavin@smartbusinessrecovery.co.uk and 0116 232511
Date of appointment:	25 August 2022

LIQUIDATOR'S ACTIONS SINCE THE APPOINTMENT OF THE LIQUIDATOR

Following my appointment, I undertook to circulate notice of the appointment to all known stakeholders including writing to Companies House, the shareholders, all known creditors and HM Revenue & Customs ("HMRC"). I also advertised details of the Liquidation and my appointment in the London Gazette.

I wrote to the director to obtain information regarding the affairs of the Company, to undertake my statutory investigations into the Company and also to fulfil my reporting requirements in respect of the actions of the director. I also obtained the electronic records of the Company.

The statement of affairs identified assets, which consisted of Intellectual Property ("IP"), items of furniture and computer equipment, as well as cash at bank.

Accordingly, I instructed my agents to contact the director in order to review the assets, specifically the IP, as I had received various enquiries from interested parties prior to my appointment.

As various parties expressed interest in the IP, my agents issued several non-disclosure agreements due to the commercial nature of the IP. After providing information to the interested parties a deadline was set for final offers.

However, the offers received were substantially below the book value and estimated to realise value. This was because the interested parties recognised that the IP was particularly specialised, and that most of the contracts held by the Company had been paid for upfront by the customers. This would mean that any purchaser would potentially be taking on liabilities and this was reflected in the quantum of the offers.

My agents recommended that the offer from the highest bidder, being £1,000, be accepted, which I did and my agents issued an invoice and received payment.

I have also liaised with the Company's bank in order to realise any balances held, as well as arranging for the monies held by this firm prior to my appointment to be transferred to the liquidation account.

I have also liaised with the Company's employees in order to assist with their claims with the Redundancy Payments Services. I also contacted the Pensions Regulator and pension scheme provider in order to advise of my appointment and to bring the Company pension up to date and close it down.

I was also approached by a company specialising in the review of historic rate reviews. Accordingly, I instructed them to act on my behalf in reviewing the Company's historic rates, following which I was advised that the Company was entitled to refunds, which have been received.

I also wrote to HMRC to advise of my appointment and request the de-registration of the Company for VAT purposes. To date, I have not received confirmation that the Company has been de-registered and, therefore, I am unable to recover the VAT receivable in this matter.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since the appointment of the Liquidator is contained in Appendix 1.

RECEIPTS AND PAYMENTS

My receipts and payments account for the period from 25 August 2022 to 24 August 2023 is attached at Appendix 2. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

The balance of funds is held in a non-interest bearing estate bank account.

ASSETS

Intellectual Property, Goodwill, Furniture & Equipment

As detailed above, the assets were sold for £1,000, which was broken down as follows:

Goodwill	£1
IP	£102
Furniture & Equipment	£897

All assets have been sold and, therefore, no further realisations are expected.

Cash at Bank – Client Account

I have received £13,483 from the Company's cash balance, held by Smart Business Recovery Limited prior to my appointment. No further realisations will be made.

Other Refunds

I have realised £4,520 in respect of review of the historic rates, which led to this refund. No further realisations will be made.

PRE-APPOINTMENT FEES

The Board previously authorised the payment of a fee of £5,000 for my assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator

The fee for preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator was paid by the Company.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation.

Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the twenty-four months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Liquidation and made enquiries about the reasons for the changes.

There were no matters that justified further investigation in the circumstances of this appointment.

Finally, within three months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

LIQUIDATOR'S REMUNERATION

My remuneration was approved by the creditors by way of a decision procedure undertaken by correspondence, which concluded on 19 October 2022 on a fixed fee basis of £10,000 for my work in respect of all matters in the liquidation, being Administration, Creditors, Realisation of Assets and Investigations.

I have drawn £10,000 to 24 August 2023 in respect of work done for which my fees were approved as a fixed fee.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at www.creditorinsolvencyguide.co.uk. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.smartbusinessrecovery.co.uk/creditors-guide-to-fees. There are different versions of these Guidance Notes, and in this case please refer to the most recent version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which can be accessed at www.smartbusinessrecovery.co.uk/site/main-menu/about-us/useful-links-2/practice-fee-recovery.

LIQUIDATOR'S EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

Category 1 Expenses

I have incurred the following category 1 expenses in the Liquidation:

Nature of category 1 expense	Amount incurred/ accrued in reporting period (£)	Amount incurred/ accrued in total (£)	Amount unpaid (£)
Bordereau Premium	370.00	370.00	-
Statutory Advertising	258.60	258.60	-
Postage	33.25	33.25	0.95
Property agents	1,082.76	1,082.76	-
Agents' costs	500.00	500.00	-
Total	2,244.61	2,244.61	0.95

I have paid category 1 expenses of £2,273.66 to date, as indicated in the attached receipts and payments account.

I have used the following professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
PDS Valuers	Valuer/Auctioneer	Time costs
Exacta plc	Property agents	Percentage of realisations

PDS Valuers is a valuation and auctioneer firm regulated by The National Association of Valuers and Auctioneers. It has assisted with the valuation of business assets and liaised with the interested parties on my behalf. The firm was instructed as it has significant experience and expertise in dealing with the assets of distressed and insolvent businesses. This has led to the sale of assets in this matter, which has contributed to the payment of the costs of the liquidation. It has confirmed that it holds adequate Professional Indemnity Insurance.

Exacta plc is an independent business rates auditors in the UK and one of the largest firms providing this service. However, due to their expertise in this field, they are competitively priced. The firm was instructed because of this and the instruction has led to the recovery of rates, which has led to the payment of the liquidation costs and expenses. It has confirmed that it holds adequate Professional Indemnity Insurance.

My choice of professional advisors was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case and represents value for money

Category 2 Expenses

I am required to seek approval before I can pay any expenses to associates or pay expenses where there is an element of shared costs, which are known as category 2 expenses. I have obtained approval to pay the category 2 expenses and I have incurred the following category 2 expenses in the Liquidation.

Nature of category 2 expense	Amount incurred/ accrued in reporting period (£)	Amount incurred/ accrued in total (£)	Amount unpaid (£)
Printing	30.00	30.00	-
Travel	38.70	38.70	-
Total	68.70	68.70	-

I have not paid category 2 expenses of £68.70 to date, as indicated in the attached receipts and payments account.

Comparison of estimated expenses with actual expenses incurred

Nature of expense	Estimated expenses (£)	Expenses incurred in total (£)
Bordereau Premium	370.00	370.00
Statutory Advertising	258.60	258.60
Postage	200.00	33.25
Storage	150.00	-
Valuation agents	500.00	500.00
Travel	100.00	38.70
Printing	200.00	30.00
Total	1,778.60	1,230.55

As you can see above, the total expenses I have incurred to date are in line with the total expenses I estimated I would incur when my remuneration was approved and I do not expect to exceed my estimate of expenses.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charges.

Asset Advantage Limited ("AAL") holds a fixed and floating charge, which was created on 5 March 2019 and was registered on 6 March 2019, comprising fixed charges on book debts and goodwill etc and a floating charge over the remaining assets. It is understood that the AAL is owed approximately £327,292. A payment will be made to AAL in respect of the sale of the fixed assets in the sum of £1.

HSBC Bank plc ("HSBC") holds a fixed and floating charge, which was created on 27 March 2020 and was registered on 28 March 2020, comprising fixed charges on book debts and goodwill etc and a floating charge over the remaining assets. It is believed that HSBC is not owed any money in respect of its fixed or floating charge.

There are provisions of the insolvency legislation that require a Liquidator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property" ("prescribed part"). A Company's net property is that left after paying

the preferential creditors, but before paying the lender who holds a floating charge. Any costs of the liquidation that are payable before the Liquidator has reached a position to make a distribution to the floating charge holder have to be deducted from floating charge realisations before arriving at an amount for the "net property" of the Company. As a result, the costs associated with realising floating charge assets, paying preferential claims in full, the general costs of winding up and the costs of confirming the validity of the floating charge will have to be deducted before the "net property" is calculated. The "prescribed part" that the Liquidator then has to set aside for unsecured creditors is:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property

up to a maximum of £600,000.

As the floating charges were registered after 15 September 2003, I will be required to make a prescribed part of the Company's net property available to the unsecured creditors. The information known to me at present indicates that the net property of the Company is nil, such that the prescribed part provisions do not apply.

Preferential Creditors

The statement of affairs anticipated £17,851 in respect of ordinary preferential creditors relating to employee claims and £189,103 in respect of secondary preferential creditors relating to HMRC's claim. A final claim from HMRC totaling £164,548 has been received.

It is likely that a distribution will be made to ordinary preferential creditors only.

Crown Creditors

The statement of affairs did not include liabilities owed to HMRC in respect of their non-preferential claim. However, HMRC has submitted a final non-preferential claim of £35,902.

Non-preferential Unsecured Creditors

The statement of affairs included twenty-six non-preferential unsecured creditors with an estimated total liability of £1,952,929. I have received claims from three creditors at a total of £254,659. I have not received claims from twenty-three creditors with original estimated claims in the statement of affairs of £1,703,033.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidator's remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Smart Business Recovery Limited can be found at www.smartbusinessrecovery.co.uk/site/main-menu/useful-reference/provision-of-services-regulations-summary-sheet.

SUMMARY

The Liquidation will remain open until matters with HMRC have been fully resolved. I estimate that this will take approximately six months and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Sharon Hill on 0116 2325117, or by email at sharon@smartbusinessrecovery.co.uk.

A handwritten signature in black ink, appearing to read 'Gavin Bates', written in a cursive style.

Gavin Bates
Liquidator

Appendix 1 Details of Work undertaken to date

Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that an office holder must follow.

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to staff to undertake the work on the case.

Setting up physical/electronic case files.

Setting up the case on the practice's electronic case management system and entering data.

Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.

Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder must obtain for each insolvency appointment).

Convening a decision procedure to seek a decision from creditors to approve the basis of remuneration.

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the estate bank account.

Creating, maintaining and managing a cashbook.

Undertaking regular bank reconciliations of the estate bank account.

Reviewing the adequacy of the specific penalty bond on a quarterly basis.

Undertaking periodic reviews of the progress of the case.

Overseeing and controlling the work done on the case by case administrators.

Preparing, reviewing and issuing annual progress reports to creditors and members.

Filing returns at Companies House.

Realisation of Assets

This represents the work involved in the protection and realisation of assets, which is undertaken directly for the benefit of creditors.

Liaising with the bank regarding the closure of the account.

Instructing agents to value assets.

Liaising with agents to realise assets.

Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of their statutory functions.

Employees - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Service. The office holder is required to undertake this work as part of their statutory functions.

Dividends - the office holder has to undertake certain statutory formalities in order to enable them to pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors. This work is primarily undertaken for the benefit of creditors, but it also includes work that the office holder is required to undertake as part of their statutory functions.

Obtaining information from the case records about employee claims.

Completing documentation for submission to the Redundancy Payments Service.

Corresponding with employees regarding their claims.
Liaising with the Redundancy Payments Service regarding employee claims.
Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
Maintaining up to date creditor information on the case management system.
Issuing a notice of intended dividend and placing an appropriate gazette notice.
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.

Investigations

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure, and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors.

Recovering the books and records for the case.
Listing the books and records recovered.
Submitting an online return on the conduct of the Directors as required by the Company Directors Disqualification Act.
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.
Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.

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To 24/08/2023

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(174,570.00)	Investors	NIL	
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(2,385.00)	DISTRIBUTIONS		
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