

LIQ03

Notice of progress report in voluntary winding up



Companies House



1 Company details

Company number 08028912

Company name in full Airbeem Limited

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

2 Liquidator's name

Full forename(s) Paul

Surname Cooper

3 Liquidator's address

Building name/number 26 - 28 Bedford Row

Street

Post town London

County/Region

Postcode WC1R 4HE

Country

4 Liquidator's name ①

Full forename(s) Paul

Surname Appleton

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

5 Liquidator's address ②

Building name/number 26 - 28 Bedford Row

Street

Post town London

County/Region

Postcode WC1R 4HE

Country

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

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 2	^d 8	^m 0	^m 6	^y 2	^y 0	^y 1	^y 9	
To date	^d 2	^d 7	^m 0	^m 6	^y 2	^y 0	^y 2	^y 0	

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X <i>Paul</i> X								
Signature date	^d 0	^d 3	^m 0	^m 8	^y 2	^y 0	^y 2	^y 0	

LIQ03

Notice of progress report in voluntary winding up



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 **Adam Shama**

Company name **David Rubin & Partners**

Address

26 - 28 Bedford Row

Post town **London**

County/Region

Postcode

W C 1 R 4 H E

Country

DX

London/Chancery Lane

Telephone

020 7400 7900



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

IN THE MATTER OF
AIRBEEM LIMITED - IN LIQUIDATION
AND
THE INSOLVENCY ACT 1986

THE JOINT LIQUIDATORS' FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE YEAR ENDED 27 JUNE 2020

AIRBEEM LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

CONTENTS

- a. Introduction
- b. Statutory information
- c. Joint Liquidators' names and address
- d. Any Change in the Office Holders
- e. Details of progress during the period and summary account of receipts and payments
- f. Joint Liquidators' Remuneration and Expenses
- g. Creditors and distributions
- h. Investigations
- i. Details of what remains to be done
- j. Next report

APPENDICES

- A. Receipts and Payments Account from 28 June 2019 to 27 June 2020
- B. Time Analysis for the period 28 June 2019 to 27 June 2020

AIRBEEM LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

The Company was placed into Liquidation by a Special Resolution of the Members followed by a Virtual Meeting of Creditors, both held on 28 June 2019. This report provides an update on the progress in the Liquidation pursuant to Section 104A of the Insolvency Act 1986 for the year ended 27 June 2020.

Rule 18.3: Progress Report

(b) Statutory information

Company name: Airbeem Limited
Registered office: 26 - 28 Bedford Row, London, WC1R 4HE
Company number: 08028912
Trading address: 5th Floor, Bischheim House, 19-20 Berners Street, London, W1T 3NW

(c) Joint Liquidators' names and address:

Paul Cooper and Paul Appleton, Office Holder Numbers 15452 and 8883 respectively, of David Rubin & Partners, and they may be contacted in writing at 26 - 28 Bedford Row, London, WC1R 4HE.

(d) Any changes in the Office Holder

We were appointed as Joint Liquidators of the Company on 28 June 2019. There has not been a change in the Office Holders since the original appointment date.

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively:

A Receipts and Payments Account is attached at Appendix A, which is further explained below.

1. Receipts

1.1 Intellectual Property & Customer Contracts

Creditors will recall that prior to Liquidation, independent Agents, Williams & Partners Ltd ("W&P"), had reviewed the Company's historic turnover figures, customer base, sales pipeline, integrity of the platform, source code, including the underlying Engine, and ultimate potential to an interested party. Consequently, they had concluded that if a sale could be achieved in-situ, a value for the Intellectual Property and Customer Contracts could be secured as it minimised erosion of client confidence, preserved values and avoided protracted procedural delay. However, in the event that it was not possible to negotiate a sale to a willing buyer, W&P assessed that there would be little or no realisations achieved for these assets.

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively...Cont.

Accordingly, following our appointment, W&P were instructed to enter into negotiations with all interested parties. Whilst there were initial expressions of interest, all those parties withdrew from the sales process in the first few weeks of Liquidation. In that regard, due to the nature of the code and platform, W&P undertook a limited marketing campaign, which involved directly approaching customers, other parties that were suggested by the former management, and all Shareholders of the Company.

However, given the length of time that had passed since the Company had ceased to trade and that the employees, who were integral to the continued development of the platform, had likely found employment elsewhere, it became apparent that the assets would not realise any value. Accordingly, no realisations have been made in this regard.

1.2 Leasehold Property and Office, Computer Equipment and Fixtures & Fittings

W&P had assessed the position regarding the Lease prior to appointment. The premises were subject to a Lease from September 2018 for a 5-year term at an annual rental of £112,590 plus VAT. No premium was payable on the commencement of the term and the Company had benefited from half-rent for a period of 6 months but it was understood that the Landlord held a rent deposit of £67,554. The rent had been paid until 24 June 2019, albeit the next quarter had fallen due at the date of Liquidation.

W&P had been liaising with prospective purchasers to identify whether sufficient value could be achieved in providing a Licence to Occupy, subject to the Landlord's approval, as part of a sale of the business as a going concern. However, given that no agreement could be secured for a sale as detailed in the previous section, it was not possible to agree a deal on the Lease either.

Given that the Landlord still held a rent deposit and it could be considered that there might be a value to the unexpired term of the Lease, I instructed specialist property agents, Robert Irving Burns ("RIB"), to review the market and enter into negotiations with the Landlord on my behalf to try and secure a value for the benefit of the Liquidation Estate. Whilst a new tenant was secured, it was not willing to take an assignment of the existing Lease. In that regard, it was mutually agreed between all stakeholders that there would be a simultaneous surrender of the Lease and new Lease being entered into with the new tenant. It was also agreed that an element of the rent deposit would be refunded to the Liquidation Estate. It was not possible to secure the full refund, as the Landlord had deducted an element of the June rent quarter together with dilapidations.

In addition, as part of that agreement, the Company's computer equipment and fixtures and fittings, which were valued as having a nil value on a forced sale basis by W&P, were to be abandoned on site for the benefit of the new tenant.

The surrender documentation was executed at the end of July 2019.

AIRBEEM LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively...Cont.

1.3 Rent Deposit

As detailed above, as part of the Surrender agreement, the Joint Liquidators, in conjunction with RIB, managed to secure the sum of £33,258.57 in respect of the rent deposit.

1.4 Book Debts

As disclosed within the Estimated Statement of Affairs ("ESOA"), the Company was owed £68,298 in respect of the outstanding sales ledger, of which there were two customers owed 83% of this sum. However, it was likely that one of those customers was intending to issue claims for breach of contract against the Company, which might consume the entire value of their outstanding invoices. As a result, and given the uncertainties that might arise as a result of Liquidation, a prudent assessment of 75% of the remaining book debts was disclosed in the ESOA.

Following appointment, I entered into extensive correspondence, in conjunction with W&P, with the customer in relation to the disputed debt, which totalled circa £41,000. After much negotiation, it was agreed on 7 August 2019 that the sum of £20,181 would be paid into the Liquidation Estate in full and final settlement of the debt and any claims issued against the Company.

Thereafter, the four remaining debtors, totalling £27,000, were written to on 3 September 2019. A similar response was received from each of the debtors, detailing their reasons as to why there were no monies outstanding. Each response stated that the invoices generated by the Company related to products that were never provided following a prepayment previously made. Consequently, the Company owed each debtor money for the prepayment, with each debtor subsequently submitting a claim within the Liquidation proceedings.

In light of the information above, each debt was written off accordingly and no further realisations are expected in this regard.

1.5 Cash at Bank

The sum of 80 pence was remitted by HSBC Bank plc in respect of funds held in the former bank account.

1.6 Cash Held on Appointment

The amount of £7,500 was held by our Firm, prior to the appointment of Joint Liquidators specifically for the purpose of meeting the costs of the "Statement of Affairs" fee, detailed below at 2.1.

In addition a further £35,337.08 of cash was held on appointment. This pertained to the balance at the Company's bank account held with HSBC Bank plc, which was transferred primarily to protect the assets and ensure that any payments required in maintaining business-critical services could be easily made, from these funds during the hiatus period between instruction and the date of Liquidation.

AIRBEEM LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively...Cont.

1.7 Contribution to AWS Costs

As part of the settlement detailed in 1.4, H&C remitted the sum of \$3,437.80 (£2,709) plus VAT to our agents in order to facilitate the cost of continuing access to the Amazon Web Services server. H&C required this service in order to maintain the services provided by the Company, which was used for a period of 16 consecutive days.

1.8 Bank Interest Gross

The funds in hand are held in an interest bearing account with a High Street Bank in my name as Office Holder of the Company.

2. Payments

2.1 Statement of affairs fee

This fee relates to the assistance given to the Directors of the Company in preparing the Statement of Affairs under Section 99 of the Insolvency Act 1986 and necessary expenses in respect of the Decision Procedure to seek a Decision from the creditors on the nomination of Joint Liquidators under R6.14 of the Insolvency (England and Wales) 2016. This fee was approved at the Virtual Meeting of creditors.

2.2 Specific bond

The Specific Bond is the cost of insurance, based on the level of realisations by the Joint Liquidators, as required by the Insolvency Practitioners Regulations 2005.

2.3 Sundry Expenses

The sum of £13.40 was paid in respect of staff travel expenses.

2.4 Statutory Advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first meetings of the members and creditors, the notice of the appointment of the Joint Liquidators and to creditors to submit their claims in the liquidation.

2.5 Agents Fees

The amount of £4,500 was paid to W&P in respect of their fees for providing the valuation of the Company's business and assets, attempting to negotiate a sale and assisting with the collection of the book debts. In addition, the sum of £1,233.33 was paid in respect of disbursements incurred for safeguarding digital information held by the Company.

AIRBEEM LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively...Cont.

W&P were selected as agents on the basis of their experience and expertise in dealing with valuations and sale of assets in insolvency situations, taking into account the locality and size of the Company. The agreed basis of W&P's fees was a fixed fee of £1,000 plus VAT alongside 10% of net asset realisations. These fees have been paid, with no further amounts outstanding.

2.6 Professional Fees

The amount of £11,259 plus VAT was paid to RIB in respect of their services in negotiating a simultaneous surrender of the lease and a new lease being entered into by a third party, resulting in the repayment of the Company's rent deposit. The basis of RIB's fees consisted of 10% of the Company's rent of £112,590 per annum.

2.7 Postage Costs

This payment relates to courier services required for the delivery of legal documents.

2.8 Contractor Costs

In order to extract and safeguard the code that formulated the Intellectual Property held by the Company, we were required to utilise the services of a former employee in a contractor basis. The sum of £1,300 was paid in this regard for two days work at a daily rate of £650.

2.9 Statutory costs

The amount of £3 was paid in respect of fees for various searches and information obtained from the Land Registry.

2.10 Corporation Tax

Corporation Tax is due on bank interest received. The amount of £24.70 will be paid in this regard.

(f) Joint Liquidators' Remuneration and Expenses

1. Basis of remuneration

At the first meeting of Creditors, a resolution was passed approving that the basis of the remuneration of the Joint Liquidators be fixed by reference to the time properly spent by our staff and ourselves in attending to matters arising in the winding-up in accordance with the fees estimate produced to the meeting.

AIRBEEM LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(f) Joint Liquidators' Remuneration and Expenses...Cont.

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my Firm's charge-out rates was issued to creditors at the time the basis of the Joint Liquidators' remuneration was approved. These rates were set in November 2011 and have fallen substantially behind prevailing market rates for a business of our size and expertise. Accordingly, the rates were revised on 1 November 2018. Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows:-

	Previous £	Current £
Senior / Managing Partners	450	550
Partners/Office holders	300 - 395	495
Managers / Senior Managers	250 - 295	350 - 395
Senior Administrators	180 - 220	220 - 295
Administrators	130 - 160	160 - 200
Cashiers and Assistants	120 - 160	150 - 295
Supports	110 - 120	120 - 150

Chargeout rates are normally reviewed annually and are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

2. *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. *Joint Liquidators' remuneration*

The Joint Liquidators' time costs for the year under review are £57,012. This represents 173 hours and 6 minutes at an average rate of £329 per hour. I attach, as Appendix B, a Time Analysis which provides details of the activity during the year, analysed by staff grade.

I initially provided creditors with a fee estimate of £78,500 for the Liquidation. The time costs incurred to-date are within the budget provided and, based on current information, I do not expect the estimate to be exceeded.

AIRBEEM LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(f) Joint Liquidators' Remuneration and Expenses...Cont.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: A464@drco.co.uk

PASSWORD: 464Aas*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff is the following:-

- i) Dealing with creditors' enquiries both by correspondence and by telephone and noting their claims.
- ii) Applying for the Joint Liquidators' bond, as required by the Insolvency Practitioners Regulations 2005.
- iii) Carrying out all necessary investigations, including the examination of the company's statutory records and books of accounts and records in order to enable me to prepare and submit a Liquidator's report on the conduct of the Directors pursuant to the requirements of the Company Directors Disqualification Act 1986.
- iv) Dealing with all matters relating to book debts, including correspondence and telephone attendances with the debtors.
- v) Filing the appropriate documentation with Companies House.
- vi) Opening a designated bank account and dealing with the movement of funds.
- vii) Corresponding with former employees and the Redundancy Payments Service ("RPS") in respect of the redundancy entitlements and submission of the relevant redundancy payment forms to the RPS.
- viii) Instructing and liaising with W&P, in respect of providing an assessment of the value of the Company's assets and handling the negotiations in arranging a settlement agreement in respect of H&C TV.
- ix) Instructing RIB to aid and assist in negotiating a surrender of the Company's lease and new lease being entered into by a third party. Agreeing a settlement and finalising the surrender deed.
- x) Completion of the relevant tax and VAT returns.
- xi) Sundry and administrative duties.
- xii) Undertaking case reviews on a quarterly basis.

AIRBEEM LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(f) Joint Liquidators' Remuneration and Expenses...Cont.

4. Joint Liquidator's expenses

Expenses incurred in the Liquidation are explained at (e) above in my comments on the Receipts and Payments Accounts.

5. Creditors' rights – Rule 18.9 and Rule 18.34

- i) 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) may request in writing that the Liquidator provides further information about his remuneration or expenses which have been itemised in this progress report.
- ii) Any secured creditor, or an Unsecured Creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

(g) Creditors and Distributions

(i) (a) Secured creditors

There are no Secured Creditors.

(b) Prescribed Part

The Prescribed Part is not relevant in this matter.

(ii) Preferential creditors

There are preferential claims for those employees, who are owed unpaid wages and holiday pay. Under the provisions of Schedule 6 of the Act, any amounts outstanding to employees in respect of unpaid wages (up to a maximum of £800), outstanding annual leave entitlements and any unpaid pension contributions are afforded priority over the claims of floating charge creditors and ordinary unsecured creditors.

There are also preferential claims of 10 employees who are owed the balance of their holiday pay and arrears of wages, most of which will be subrogated to the RPS. Whilst I am yet to receive a preferential claim from the RPS, it is estimated that the total preferential claims will be £19,644.

The payment of a dividend to preferential creditors is dependent on the residual costs of the process.

AIRBEEM LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(g) Creditors and Distributions...Cont.

(iii) Unsecured creditors

The claims of 20 unsecured creditors totalling £534,021 have been received compared to 29 creditors totalling £667,651 disclosed on the Directors' Estimated Statement of Affairs. Based on current information, it is unlikely that there will be a dividend payable to the unsecured non-preferential creditors.

(h) Details of what remains to be done

All assets of the Company have been realised. There are certain administrative matters that need to be reviewed, including the allocation of funds, prior to considered the case for closure.

(i) Other information of relevance to creditors:

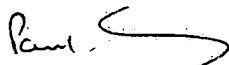
Investigations

1. In accordance with the Company Directors Disqualification Act 1986, I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy (BEIS). As this is a confidential report, I am not able to disclose the contents.
2. Shortly after my appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire, together with bank statements in respect of the accounts held by the Company. My examinations have not revealed any issues requiring further investigation.

(j) Next report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my Final Account which will conclude my administration of the Liquidation.

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact my team dealing with this matter at as-team@drpartners.com.



PAUL COOPER - JOINT LIQUIDATOR

DATE: 3 AUGUST 2020

AIRBEEM LIMITED - IN LIQUIDATION
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT
FROM 28 JUNE 2019 TO 27 JUNE 2020

	<u>Estimated</u> <u>to realise</u> £	<u>Realised</u> <u>27-Jun-20</u> £
<u>Receipts</u>		
Intellectual Property	Uncertain	Nil
Customer Contracts	Uncertain	Nil
Leasehold Property, Office & Computer Equipment, F&F	Uncertain	Nil
Rent Deposit	Uncertain	33,258.57
Book Debts	20,181.00	20,181.00
Cash at Bank	Uncertain	0.80
Cash Held on Appointment	43,037.00	44,337.08
Contribution to AWS Costs		2,709.38
Bank Interest Gross		130.22
		<u>100,617.05</u>
<u>Payments</u>		
Statement of Affairs fee		7,500.00
Specific Bond		316.80
Sundry Expenses		13.40
Statutory advertising		262.44
Agents/Valuers fees		5,733.33
Professional Fees		11,259.00
Postage Costs		8.02
Contractor Costs		1,300.00
Statutory Costs		3.00
		<u>26,395.99</u>
<u>Receipts less Payments</u>		<u>74,221.06</u>
<u>Represented by:-</u>		
Balance at bank		73,808.05
VAT Recoverable		413.01
		<u>74,221.06</u>

AIRBEEM LIMITED - IN CREDITORS VOLUNTARY LIQUIDATION

JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD 28 JUNE 2019 TO 27 JUNE 2020 SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
Statutory filings, circulars, notices, etc.	00:00	03:24	23:54	00:00	27:18	4,408.00	161.47
Case planning, strategy & control	00:48	00:42	06:36	00:00	08:06	1,728.50	213.40
Taxation: PAYE, C/Tax & VAT	00:00	02:00	03:06	00:00	05:06	1,282.00	251.37
Accounting & Cashiering	00:00	00:00	00:00	02:36	02:36	509.00	195.77
Case reviews & Diary maintenance	03:00	07:00	03:30	00:00	13:30	4,795.00	355.19
Shareholders' enquiries & distributions	00:48	01:54	01:48	00:00	04:30	1,433.00	318.44
Investigations							
CDDA matters & correspondence	00:00	01:00	00:00	00:00	01:00	395.00	395.00
SIP2 assessment and financial review	00:00	04:30	00:00	00:00	04:30	1,660.50	369.00
Antecedent transactions & wrongful trading	02:00	00:00	02:12	00:00	04:12	1,438.00	342.38
Realisation of assets							
Freehold & leasehold properties	06:00	14:42	00:00	00:00	20:42	8,371.50	404.42
Intangible assets	00:00	00:30	00:00	00:00	00:30	197.50	395.00
Book debts collection	02:00	08:30	05:06	00:00	15:36	5,103.50	327.15
Tangible assets	12:00	12:12	00:30	00:00	24:42	10,573.50	428.08
Creditors							
Unsec'd Creditors: correspondence & claims	13:30	07:06	06:54	00:00	27:30	10,621.00	386.22
Preferential creditors & employees	01:00	10:42	01:36	00:00	13:18	4,496.00	338.05
Total hours and costs	41:06	74:12	55:12	02:36	173:06	57,012.00	329.36