

AM23

Notice of move from administration to dissolution

FRIDAY



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14/07/2017

#126

COMPANIES HOUSE

1 Company details

Company number 0 8 7 0 6 2 9 9

Company name in full CMO Bidco Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, Chancery Division, Companies Court

Court number 3 3 6 2 o f 2 0 1 6

3 Administrator's name

Full forename(s) Catherine

Surname Williamson

4 Administrator's address

Building name/number The Zenith Building

Street 26 Spring Gardens

Post town Manchester


County/Region

Postcode M 2 1 A B

Country

AM23

Notice of move from administration to dissolution

5 Administrator's name ①	
Full forename(s)	Peter
Surname	Saville
① Other administrator Use this section to tell us about another administrator.	
6 Administrator's address ②	
Building name/number	6
Street	New Street Square
Post town	London
County/Region	
Postcode	E C 4 A 3 B F
Country	
② Other administrator Use this section to tell us about another administrator.	
7 Final progress report	
<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8 Sign and date	
Administrator's signature	<div>Signature</div> <div>X  X</div>
Signature date	<div>^d 1 ^d 0 ^m 0 ^m 7 ^y 2 ^y 0 ^y 1 ^y 7</div>

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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 **Conor Kelly**

Company name **AlixPartners**

Address **The Zenith Building**

26 Spring Gardens

Post town **Manchester**

County/Region

Postcode

M	2		1	A	B		
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Country

DX

Telephone



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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ¹
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ✓ Administrator
Administrative receiver
Receiver
Manager
Nominee
Supervisor
Liquidator
Provisional liquidator

¹ You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Kevin
Surname Coates

3 Insolvency practitioner's address

Building name/number 6
Street New Street Square
Post town London
County/Region
Postcode E C 4 A 3 B F
Country

Administrators' Final Progress Report for the period 21 June 2017 to 6 July 2017

CMO Bidco Limited
In Administration

10 July 2017

Contents

1. Why this report has been prepared	1
2. Summary of information for creditors	2
3. Administrators' proposals.....	3
4. Progress of the Administration.....	4
5. Unrealised assets.....	6
6. Outcome for creditors	7
7. What happens next.....	8

Appendices

Appendix A.	Statutory information
Appendix B.	Receipts and Payments Account for the period 21 June 2017 to 6 July 2017 and a Cumulative Account for the period since appointment
Appendix C.	Administrators' fees and disbursements
Appendix D.	Additional information in relation to the Administrators' fees

1. Why this report has been prepared

- 1.1 As you will be aware Catherine Williamson, Peter Saville and Kevin Coates (the **Administrators**) were appointed on 21 June 2016.
- 1.2 In accordance with UK insolvency legislation, an administrator is required to provide a progress report covering the period of six months commencing on the date on which a company entered into administration and every subsequent *period of six months or earlier if the administration has been finalised*. This progress report covers the period 21 June 2017 to 6 July 2017 (the **Period**) and should be read in conjunction with all previous reports.
- 1.3 This report has been prepared in accordance with rule 18.2 of the Insolvency Rules (England and Wales) 2016.
- 1.4 *All matters in this Administration have now been finalised and the purpose of this report is to provide a final update on the progress of the Administration, including details of assets realised during the Period, details regarding the Administrators' fees and the outcome for each class of creditor. For details of the exit route please see section 7.*
- 1.5 Details of the Administrators' fees and disbursements incurred are detailed at Appendices C and D.
- 1.6 More information relating to the Administration process, Administrators' fees and creditors' rights can be found on AlixPartners' creditor portal (**<http://www.alixpartnersinfoportal.com>**). Log-in details to access this information can be found within the covering letter you have received.
- 1.7 If you require a hard copy of this report or have any queries in relation to its contents or the Administration generally, please contact Conor Kelly on 0161 838 4518, by email at **creditorreports@alixpartners.com**, or write to AlixPartners' office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.

2. Summary of information for creditors

Dividend distributions

Description	Estimated/ Agreed debt £	Actual level of return £
Secured creditor	25.22 million	4.3 million
Unsecured creditors	30.55 million	Nil

Notes:

Secured creditor

The estimated sum due to Inflexion Private Equity Partners LLP (**Inflexion**) has been taken from the demand letter served on the Company, CMO Global Limited (**Global**) and CMO Software Limited (**Software**) (together the **Group**) dated 16 June 2016. Please note that this letter details a total debt of USD 36.98 million which has been converted at the exchange rate prevailing on the date of the appointment of the Administrators.

Global and Software are also in Administration and the secured debt is cross-guaranteed against all three companies within the Group. The return noted above is the total return from the Company.

The estimated return from the Group is approximately £7.6 million.

Unsecured creditors

The estimated debt has been taken from the directors' Statement of Affairs (**SoA**). There are no monies available for the unsecured creditors of the Company.

For further information please refer to section 6 of this report.

3. Administrators' proposals

- 3.1 As a reminder, an administrator of a company must perform their functions with a view to achieving one of the following objectives:

Objective 1: *rescuing a company as a going concern;*

Objective 2: *achieving a better result for a company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or*

Objective 3: *realising property in order to make a distribution to one or more secured or preferential creditors.*

- 3.2 In this case the Administrators pursued the second statutory objective. This has been achieved following the pre-packaged sale of the Group's business and assets which completed on 21 June 2016, immediately after the Administrators' appointment. Realisations from the sale totalled £7.68 million, of which £4.72 million was attributed to the Company's assets and is reflected in the Receipts and Payments Account at Appendix B.
- 3.3 Further details of the sale were provided in the Administrators' previous reports, copies of which are available to download from the creditors' portal, as detailed at section 1.6.

4. Progress of the Administration

- 4.1 Attached at Appendix B is the Administrators' Receipts and Payments Account for the Period, together with a Cumulative Account for the period since appointment. All expenses incurred have been paid.
- 4.2 In addition to their statutory objective detailed at section 3, the Administrators have duties imposed by insolvency and other legislation and their regulating professional bodies. The Administrators have set out information in respect of the progress of these duties in addition to that of the realisation of assets and distribution of available funds. The detail provided is intended to provide users of this report with information to allow them to understand how the Administrators' fees and expenses as set out in Appendices C and D have been incurred.

Finalisation of the Administration

- 4.3 The previous report dated 23 June 2017 advised that the assets of the Company had been realised; however, there were a number of administrative tasks to *complete and a significant post-appointment VAT refund to recover from HM Revenue and Customs (HMRC)* prior to the closure of the case.
- 4.4 The final VAT return has been submitted and all administrative matters are now complete. A total of £11,749 is due from HMRC and a trust deed document has been agreed, enabling the remaining balance to be made available to the lender once the monies have been received. The Company will therefore now move from Administration to dissolution and further details are provided at section 7.

Administration (including statutory reporting)

- 4.5 In addition to their duties relating to realising and distributing the assets of the Company, the Administrators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986. These included preparing bi-annual reports to creditors advising of the progress of the Administration, liaising with HMRC to determine the final position in respect of corporation tax, VAT and other taxes that may be owed by or to the Company, and for filing tax returns for the duration of the Administration.
- 4.6 In order to ensure the matters of the Administration were progressed sufficiently, the Administrators had a duty to conduct periodic case reviews and complete case checklists. In addition, the Administrators' treasury function also complied with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.
- 4.7 The time taken for statutory tasks is largely fixed, insofar as the cost of preparing a report to creditors or filing an annual return is similar for most cases, except where cases are very large or complex. Where the costs of statutory compliance and reporting to creditors exceeded the initial estimate, it will generally be because the duration of the case has been longer than expected, due to for example *protracted realisation of assets, and therefore additional periodic reports* have had to be prepared and distributed to stakeholders.

Creditors (claims and distribution)

- 4.8 There are no funds available to the unsecured creditors of the Company. Details of the outcome for creditors can be found in section 6.

5. Unrealised assets

- 5.1 All assets have now been realised and the Receipts and Payments Account at Appendix B reflects the final position on both realisations achieved and payments discharged during the course of the Administration.

6. Outcome for creditors

Secured creditor – Inflexion Private Equity Partners LLP

- 6.1 The Group granted fixed and floating charges to Inflexion on 23 October 2013. Full details of the charges granted have been provided in previous reports.
- 6.2 At the date of appointment Inflexion was owed £25.22 million (excluding interest and charges) under its security. The Company has distributed a total of £4.3 million to Inflexion.
- 6.3 It is estimated that the total return from the Group will be approximately £7.6 million. Inflexion will therefore suffer a shortfall on its lending.

Preferential creditors

- 6.4 The Company had no employees and therefore no preferential claims have been received.

Unsecured Creditors' Fund

- 6.5 Where there is a floating charge which was created on or after 15 September 2003, the Administrators are required to create a fund from the Company's net property available for the benefit of unsecured creditors (**Unsecured Creditors' Fund**), commonly known as the 'Prescribed Part'.
- 6.6 As the Company's net property was less than the prescribed minimum of £10,000, and the Administrators believed that the cost of making a distribution to unsecured creditors was disproportionate to the benefits, the Unsecured Creditors' Fund did not apply.

Unsecured creditors

- 6.7 Based on current information, unsecured creditors are approximately £30.55 million. There are insufficient funds to enable a dividend to be paid to the unsecured creditors of the Company.

7. What happens next

Exit route

Dissolution of the Company

- 7.1 The Company has no property to permit a distribution to its unsecured creditors. The Administrators will therefore file a notice, together with their final progress report, at court and with the Registrar of Companies for dissolution of the Company. The Administrators will send copies of these documents to the Company and its creditors. The appointment will end following the registration of the notice by the Registrar of Companies.

Discharge from liability

- 7.2 As approved by the secured creditor on 15 July 2016, the Administrators will be discharged from liability under paragraph 98 of schedule B1 of the Insolvency Act 1986 directly after their appointment as Administrators ceases to have effect.

Creditors' rights

- 7.3 Within 21 days of the receipt of the report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors), may request in writing that the Administrators provide further information about their fees or expenses which have been itemised in this progress report.
- 7.4 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors), may, within eight weeks of receipt of this progress report, make an application to court on the grounds that the basis fixed for the Administrators' fees is inappropriate, or that the fees or the expenses incurred by the Administrators as set out in this progress report are excessive.

For and on behalf of
CMO Bidco Limited



Catherine Williamson
Administrator

Encs

Appendix A. Statutory information

Company information

Company name	CMO Bidco Limited
Registered number	08706299
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Level 25 Mill Bank Tower, 21-24 Millbank, London, SW1P 4QP
Trading address	Level 25 Mill Bank Tower, 21-24 Millbank, London, SW1P 4QP
Trading name	CMO Bidco Limited
Court details	High Court of Justice, Chancery Division, Companies Court, The Strand, London
Court reference	3362 of 2016

Appointors' information

Name	Address	Position
Jon Andrew James Darragh Remi Jean-Luc Gerard Stephen Humphris	c/o The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	Directors

Administrators' information

Name	Address	IP number	Name of authorising body
Peter Mark Saville	c/o AlixPartners, 6 New Street Square, London, EC4A 3BF	9029	Insolvency Practitioners Association
Kevin James Coates	c/o AlixPartners, 6 New Street Square, London, EC4A 3BF	9261	Insolvency Practitioners Association
Catherine Mary Williamson	c/o AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	15570	Insolvency Practitioners Association

In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Administrators are to be exercised by any or all of the Administrators. All references to the Administrators should be read as the Joint Administrators.

Extension of Administration

The Administration has been extended for a period of six months to 20 December 2017 with the consent of the secured creditor.

Appendix B. Receipts and Payments Account for the period 21 June 2017 to 6 July 2017 and a Cumulative Account for the period since appointment

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
	-	363
4,716,226 Bank interest	-	4,716,226
Intellectual property	-	4,716,589
Payments		
Pre-appointment fees:		
Administrators' fees	-	100,000
Legal fees	-	246,168
Legal disbursements	-	11,733
Administrators' fees	-	34,200
Legal fees and disbursements	-	30,924
Bank charges	-	43
	-	(423,068)
Distributions		
Fixed chargeholder	168,776	4,293,521
	(168,776)	(4,293,521)
Balance of fixed charge assets	(168,776)	-
Floating charge assets		
Receipts		
30,072 Furniture and fittings	-	3,541
Office equipment	-	4,676
Bank interest	-	12
22,248 Cash at bank	-	22,336
	-	30,565
Payments		
Administrators' fees	-	24,300
Category 1 disbursements:		
Specific penalty bond	-	225
Telephone	-	19
Legal fees and disbursements	500	2,511
Bank charges	-	157
	(500)	(27,212)
Distributions		
Floating chargeholder	3,353	3,353
	(3,353)	(3,353)
Balance of floating charge assets	(3,853)	-
Total balance		-

Appendix C. Administrators' fees and disbursements

Fees

A copy of 'A Creditors' Guide to Administrations' can be downloaded from AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>). If you would prefer this to be sent to you in hard copy please contact the Administrators and they will forward a copy to you.

Approval of the Administrators' fees was sought in accordance with insolvency legislation. On 15 July 2016 the secured creditor approved that the basis of the Administrators' fees be fixed as a set amount totalling £40,000. On 3 April 2017 the secured creditor approved an uplift in the fees to £58,500 and this has been drawn in full, as detailed on the Receipts and Payments Accounts at Appendix B.

Administrators' disbursements

Category 1 disbursements of £244 have been drawn on account. Approval to draw category 2 disbursements has been given by the secured creditor although none have been drawn.

Appendix D. Additional information in relation to the Administrators' fees

Policy

Detailed below is AlixPartners' policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

Staff allocation and the use of sub-contractors

The Administrators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of a managing director or director, a vice president, an associate and an analyst. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Administrators' charge-out rate schedule overleaf provides details of all grades of staff.

With regard to support staff, time spent by their treasury department in relation to tasks such as recording transactions and dealing with bank accounts is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution.

The Administrators have not utilised the services of any sub-contractors in this case.

Professional advisors

On this assignment the Administrators have used the professional advisor listed below. The Administrators have also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
Latham & Watkins LLP (legal advice)	Hourly rate and disbursements

The Administrators' choice was based on their perception of the professional advisor's experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

Disbursements

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case eg postage, case advertising, invoiced travel and external printing, room hire and document storage. Any properly reimbursed expenses incurred by the Administrators and their staff will also be chargeable.

Category 2 disbursements do require approval prior to being paid and will be drawn in accordance with the approval given, they may include:

- photocopying – charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying;
- printing – charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour; and
- business mileage for staff travel – charged at the rate of 45 pence per mile.