

OC325605

IN THE HIGH COURT OF JUSTICE

NO 9054 OF 2011

IN THE MATTER OF

ONDA CAPITAL PARTNERS LLP - IN LIQUIDATION

AND

THE INSOLVENCY ACT 1986

THE LIQUIDATOR'S THIRD ANNUAL PROGRESS REPORT  
PURSUANT TO RULE 4.49B OF THE INSOLVENCY RULES 1986  
FOR THE YEAR ENDED 20 MARCH 2015

TUESDAY



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A22 19/05/2015 #100  
COMPANIES HOUSE

**ONDA CAPITAL PARTNERS LLP - IN LIQUIDATION ("THE LLP")**  
**Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986**

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**(a) Introduction**

On 30 January 2012, a Winding-Up Order was made against the Company in the High Court arising from a Petition presented by Addax Bank BSC ("Addax") on 18 October 2011. I was subsequently appointed Liquidator of the Company by order of the Secretary of State on 21 March 2012.

This report provides an update on the progress in the liquidation for the year ended 20 March 2015.

**Rule 4.49B(1): Progress Report**

**(b) Statutory Information**

Court	HIGH COURT OF JUSTICE
Reference Number	9054 of 2011
Company name	Onda Capital Partners LLP
Registered office	26-28 Bedford Row, London, WC1R 4HE
Company number	OC325605
Trading address	c/o Hedgesupport LLP, 6 Duke Street, St James, London, SW1Y 6BN

**(c) Liquidator's name and address:**

Paul Appleton of David Rubin & Partners, 26 - 28 Bedford Row, London, WC1R 4HE was appointed Liquidator of the LLP on 21 March 2012.

**(d) Liquidator's Remuneration**

My time costs for the year under review are £7,917. This represents 27 hours and 48 minutes at an average rate of £285 per hour. I attach, as Appendix A, a Time Analysis, which provides details of the activity during the year, analysed by staff grade.

I have also reviewed my cumulative time costs for the period from 21 March 2012 to 20 March 2015 and would report that my total time costs are £56,975 for 217 hours and 54 minutes, which equates to an average cost of £261 per hour. A breakdown of my time charges is also set out in Appendix A.

Creditors should be aware that I have not yet sought to have my fees agreed due to the paucity of realisations in the case. However, I have been paid a fee of £10,000 (VAT exempt) by a creditor of the LLP for an initial investigation in respect of the LLP's affairs.

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](http://www.drpartners.com/cases), using the following log-on details:

USERNAME o770 ond@sharesrvr.com      PASSWORD dno07\*O\*

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

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**(d) Liquidator's Remuneration...Cont.**

Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows -

	£
Senior / Managing Partners	450
Partners/Office holders	300 - 395
Managers / Senior Managers	250 - 295
Senior Administrators	180 - 220
Administrators	130 - 160
Cashiers and Assistants	120 - 160
Supports	110 - 120

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance. Time is charged in minimum units of 6 minutes.

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.

Included in the work undertaken by me and my staff is, *inter alia*, the following -

- i) Liaising with the Official Receiver ("OR") with regard to my appointment and the provision of the case paperwork,
- ii) Undertaking an initial review of the paperwork provided and assessing the LLP's affairs,
- iii) Liaising with Addax with regard to the provision of background information and reviewing the same. Ongoing correspondence with Addax with regard to the provision of updates in respect of the case,
- iv) Notifying the relevant parties in respect of my appointment as Liquidator and writing to various sources, including the LLP's former Accountants, Solicitors and employees, with regard to the provision of further information,
- v) Dealing with creditors' enquiries, both by correspondence and by telephone, and noting their claims
- vi) Liaising with the LLP's Bankers, HSBC Bank plc ("HSBC"), with regard to the provision of the LLP's statements,

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**(d) Liquidator's Remuneration...Cont.**

- vii) Undertaking an extensive review of the position in respect of the shareholding in Talenthouse Inc. Subsequent correspondence and telephone conversations with the CFO of that entity and a review of the ownership structure,
- viii) Liaising with the former accountants of Onda TH General Partner Limited in respect of the shareholding in Talenthouse Inc, and reviewing the position further with my Solicitors,
- ix) Carrying out all necessary investigations, including the examination of the records and bank statements to hand. Analysing the movement of LLP funds in the pre-liquidation period and formulating a number of queries to the CEO of the LLP, Bobby Banks,
- x) Instructing Solicitors and Counsel to apply to Court to examine Mr Banks pursuant to Section 236 of the Insolvency Act 1986 ("the Act"). Dealing with the service of the application and adjournment of the Hearing on a number of occasions. Assessing the ongoing situation regarding Mr Banks,
- xi) Preparation and circulation of my Annual Progress Report and Receipts and Payments account to creditors pursuant to Section 104A of the Insolvency Act 1986 and submission of the same to the Registrar of Companies,
- xii) Dealing with VAT matters, and
- xiii) Undertaking reviews of the case

**(e) Liquidation Expenses**

It should be noted that no disbursements have been drawn to date due to the paucity of funds in the Estate. These include the Specific Bond, Carriage & Archiving, Storage Costs, Meeting Costs and Stationery/Postage.

In addition, my Solicitors, Stephenson Harwood LLP ("SH"), together with Counsel at 3-4 South Square, were instructed to make an application to examine Mr Banks under oath. The costs and related disbursements in the sum of £1,700 plus VAT were met by a third party.

**(f) Details of progress for the period under review**

No receipts have been made in the period covered by this Report. Accordingly, no Receipts and Payments Account has been attached to the Report.

**(g) Details of any assets that remain to be realised and outstanding matters**

Shares in Talenthouse Inc

In the questionnaire completed by Mr Banks and provided to the OR, the LLP's only asset was detailed to be 3,232,775 (2.74%) shares in Talenthouse Inc ("Talenthouse"), a social networking site based in California. Mr Banks had advised that the shares were worth between \$500,000 to \$1,000,000.

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**(g) Details of any assets that remain to be realised and outstanding matters...Cont.**

However, following investigatory work and correspondence with Talenthouse, creditors will recall that I received documentation from the CFO, which appeared to detail that the actual owner of the shares was Onda TH General Partner Limited ("OTHG") and not the LLP. I reviewed the matter further and established that OTHG was an entity registered in Jersey and had been dissolved in October 2011.

In the absence of any assistance from Mr Banks, it seemed apparent that I would not be able to pursue this matter further. However, during the course of 2013, I was contacted by Hawksford Accountants ("Hawksford"), which had previously provided professional services to OTHG. Hawksford advised that they might be able to arrange to have that entity and a related entity, Onda TH LP, reinstated to the register in Jersey, with a view to selling the shares in Talenthouse. In theory, the funds would then filter down to the LLP, once any outstanding fees due to Hawksford by OTHG had been satisfied.

Accordingly, I entered into correspondence with Hawksford regarding the potential costs and logistics of re-instating two entities to the register in Jersey given the paucity of realisations in the Liquidation. In addition, Hawksford made contact with Talenthouse to establish the value of the shares and the likelihood of any third party making an offer for the purchase of the same. However, during the course of this year, Hawksford advised that it no longer had an interest in pursuing the matter further.

Given the complexities involved, I am currently in correspondence with my Solicitors, SH, regarding the best way to achieve a recovery for the benefit of the Estate.

There are no other assets, which remain to be realised, apart from any potential realisations arising from the investigations detailed below.

**(h) Investigations**

Creditors will recall from previous reports that it was not considered cost effective to continue with the proceedings against Mr Banks. However, this may well be revisited depending on the outcome of my work carried out in respect of (g), above.

**(i) Creditors' rights – Rule 4.49E and Rule 4.131**

- 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.

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**(j) Any other relevant information**

**(i) (a) Secured Creditors**

There are no creditors, which hold security over the LLP's assets, and, accordingly, no prescribed part

**(ii) Preferential Creditors**

There will be no preferential claims in this matter, as the LLP ceased to trade a long time prior to my appointment

**(iii) Unsecured Creditors**

The claims of unsecured creditors have been noted when received. However, based on current information, it is unlikely that there will be a dividend payable to the unsecured non-preferential creditors. If funds are recovered in respect of the assets and investigations outlined in my Report, I will review the position at that time.

**(k) 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 progress report ahead of convening the final meeting of creditors.

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, Adam Shama, or his colleague, Darren Ellis at this office.



**PAUL APPLETON - LIQUIDATOR**

**DATE: 14 May 2015**

**ONDA CAPITAL PARTNERS LLP - IN LIQUIDATION**  
**LIQUIDATOR'S TIME COSTS FOR THE YEAR ENDED 20 MARCH 2015**

**SIP 9 TIME SUMMARY**

Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Managers / Senior Managers	Administrators/ Senior Administrators	Cashiers	Total hours		
Statutory compliance, admin and planning	04 00	04 48	02 48	01 00	12 36	3,283 00	260 56
Investigations	00 00	00 18	00 00	00 00	00 18	88 50	295 00
Realisations of assets	06 00	08 54	00 00	00 00	14 54	4,545 50	305 07
<b>Total hours and costs</b>	<b>10 00</b>	<b>14 00</b>	<b>02 48</b>	<b>01 00</b>	<b>27 48</b>	<b>7,917 00</b>	<b>284 78</b>

**LIQUIDATOR'S CUMULATIVE TIME COSTS FOR THE PERIOD 21 MARCH 2014 TO 20 MARCH 2015**

**SIP 9 TIME SUMMARY**

Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Managers / Senior Managers	Administrators/ Senior Administrators	Cashiers	Total hours		
Statutory compliance, admin and planning	08 00	24 12	19 30	04 42	56 24	14,092 00	249 86
Investigations	26 06	51 30	08 54	00 00	86 30	25,502 50	294 83
Realisations of assets	11 30	25 12	12 06	00 00	48 48	13,776 00	282 30
Creditors	03 42	04 42	04 42	00 00	13 06	3,604 50	275 15
<b>Total hours and costs</b>	<b>53 00</b>	<b>110 18</b>	<b>49 54</b>	<b>04 42</b>	<b>217 54</b>	<b>56,975 00</b>	<b>261 47</b>

The above headings include *inter alia*

**Administration and Planning**

case planning  
 appointment notification  
 maintenance of records  
 statutory reporting and compliance  
 tax and VAT

**Investigations**

SIP2 review  
 reports pursuant to Company Directors Disqualification Act 1986  
 investigating antecedent transactions

**Realisation of Assets**

identifying and securing assets  
 debt collection  
 property, business and asset sales

**Creditors**

communications with creditors  
 creditors claims (including secured creditors, employees and preferential creditors)

**Direct expenses ("Category 1 disbursements")**

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

**Indirect expenses ("Category 2 disbursements")**

It is normal practice to also charge the following indirect disbursements ("Category 2 disbursements" as defined by SIP 9) to the case, where appropriate

**Postage and stationery circulars to creditors**

Headed paper	25p per sheet	Envelopes	25p each
Photocopying	6p per sheet	Postage	Actual cost

**Meeting Costs** Use of Meeting Room is charged at £150 per session

**Storage and Archiving**

We use a commercial archiving company for storage facilities for company's records and papers. This is recharged to the estate at the rate of £10 per box per quarter, and includes a small charge to cover the administration costs of maintaining the archiving database and retrieval of documents. We also use our own personnel and vehicle for collection of books and records for which we charge £30 per hour.

**Mileage** incurred as a result of any necessary travelling is charged to the estate at the HM Revenue & Customs approved rate, currently 45p per mile.