

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

SATURDAY



A13 25/11/2023 #32  
COMPANIES HOUSE

### 1 Company details

Company number 0 4 4 2 8 9 2 4

Company name in full Audio Tech Sales Limited

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

### 2 Liquidator's name

Full forename(s) Phillip A

Surname Roberts

### 3 Liquidator's address

Building name/number Sterling Ford

Street Centurion Court

Post town 83 Camp Road

County/Region St. Albans

Postcode A L 1 5 J N

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

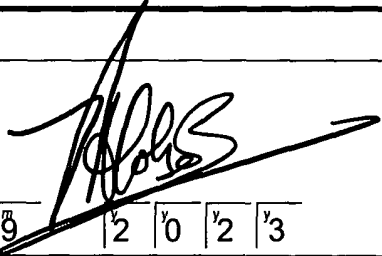
Postcode

Country

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

LIQ03

Notice of progress report in voluntary winding up

<b>6</b>		<b>Period of progress report</b>														
From date	d	3	d	0	m	0	m	8	y	2	y	0	y	2	y	2
To date	d	2	d	9	m	0	m	8	y	2	y	0	y	2	y	3
<b>7</b>		<b>Progress report</b>														
		<input checked="" type="checkbox"/> The progress report is attached														
<b>8</b>		<b>Sign and date</b>														
Liquidator's signature	<div style="display: flex; align-items: center;"> <div style="margin-right: 20px;">           Signature  <b>X</b> </div> <div style="text-align: center;">  </div> <div style="margin-left: 20px;"> <b>X</b> </div> </div>															
Signature date	d	1	d	3	m	0	m	9	y	2	y	0	y	2	y	3

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 **Fedai Eren**Company name **PHILLIP A ROBERTS**Address **Centurion Court****83 Camp Road**Post town **St Albans**

County/Region

Postcode **A L 1 5 J N**

Country

DX

Telephone **01727 811 161****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**

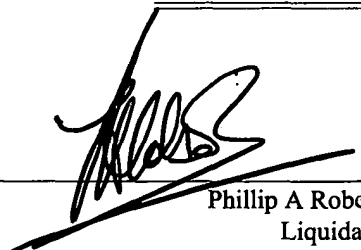
For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

**Audio Tech Sales Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

Statement of Affairs £		From 30/08/2022 To 29/08/2023 £	From 30/08/2019 To 29/08/2023 £
	<b>ASSET REALISATIONS</b>		
	Business Sale Agreement	NIL	500.00
300.00	Fixtures, Fittings & Equipment	NIL	NIL
10,000.00	Goodwill	NIL	NIL
500.00	License Fee	NIL	NIL
6,000.00	Plant & Machinery	NIL	NIL
5,000.00	Stock/Consumables	NIL	NIL
100.00	Tools	NIL	NIL
	VAT Refund - SOA Fee	NIL	636.40
		NIL	1,136.40
	<b>UNSECURED CREDITORS</b>		
(77,282.00)	H M Revenue & Customs - PAYE & NI	NIL	NIL
(17,124.00)	Trade, Expense & Loan Creditors	NIL	NIL
		NIL	NIL
<b>(72,506.00)</b>		<b>NIL</b>	<b>1,136.40</b>
	<b>REPRESENTED BY</b>		
	Bank 1 - Current		1,136.40
			<b>1,136.40</b>

Note:

  
Phillip A Roberts  
Liquidator

# STERLING FORD

SPECIALIST CONSULTING GROUP



Our ref: JPA/PAR/FE/231124-2976-1-Report  
Your Ref:

24 November 2023

Centurion Chambers  
Centurion Court  
83 Camp Road  
St Albans  
Herts  
AL1 5JN

Tel: 01727 811 161  
Fax: 01727 858 716  
www.sterlingford.co.uk  
e-mail: office@sterlingford.co.uk

## TO ALL MEMBERS AND KNOWN CREDITORS

Dear Sirs

**RE: AUDIO TECH SALES LIMITED (FORMERLY KNOWN AS ENTERTAINMENT TECHNOLOGY SYSTEMS LIMITED T/A SOUND DIVISION GROUP AND SOUND DIVISION) - IN CREDITORS' VOLUNTARY LIQUIDATION ("the Company")**  
**Registered Number: 04428924**  
**Former Trading Address: 430 High Road, London NW10 2DA**  
**Former Registered Office Address: 9a Friern Watch Avenue, London N12 9NX**  
**Date of Liquidation: 30<sup>th</sup> August 2019**  
**All 'Rule' and 'Section' numbers given in this report are in respect of The Insolvency (England and Wales) Rules 2016 ("the Rules") and the Insolvency Act 1986 ("the Act"), respectively**

Further to my report to creditors dated 29 October 2021, I am pleased to update creditors on the administration of this matter under Part 18 The Insolvency (England and Wales) Rules 2016 ("the Rules 2016"), by issuing this Progress Report for the fourth year of the liquidation, for the period 30 August 2022 to 29 August 2023.

Accordingly, please find attached hereto the following: -

- a) Statutory Information
- b) **Abstract of the Liquidator's Receipts and Payments** – from which you will note that the reconciled balance in the estate account at the period end of 29 August 2023 stood at £1,136.40.
- c) **Proof of Debt Form** - for all creditors to complete and return so that their respective claims can be recorded in the liquidation records.
- d) **Notice of Decision Procedure** - (Rule 15.8 of the Rules) - to obtain a decision from creditors in respect of the decisions proposed therein.
- e) **Response Form** - for creditors to record their decision on the each of the proposed Resolutions to be returned to this office by **23:59 hours on 12<sup>th</sup> December 2023** - the specified Decision Date.

## Insolvency & Specialist Advisory Services    Consultants & Intermediaries

**Sterling Ford in association with Phillip A Roberts and Partners**

Phillip A Roberts is authorised to act as an Insolvency Practitioner by the Insolvency Practitioners Association

Those acting in statutory insolvency appointments act as agents for those companies or individuals and without personal liability.

Sterling Ford is the trading title of Sterling Ford Associates Limited Registered in England No. 09217576  
Registered Office: Centurion Chambers, Centurion Court, 83 Camp Road, St Albans, Herts AL1 5JN

Head Office: St Albans    By Appointment: London, East Grinstead & Milton Keynes

## PROGRESS REPORT

### 1. General / Background

I was appointed Liquidator of the Company on 30 August 2019 and this is my fourth progress report to the members and creditors of the Company, showing how the liquidation has been conducted so far.

### 2. Realisation of Assets

#### 2.1 VAT Refund

I would advise creditors that the sum of £636.40 was realised in respect of the VAT refund on the pre-appointment/ SOA fees paid by the director, Mr David Graham's other company, Ent Tech Systems Ltd.

#### 2.2 Company Assets as per Statement of Affairs

##### 2.2.1 Proposed Sale of Business Assets

Following the independent valuation of the Business Assets concerned, as reflected in the director's Statement of Affairs, I had expected to be able to negotiate to sell these assets to another of the director, Mr Graham's companies, Entertainment Technology Systems Limited, as specified below:-

Assets	Note	Amounts to be paid £
	(i)	
Goodwill/Intellectual Property		10,000.00
Plant & Machinery		6,000.00
Fixtures, Fittings, Tools & Equipment		400.00
Stock/Consumables		<u>5,000.00</u>
Total Payable	(ii)	21,400.00

However, the director disputed the valuation of both the physical and intangible assets, despite having signed a Statement of Truth in support of his Statement of Affairs. He then managed to produce evidence that showed that he had acquired the intellectual rights to part of the goodwill and did not see why he needed to pay for these assets again. It was clear, however, that there still remained certain goodwill/IPR vested in the Company that he hadn't purchased and for a number of weeks, the amount he was prepared to pay and the liquidator was prepared to accept were still too far apart.

However, whilst these negotiations appeared to reach an impasse, the Secretary of State became concerned that in absence of a sale of substantially the whole of the undertaking of the Company being completed, that Mr Graham may be committing an offence in re-using a prohibited name. At the same time, with the Covid-19 lockdown in full force by April 2020 and having a seriously detrimental effect on the business' prospects for the year ahead and beyond, negotiations resumed and on 4 May 2020, a Business Sale and Purchase Agreement (**BSPA**) was drawn up and executed by the parties the same day for the sale of the business assets and undertaking for a consideration of £3,500. The liquidator received the requisite deposit of £500 on 15 May 2020 and under the terms of the BSPA, was expecting to receive payment of the balance of the Consideration of £3,000 over a period of 9 calendar months, by no later than 31 January 2021.

Assets		£
Goodwill/Intellectual Property	)	
(to the extent to which such assets	)	
may remain vested in the Vendor)	)	
Plant & Machinery	)	
Fixtures, Fittings, Tools & Equipment	)	
Stock/Consumables	)	
All for the sum of	)	<u>3,500.00</u>
Total Payable		3,500.00

However, the Purchaser reneged on this agreement in failing to make any further payments, although in mitigation, the subsequent lockdowns and with restrictions remaining in place for the hospitality sector the Purchaser probably couldn't afford to make these payments. However, since all restrictions were lifted and the intended Purchaser presumably resumed their activities in the hospitality sector, I tried to conclude the sale of these assets, but the Purchaser asked that the sums paid in respect of the pre-appointment/SOA costs – see section 6 below, which subject to creditors' approval, should be reimbursed to them should be set-off first. However, the entitlement to be reimbursed such pre-appointment costs is also dependent on whether the party concerned is found to be indebted to the Company in respect of anything else.

For the avoidance of any doubt, the director of the Company, David Graham is also a director of the intended purchaser company, Entertainment Technology Systems Limited, which, according to Companies House, has been a dormant company throughout the liquidation and the other associated company referred to in section 3.2, Ent Tech Systems Ltd, which does trade. As part of the settlement I have been trying to negotiate with Mr Graham, the sale of the business/business assets might need to be changed to the actual company which has been trading: Ent Tech Systems Ltd rather than Entertainment Technology Systems Limited, the dormant company.

### **2.3 License Fee**

The license fee payable, as reflected in the Statement of Affairs and note 1.2.7 thereto, was £500 plus VAT, plus £250 plus VAT per week until the Sale of the Business and Business Assets had been approved by creditors and the Business Sale and Purchase Agreement had been executed by the parties and the requisite deposit payable thereunder received by the liquidator. These license fees are still due, although I do not expect to be able to recover them as I have established that the licensee, Entertainment Technology Systems Limited, has remained a dormant company devoid of any assets. It is also the case that not all of the assets that were to be licensed were in fact owned by the Company, so the license fee was set at too high a figure. In my negotiations with Mr Graham, part of the consideration to be received shall hopefully constitute a license fee. I have proposed to Mr Graham that the £500 received from Ent Tech Systems Ltd as the deposit for the purchase by Entertainment Technology Systems Limited should in the circumstances be treated as the license fee payable. I find it difficult to conclude that the confusion created by Mr Graham between his two companies in his negotiations with me over the purchase of the business/business was not deliberate, although it is far from clear as to how Mr Graham has benefitted from this confusion, if it was deliberate.

## **3 Investigations**

### **3.1 Company Directors Disqualification Act 1986 ("CDDA 1986")**

The Liquidator is required by law to submit confidential reports to the Department for Business, Energy and Industrial Strategy's Disqualification Unit (BEIS) on the conduct of each person who acted as a director of the Company in the three year period before the liquidation. These have been completed and duly submitted.

### **3.2 Statement of Insolvency Practice 2 ("SIP 2")**

Shortly after appointment, I commenced my investigations in accordance with SIP2, to see whether there were any matters that might lead to further recoveries for the estate and what other investigations might 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.

During my enquiries, I discovered that in the period just prior to the liquidation several transactions were made with two other associated companies, including the Purchaser and that a sum of £24,800 appeared to be due to the Company. However, after the director contacted his accountant and provided evidence in support of the transactions concerned, this particular line of enquiry has been concluded.

My enquiries have now been completed and I have determined that a balance remains unpaid on the director's loan account in the sum of £75,658.30. I have been in communication with Mr Graham about his proposals for repaying this sum and have received a Statement of Means indicating that he has very few assets other than approx. £15,000 of investments and that his income is approximately equal to his outgoings. From my enquiries, I have established that Mr Graham resides in a property that has been registered in his wife, Mrs Graham's sole name since 2003.

In his last communication to me, Mr Graham made an offer to settle all claims against him/his companies on the following basis:

1. Re the director's unpaid loan account of £75,658.30 - Mr Graham has offered to pay 10% in the sum of £7,565.
2. Re the balance due for the purchase of the business/business assets – Mr Graham has proposed to pay the sum of £3,500
3. Mr Graham (on behalf of Ent Tech Systems Ltd) has also offered to waive the entitlement to receive reimbursement of the pre-appointment/SOA fees and expenses and post appointment disbursements in the sum of £3,929.35, which was paid by his company, Ent Tech Systems Ltd

My enquiries have established that Mr Graham is developing the business of Ent tech System Ltd, which is a company he solely owns. With reserves of more than £30,000 I am hopeful that Mr Graham will increase his offer by at least £10,000 to achieve a final settlement in this matter. If he does agree to do this, the total sum to be paid would be £21,065 plus with the waiving of the entitlement to be reimbursed the pre-appointment/SOA fees and expenses and post appointment disbursements, would have the effect of maintaining the funds available at £21,065 rather than reducing them to £17,135.65 [£21,065 - £3,929.35]

In the event that I am unable to reach a reasonable settlement with Mr Graham by 7 December 2023, I shall have no alternative but to assign the claims against Mr Graham/his companies to a third-party specialist acquirer of insolvency claims, who will undertake their own enquiries of Mr Graham, his means and his various companies, no doubt using the services of an enquiry agent and would typically return 50% of the recoveries they achieve after costs to the liquidation estate. When assigning to a third party acquirer, the claims can be those already particularised as well as any others the third party decides to bring after making their own enquiries.

#### **4 Creditors' Claims**

My records indicate that there were 26 creditors in this matter, but only 4 creditors have submitted a proof of debt with claims in aggregate amounting to £84,670.10.

#### **5 Dividend Prospects**

Subject to achieving a settlement with Mr Graham/his companies by 7 December 2023, or assigning the claims to receive a return after costs, I would expect to be able to update creditors in my next report with regard to their dividend prospects.

#### **6 Pre-Appointment Costs**

A total of £3,929.35 including VAT was paid to Sterling Ford by Ent Tech Systems Ltd, in respect of Sterling Ford's pre-appointment/SOA fees of £2,750 plus VAT [which included an adjournment fee of £400 plus VAT] and disbursements of £376.35 (including VAT), which included an independent valuation fee of Foulds Ingham Associates of £250 plus VAT. This amounted to £3,676.35. Post-appointment disbursements of £253 [see para 7.3.2 below] was also pre-paid by Ent Tech Systems Ltd, taking the total of the amounts subject to reimbursement to £3,929.35.

#### **7 Liquidator's Remuneration & Expenses**

##### **7.1 Fixing of basis of remuneration**

I would advise creditors that as no response forms were received from creditors with regard to the Decision Procedure held on 4 October 2019 concerning fixing the basis of my remuneration, I have yet to have the basis of my remuneration fixed by creditors. Accordingly, I have once again set out a number of resolutions for creditors to decide upon with regard to the basis of my remuneration and in respect of the time spent and expenses incurred to date in the Notice of Decision Procedure and the Response Form attached hereto.

##### **7.2 Breakdown & time costs recorded for fourth year - 30 August 2022 to 29 August 2023**

My time costs for the period from 30 August 2022 to 29 August 2023 amounted to £5,247.02, which equates to 11.72 hours at an average rate of £447.82 per hour. My time costs analysis for the period from 30 August 2022 to 29 August 2023 is provided at Appendix 1 below. In accordance with Statement of Insolvency Practice 9, these time costs of £5,247.02 were approximately attributable to work performed on the following:-



APPENDIX 1 Classification of work function	Hours		Assistants & Support Staff	Total Hours	Time Cost £	Average hourly rate
	Partner/ Office Holder	Manager				
<b><u>Administration and Planning</u></b>						
Case Planning/ Administration/ Case Review	0.58			0.58	289.92	497.00
Investigations	3.97	0.50		4.47	2,061.09	461.44
<b><u>Realisations of Assets</u></b>						
Communication/ Correspondence with Mr Graham	4.03	0.83		4.86	2,239.01	460.07
<b><u>Creditors</u></b>						
-Communication with creditors (including 1 <sup>st</sup> Report)	0.80	1.00		1.80	657.00	365.00
<b><u>Case specific matters</u></b>						
<b>Total Hours</b>	<b>9.38</b>	<b>2.33</b>		<b>11.72</b>		<b>447.82</b>
<b>Total time costs incurred (£)</b>					<b>5,247.02</b>	

7.2.1. I would advise creditors that against the time costs incurred in the sum of £5,247.02, the sum of £NIL has been drawn on account leaving a balance due of £5,247.02.

#### 7.2.2. **Cumulative Time Costs for the four years of this administration of the Liquidation Estate**

My time costs for the period from 30 August 2019 to 29 August 2020 amounted to £5,202.17 plus VAT, which equated to 14.97 hours at an average rate of £347.51 per hour. A detailed breakdown of total time spent was provided in my first progress report dated 29 October 2020. My time costs for the period from 30 August 2020 to 29 August 2021 amounted to £450.50, which equates to 1.77 hours at an average rate of £255.00 per hour. A detailed breakdown of total time spent was provided in my second progress report dated 29 October 2021. My time costs for the period from 30 August 2021 to 29 August 2022 amounted to £2,787.33, which equates to 7.13 hours at an average rate of £390.93 per hour. A detailed breakdown of total time spent was provided in my second progress report dated 26 October 2022. Therefore, my cumulative time costs analysis for the first three years from 30 August 2019 to 29 August 2023 is provided at Appendix 2 below. In accordance with Statement of Insolvency Practice 9, these time costs of £13,686.52 were approximately attributable to work performed on the following: -

Classification of work function	Hours		Assistants & Support Staff	Total Hours	Time Cost £	Average hourly ate
	Partner/ Office Holder	Manager				
<b><u>Administration and Planning</u></b>						
-Case Planning / Administration/ Case Review	1.33	0.53		1.86	767.21	411.00
Statutory Reporting/ Staff Briefing/ Setting Work to Do	0.05			0.05	20.98	419.52
Investigations	6.08	0.80		6.88	2,933.88	426.23
<b><u>Realisations of Assets</u></b>						
Communication/ Correspondence with Director - Mr Graham	7.67	3.08		10.75	4,321.98	402.05
Communication/ Correspondence with Barclays Bank Plc		0.10		0.10	26.51	265.14
Communication/ Correspondence with Accountant		0.50		0.50	132.57	265.14
Communication/ Correspondence with Agents	0.75	0.30		1.05	394.18	375.41
Communication/ Correspondence with Solicitors	0.07			0.07	29.37	419.52
Preparation of Legal Documents	1.62			1.62	678.23	419.52
VAT Compliance		0.20		0.20	53.03	265.14

<b>Creditors</b>						
-Communication with creditors (including 1 <sup>st</sup> Report)	3.12	4.34		7.46	2,482.74	332.96
Creditors Claims	0.08	0.57		0.65	185.21	284.94
<b>Case specific matters</b>						
-Communication Correspondence .The Insolvency Service re: Directors Conduct	2.68	1.10		3.78	1,417.36	374.63
-Communication Correspondence with HMRC	0.52	0.10		0.62	243.26	394.48
<b>Total Hours</b>	<b>23.97</b>	<b>11.62</b>		<b>35.59</b>		<b>384.556</b>
<b>Total time costs incurred (£)</b>					<b>13,687.02</b>	

7.2.3. I would advise creditors that against the time costs incurred in the sum of £13,687.02, the sum of £NIL has been drawn on account leaving a balance of £13,687.02.

7.2.4. In accordance with Rule 18.30 of the Rules 2016, where the Office Holder exceeds the fees estimate provided, he must not draw any remuneration in excess of the total amount set out in the fees estimate before providing an explanation for exceeding the previous estimate and then obtaining retrospective approval. In my report of 26 October 2022, I provided a time rated fee estimate for the third year of the liquidation in the sum of £3,892.50. Accordingly, as the actual time costs incurred of £5,247.02 exceeded my estimate of £3,892.50 by £1,354.52, I am required to explain why, which was due to the additional time spent in having to ascertain Mr Graham's means and in trying to reach a settlement with him.

### 7.3 Liquidator's Disbursements

#### 7.3.1 Pre-appointment Disbursements – pre-paid by Ent Tech Systems Limited

	£	£
Set-up Costs (Stationery, IPS & database set up time, cashier's input of CAU cash book, storage materials, cashier's & administrators' files)	63.95	
VAT	12.40	
Total	76.35	
Drawn to date	76.35	
Balance Due	NIL	

#### 7.3.2 Liquidator's Disbursements -

The following disbursements have been incurred in this matter having been pre-paid by Ent Tech Systems Limited :-

<b>Category 1 Disbursements (Third Party)</b>		
Postage	2.55	
Advertising	146.00	
Bonding	44.00	
Total	192.55	
VAT	29.20	221.75
<b>Category 2 Disbursements</b> (For the basis on which these charges have been calculated, please refer to this Firm's policy regarding disbursements (1 June 2017 Edition))		
Photocopies	26.05	
Total	26.05	
VAT	5.20	31.25
Total Category 1 & 2 Disbursements (Including VAT)		253.00
Drawn to date	218.60	
VAT	34.40	253.00

**7.3.3 Liquidator's Disbursements for Year 2, Year 3 and Year 4** – no disbursements were incurred in any of these years

#### 7.4 Estimated Future Costs

On the premise that my remuneration had been fixed on a time and rate basis, then in accordance with Rule 18.16-4(b) The Insolvency (England and Wales) Rules 2016 and Statement of Insolvency Practice 9, I would be required to provide you with an estimate of the level of my future remuneration on the basis of recorded time spent and also to provide an estimate of my future expenses, which on such basis, would be as follows:

##### 7.4.1 Estimated Future Remuneration (Fee Estimate)

**Work projected to be performed in fifth year of liquidation or to conclusion (if concluded before fourth anniversary) and the cost of that work is estimated as follows:-**

Classification of work function	Notes	Hours			Total Hours	Time Cost £	Average hourly rate
		Office Holder/ Partner	Manager	Assistants & Support Staff			
<u>Administration and Planning</u>	(1)	1.00	1.00		2.00	750.00	311.00
<u>Investigations / Realisations of Assets</u>	(2)	2.00	2.00		4.00	1,500.00	330.30
<u>Creditors - Including Report</u>	(3)	1.50	1.50		3.00	1,125.00	315.00
<u>Case specific matters</u>	(4)	0.50	1.00		1.50	517.50	301.60
<b>Total Hours</b>		<b>5.00</b>	<b>5.50</b>		<b>10.50</b>		<b>370.70</b>
<b>Estimated Total time costs to be incurred (£)</b>						<b>3,892.50</b>	

Notes: (1) Reviews and Liaising between the Liquidator and Staff, Compliance  
 (2) Completing my SIP2 Investigations/realisation of assets/assigning claims  
 (3) Reporting to Creditors/ concluding liquidation  
 (4) Any other matters arising

I would state that in accordance with Rule 18.4(1) The Insolvency (England and Wales) Rules 2016 that the estimated time costs to be incurred for the fourth year/period to conclusion (if concluded before the second anniversary) is estimated to amount to £3,892.50.

##### 7.4.2 Estimated Future Expenses

Such future expenses are likely to include photocopies, postage etc. if I am able to conclude the liquidation by 30 August 2024 and in total, are unlikely to exceed £50 plus VAT. Full details of such expenses incurred shall be provided in my next or final report.

#### 8. Outcome of Decision Procedure Held on 4 October 2019 - not approved - no response form received

Creditors were requested to consider and record their decisions by using the response forms provided, the following:

1. To approve the Liquidator's Report and Accounts dated 2<sup>nd</sup> September 2019.
2. To approve the Statement of Affairs/pre-Appointment fee paid to Sterling Ford in the total sum of £4,096.35 including VAT by Entertainment Technology Systems Limited, joint guarantor under a Fee Agreement, with its director, David Graham, and disbursements of £376.35 (including VAT), which includes an independent valuation fee of Foulds Ingham Associates of £250 plus VAT, and that they shall be reimbursed to Entertainment Technology Systems Limited in accordance with the Rules, but only to the extent that Entertainment Technology Systems Limited paid the pre-appointment fee and disbursements from their own pocket and not by using funds they and/or David Graham, the director had received directly or indirectly from the Company and not being found to be indebted to the Company, whether due to an overdrawn loan account or for any other reason.

3. i) That the basis of the Liquidator's remuneration be fixed by reference to the time properly given by him and his staff, to be recorded at the charge out rates specified in Sterling Ford's Policies Regarding Fees and Disbursements (1 June 2019 Edition) attached.
- ii) To approve the liquidator's time and rate based fee estimate for the first year of the liquidation in the estimated sum of £5,767.50 plus VAT and that the liquidator be authorised to draw these time costs, subject to: time being spent and recorded to that value and sufficient funds being available in the estate .
- iii) To approve the disposal of the Business and Business Assets at fair market value, by no later than 12pm on 4<sup>th</sup> October 2019 (as referred to in paragraph 2.1 of the Liquidator's report dated 12<sup>th</sup> September 2019).

## **9. Matters Preventing the Conclusion of the Liquidation**

The matters preventing the conclusion of this liquidation are the conclusion of settlement negotiations with Mr Garaham by 7 December 2023 and receiving the agreed settlement payment shortly thereafter, or if a settlement cannot be reached with Mr Graham, the assignment of the claims and the future receipt of a pre-agreed share (typically 50%) of any future recoveries after costs.

## **10. Creditors' Guide to Fees and Statement of Creditors' Rights**

Creditors have a right to request further information from the Liquidator and additionally have a right to challenge the Liquidator's remuneration and expenses - time limits apply. Details can be found and downloaded at [https://www.r3.org.uk/media/documents/technical\\_library/SIPS/SIP\\_9\\_EW.pdf](https://www.r3.org.uk/media/documents/technical_library/SIPS/SIP_9_EW.pdf). Alternatively a copy is available free of charge upon request from the address above.

If a creditor requires further information about the remuneration or expenses reported on herein, they must request it in writing within 21 days of receipt of this report (Rules 18.4 Insolvency (England and Wales) Rules 2016). If creditors claim that the remuneration or other expenses are excessive then they (representing 10% in value of the creditors) may apply to court in accordance with Rule 18.34.

I would advise you that I am bound by the Insolvency Code of Ethics in relation to the work performed for each insolvency appointment I hold and would inform you that my firm's Complaints Handling Policy may be found at the following link <http://sterlingford.co.uk/complaints.html>.

Furthermore, I would advise you that I, Phillip Roberts and my firm, Sterling Ford adhere to a zero tolerance Anti-bribery and Corruption Policy.

Finally, I would refer you to this firm's policies regarding the protection and retention of personal data, which may be viewed at [www.sterlingford.co.uk/privacy.html](http://www.sterlingford.co.uk/privacy.html)

Yours faithfully



**PHILLIP A. ROBERTS**  
**LIQUIDATOR**

STATUTORY INFORMATION						
Registered Number	04428924					
Registered Name	The company's registered name is AUDIO TECH SALES LIMITED					
Incorporation Date	The company was incorporated on 1 May 2002					
Commencement of Trade	The company commenced trade on 1 May 2002.					
Trading Name	SOUND DIVISION GROUP AND SOUND DIVISION					
Nature of Trade	Support activities to performing arts					
Principal Trading Addresses	The company's principal trading address was: 430 HIGH ROAD, LONDON NW10 2DA					
Registered Office	The company's current registered office is 9A FRIERN WATCH AVENUE, LONDON N12 9NX but shall be changed to STERLING FORD, CENTURION COURT, 83 CAMP ROAD, ST ALBANS, HERTS AL1 5JN for the purposes of the winding up.					
Shareholdings	100 Ordinary share of which 100 were issued and fully paid up					
Shareholders [Rule 6.4(1)(a) and (b) Insolvency (England and Wales) Rules 2016						
Name and postal address	Type of shares	Nominal amount held	Number of shares held	Amount per share called up	Total amount called up	
DAVID GRAHAM 13 MARWOOD DRIVE MILL HILL LONDON NW7 1GL	ORD		100	100	100	
Group Structure	The company was not part of a group.					
Current Director(s)	Current Director(s)hip details are as follows:					
	DAVID GRAHAM			Appointed:	13 NOVEMBER 2003	
Other Director(s)hips				Appointed:		
ENTERTAINMENT TECHNOLOGY SYSTEMS LIMITED	DAVID GRAHAM			5 NOVEMBER 1998		
DJ WORLD MAGAZINE LIMITED	DAVID GRAHAM			5 NOVEMBER 1998		
Company's Bankers	The company's bankers are NatWest Bank Plc					
Previous Insolvencies	The Company has not been involved in any previous insolvency and its Director has not been involved in any previous insolvency in the last 10 years					

**Audio Tech Sales Limited  
(In Liquidation)**

**Summary of Receipts & Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>From 30/08/2019 To 29/08/2022 (£)</b>	<b>From 30/08/2022 To 29/08/2023 (£)</b>	<b>Total (£)</b>
Business Sale Agreement		500.00	0.00	500.00
VAT Refund - SOA Fee		636.40	0.00	636.40
		<b>1,136.40</b>	<b>0.00</b>	<b>1,136.40</b>
<b>PAYMENTS</b>				
		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Receipts/(Payments)</b>		<b>1,136.40</b>	<b>0.00</b>	<b>1,136.40</b>
<b>MADE UP AS FOLLOWS</b>				
<b>Bank 1 - Current</b>		<b>1,136.40</b>	<b>0.00</b>	<b>1,136.40</b>
		<b>1,136.40</b>	<b>0.00</b>	<b>1,136.40</b>

Note: