

Rule 1.26/
1.54

The Insolvency Act 1986
Notice to Registrar of
Companies of Supervisor's
Abstract of Receipts and
Payments

R.1.26(2)(b)/ R.1.54

Pursuant to Rule 1.26(2)(b) or
Rule 1.54 of the
Insolvency Rules 1986

For Official Use

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To the Registrar of Companies

Company Number

02515593

Name of Company

Consilium Security Systems Plc

I / We
R D Smailes
Clareville House
26/27 Oxendon Street
London
SW1Y 4EP

supervisor(s) of a voluntary arrangement taking effect on

26 August 2003

present overleaf my/our abstract of receipts and payments for the period from

26 August 2003

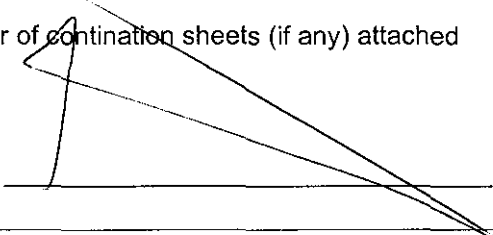
to

25 August 2006

Number of continuation sheets (if any) attached

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Signed



Date

25 September 2003

Rothman Pantall & Co
Clareville House
26/27 Oxendon Street
London
SW1Y 4EP

Ref: 01850/RDS/NDR

For Official Use

Insolvency Section

Post Room



A19
COMPANIES HOUSE

A1Z4ZJ62

335
27/09/2006

RECEIPTS		£
Brought forward from previous Abstract (if any)		0.00
Book Debts		90,156.35
Bank Interest Net of Tax		566.01
Third Party introduction of funds		249,551.20
Carried forward to * continuation sheet / next abstract		340,273.56
PAYMENTS		£
Brought forward from previous Abstract (if any)		0.00
Agents/Valuers Fees		2,500.00
Debt Collection Fees		14,240.99
Office Holders Fees		10,994.14
Office Holders Expenses		8.20
Nominee's Fee		15,000.00
Nominee's Expenses		2,159.70
Stationery & Postage		400.95
Searches		55.50
Insurance of Assets		165.00
Bank Charges		40.00
VAT Receivable		7,937.90
Carried forward to * continuation sheet / next abstract		53,502.38

* Delete as appropriate

* Delete as appropriate

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the supervisor since he was appointed.

CONSILIUM SECURITY SYSTEMS PLC

Comments on the progress and efficacy of the Voluntary Arrangement

1. I attach a statement showing my receipts and payments for the period since the date of my appointment to 25 August 2006 from which creditors will note there is a balance in hand of £286,771.18
2. The terms of the Proposal stated that the company would collect the book debt ledger, the proceeds of which would be paid to the Supervisor. Book debt collections of £90,156.35 have been received to date. I do not anticipate any further funds being collectable.
3. Creditors will recall from my previous report that a further term of the Proposal stated that the company's assets would be sold to Status Electronics Limited and that the proceeds of the sale would be received by the Supervisor within a period of 6 months from the commencement of the Arrangement. Due to operational difficulties between the two companies this sale was not achieved however a new sale contract was signed whereby the company's assets were sold to Planit Security Contracts Limited.
4. Creditors will recall that the indebtedness of both secured creditors, Barclays Bank plc and Forenings Sparbanken AB (Publ) (Swedbank) has been discharged in full. Creditors will recall that I have received confirmation that the relevant documentation has been filed at Companies House accordingly.
5. Creditors will recall that both H M Customs and Excise and the Inland Revenue have submitted preferential claims against the company. Creditors will recall from my previous report that the claim of the Inland Revenue is significantly higher than that estimated on the company's statement of affairs. Creditors will recall that the directors of the company were reviewing the information provided by the Inland Revenue in order to verify their claim. I am yet to receive any feedback from the company relating to any dispute of same. Until their preferential claim is agreed I am unable to pay a dividend to unsecured creditors.
6. Unsecured creditors will recall that the company anticipated paying a dividend of 100p/£ within 2 years of the approval of the Arrangement. Any shortfall on either the proceeds of the book debt collection or the sale of the company's assets will be made up by the parent company Consilium AB. Unfortunately due to the delays in agreeing the claims of the preferential and unsecured creditors, to date no dividend has been declared to any class of creditor.

7. I write to confirm that to date I have received claims totalling £397,540.93 of which £252,198.09 are agreed. The remaining £145,246.11 are disputed by the company. There is an additional sum of £69,964.37 due in respect of creditors disclosed as such by the company but where no claim has been received.
8. Creditors will recall that upon review of the company's proposal, my solicitors, Isadore Goldman have advised me that there is in fact no provision within the Voluntary Arrangement debarring from any creditor submitting a proof. This is of course subject to an intention to pay a final dividend. This will involve the supervisor making an actual payment of the final dividend and he must be in funds for that purpose. Several attempts have been made to ensure creditors who have yet to prove had been given every opportunity to do so as to avoid any unnecessary disputes.
9. Creditors will recall that I have made several attempts to resolve with the company the grounds upon which have arisen in respect of the disputed claims. To date the company has not been forthcoming with such information.
10. In the interest of commerciality I have proposed modifications to the company with a view to issuing a variation to the arrangement terms. I have suggested that after payment of the preferential creditors a distribution in full and final settlement be made to those creditors with a submitted claim. This dividend will be made based upon the level of funds in hand. Ultimately this course of action, whilst waits agreement with the company, will be subject to approval by creditors.
11. Should the company disagree with such modifications I will have no option other than to issue winding up proceeding and place the company into Liquidation. Likewise if creditors reject such modifications I will have no option other than to place the company into Liquidation.
12. In view of the length of time that has passed in attempting to conclude the Voluntary Arrangement and based on the level of funds being held in the arrangement I trust that both the company and ultimately creditors will agree that the above suggestion is the best way forward to concluding matters swiftly.
13. I can confirm that the company has until 6 October 2006 to confirm their acceptance to the modifications. Failure to confirm same will result in a petition for the company to be placed into liquidation as described above.
14. In accordance with Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals and adopted by my professional body, I can advise that my time-costs incurred to 8 September 2006 amount to £31,077.43. This represents 188 hours and 15 minutes work at an average charge out rate of £165.09 per hour. A breakdown of my time costs can be disclosed as follows:

	Hours	Average Rate £ per Hour	Charge £
Administration and Planning			
Partner	3.45	249.47	935.50
Assistant Manager	1.40	213.33	373.33
Senior Administrator	37.35	169.79	6341.66

Administrator	0.15	100.00	25.00
Cashier	10.00	71.74	717.36
Support Staff	6.00	69.04	414.26
Administration and Planning Total	59.15	148.64	8807.11

Realisation of Assets

Partner	2.00	360.00	720.00
Assistant Manager	0.30	200.00	100.00
Senior Administrator	16.55	171.08	2865.58
Realisation of Assets Total	19.25	189.00	3685.58

Creditors

Partner	2.00	350.00	700.00
Assistant Manager	3.15	200.00	650.00
Senior Administrator	90.30	167.23	15134.75
Support Staff	2.25	56.33	140.83
Creditors Total	98.10	169.22	16625.58

Tax

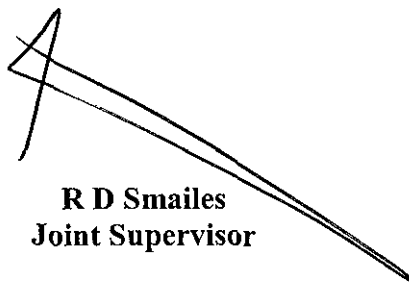
Administrator	11.25	170.36	1959.16
Tax Total	11.25	170.36	1959.16

Creditors should note that since my last report my charge out rates have increased and a revised schedule is attached for ease of reference.

Creditors should also note that since 25 August 2006 I have drawn fees in the sum of £17,985.46 plus disbursements plus VAT in accordance with the company's proposals as agreed by creditors on 26 August 2003

I confirm that the EEC Regulations apply and this is the main proceeding.

Dated: 25 September 2006



R D Smailes
Joint Supervisor

Rothman Pantall & Co
Clareville House, 26/27 Oxendon Street, London, SW1Y 4EP

CREDITORS GUIDE TO FEES
Effective from 1st August 2006
Charge – out rates

Grade	Charge-out rate (£ per hour)
Partner	360 Plus VAT
Manager	280 Plus VAT
Assistant Manager	200 Plus VAT
Senior Administrator	150 - 185 Plus VAT
Administrator	100 – 125 Plus VAT
Assistant	30 – 92 Plus VAT

NB: Time costs are calculated at 5 minute units

Agents Costs

These are charges at cost based upon the charge(s) made by the Agent instructed. The Term "Agent" includes

- Solicitors/legal fees
- Auctioneers/valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist advisors

Storage Costs

Charge at Actual cost incurred for storage (and retrieval, when appropriate) of records

Other disbursements

Category	Basis of charge
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Company searches	At cost incurred
Travel	Motor vehicle at 40p per mile All other forms at actual cost
Room Hire	Held at Rothman Pantall & Co offices: Clareville House, 26/27 Oxendon Street, London, SW1Y 4EP: £50 Any other venue: at actual cost
Stationery	At cost incurred
Photocopying	Specific calculation of 25 pence per sheet x number of creditors
Facsimiles	£1 for 1 st page and 10 pence for each additional page
Other	At actual cost charged