

LIQ03

Notice of progress report in voluntary winding up



Companies House

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COMPANIES HOUSE

1 Company details

Company number 01665165
Company name in full Regal Credit Consultants Limited

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

2 Liquidator's name

Full forename(s) Andrew John
Surname Whelan

3 Liquidator's address

Building name/number Unit 2 Spinnaker Court
Street 1C Becketts Place
Post town Hampton Wick
County/Region Kingston upon Thames
Postcode KT14EQ
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.

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6 Period of progress report

From date	^d 0	^d 4	^m 1	^m 0	^y 2	^y 0	^y 1	^y 6
To date	^d 0	^d 3	^m 1	^m 0	^y 2	^y 0	^y 1	^y 7

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 3	^d 0	^m 1	^m 1	^y 2	^y 0	^y 1	^y 7
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REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

LIQUIDATOR'S ANNUAL PROGRESS REPORT FOR THE YEAR TO 3 OCTOBER 2017

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ATTACHMENTS

Receipts and Payments Account for the Period from 4 October 2016 to 3 October 2017

Time Analysis for the Period from the 4 October 2016 to 3 October 2017

Additional Information in relation to Liquidator's Fees, Expenses & Disbursements

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

1 Introduction and Statutory Information

- 1.1 I, Andrew John Whelan of WSM Marks Bloom LLP, Unit 2 Spinnaker Court, 1C Becketts Place, Hampton Wick, Kingston upon Thames KT1 4EQ, was appointed as Liquidator of Regal Credit Consultants Limited ('the Company') on 4 October 2016. This progress report covers the period from 4 October 2016 to 3 October 2017 ('the Period').
- 1.2 The principal trading address of the Company was Regal House, High Street, Bagshot, Surrey GU19 5AA. The business traded under the Company's name. The premises were occupied under the terms of a lease between the Company and The Trustees of Regal Credit Consultants Ltd Pension Scheme 1998, which presently runs until 28 June 2020.
- 1.3 The registered office of the Company was previously changed to 60/62 Old London Road, Kingston upon Thames KT2 6QZ and has now been changed again to my new office address of Unit 2 Spinnaker Court, 1C Becketts Place, Hampton Wick, Kingston upon Thames KT1 4EQ, and its registered number is 01665165.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Liquidator and his staff.
- 2.2 Attached is my receipts and payments account for the Period.

Administration (including statutory compliance & reporting)

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. This work includes statutory filing and advertising, operating a designated bank account, maintaining case records, and periodically reporting to creditors.
- 2.4 Further details of the tasks involved will be included when I issue my fees proposals to creditors, which I intend to issue shortly after this progress report.
- 2.5 This administrative work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.
- 2.6 In this case, due to the voluminous correspondence that the Company received daily from various debtors and debt management companies, I have put in place a mail re-direction for the Company's post to be delivered to my office.
- 2.7 In spite of my responding to each letter received, advising that the Company is no longer trading, I am, more than a year later, still receiving significant volumes of post daily. This has involved considerable time and expense but is unlikely to result in any ultimate financial benefit to creditors.

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

Realisation of Assets

Furniture and Equipment

- 2.8 A figure of £2,715.00 was estimated as realisable in the directors' statement of affairs in respect of the furniture and equipment held on site at the Company's former trading address. Prior to my appointment, the directors had instructed Marriott & Co ("Marriotts"), who are regulated by the Royal Institution of Chartered Surveyors to assist in the valuation of the assets. Upon my appointment, I engaged Marriotts to assist in the disposal of these assets.
- 2.9 As detailed on the enclosed receipts and payments account, the sum of £1,810 was realised in respect of this asset class. Ultimately, the assets proved to be of lesser value than anticipated and the offers received reflected this, and the price achieved was the best result in the circumstances. Asset realisations from this asset class are now considered complete.

Motor Vehicles

- 2.10 Also detailed in the directors' estimated statement of affairs was motor vehicles estimated to realise £2,000, relating to a 2004 BMW car. During the Period, I again instructed Marriotts to deal with the disposal of this asset and the sum of £2,610 was realised in respect thereof. Asset realisations from this asset class are now considered complete.

Cash at Bank

- 2.11 The Company held various bank accounts as at the date of liquidation held with both Barclays Bank plc ('Barclays') and NatWest Bank plc ('NatWest'). The Company's trading current account was understood to hold a credit balance of £33,816.65 as at this date, and this sum was detailed as realisable in full on the directors' statement of affairs.
- 2.12 The sum of £39,499.63 was actually realised from this asset source via a remittance from Barclays on 3 November 2016. This sum was higher than anticipated due to additional receipts made into the bank account pre-liquidation from various Company debtors.
- 2.13 I have requested that both NatWest and Barclays keep open various other accounts, into which payments were, and still continue to be, made in respect of debts owed to certain customers of the Company for whom the Company was collecting.
- 2.14 Upon my appointment, and in undertaking a reconciliation exercise of the various accounts, it became apparent that not all payments that the Company had received pre-liquidation had been fully recorded or allocated. The task of reconciling and allocating all of these historic payments has ultimately not been possible due to the monumental nature of such an exercise and a lack of information. However, all amounts received since the company ceased actively trading at the end of August 2016 have been fully reconciled.

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

- 2.15 Since my appointment I have also reconciled all payments received into these accounts post-liquidation, and I continue to do so on a daily basis. This has been a significant exercise and has taken a considerable amount of time.
- 2.16 I am currently taking legal advice in respect of the treatment of these funds; both the allocated and non-allocated funds received pre-liquidation and the funds received post-liquidation which have been allocated and recorded but not always traced. It is considered likely be necessary to make an application to court in the future so as to determine how each class of funds should be treated.

Book Debts

- 2.17 A figure of £15,584.51 was estimated as realisable in the directors' statement of affairs, related to the book debts owed to the Company from clients on behalf of whom the Company provided debt collection services. However, after my appointment it became apparent that a number of the debtors had already paid the Company pre-liquidation.
- 2.18 Similarly, other debtors paid in the period immediately prior to liquidation and therefore were included in the cash at bank figure detailed above, which exceeded what was expected to be realised.
- 2.19 The sum of £20.12 has been realised during the Period from this asset class, and no further realisations are now expected therefrom.

Other Assets

- 2.20 There were no other assets detailed on the directors' estimated statement of affairs; however, during the Period I have realised a Royal Mail refund in the sum of £127.18 and bank interest gross in the sum of £30.32.
- 2.21 In addition, it transpired that on 24 October 2008 the Company purchased from Barclays the right to collect a block of debts which the Company had previously been collecting on behalf of Barclays. The directors advised that, as at 31 August 2016, these debts had a total remaining book value of £1,506,000.90, although in view of the age of the debts, recoveries to be anticipated were far short of this figure.
- 2.22 Since my appointment I have taken legal advice on this issue and I have engaged in significant correspondence with the Financial Conduct Authority ('FCA') regarding the rights, duties, and permissions associated with the Company's collection of these debts.
- 2.23 During the Period, realisations in respect of these debts have been paid into some of the accounts with Barclays and NatWest, and certain cheques have been received via the postal redirection and have been banked into an escrow account and kept apart from the Company's assets in the liquidation.
- 2.24 Based on my correspondence with the FCA and the legal advice received, it has now been determined that these realisations represent assets of the Company, and will now be transferred into the liquidation account and shown as a realisation on the next receipts and payments account.

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

- 2.25 I am also now in the process of instructing specialist debt collectors, Harmer Collection Services Ltd ('Harmer') to seek to collect these debts. Harmer, however, will not be taking any enforcement action in respect of these purchased debts, merely proceeding with active collection.
- 2.26 It is considered that the work the Liquidator and his staff have undertaken to date in realising assets may well bring a financial benefit to creditors. The work completed has already resulted in a reduction in the claim of HM Revenue & Customs ('HMRC') in the liquidation, as explained further below, and it is also considered that the work done in realising assets may well lead to a distribution to the unsecured non-preferential creditors of the Company. However, the likelihood of any such realisation is entirely premised on future realisations from the Barclays purchased debt and treatment of the funds in various Company bank accounts described above.

Creditors (claims and distributions)

- 2.27 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.28 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.29 The above work will not necessarily bring any financial benefit to creditors generally, however, a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.
- 2.30 As described further in section 3 below, the Liquidator has spent time during the Period corresponding with various unsecured creditors, confirming the value of their claims and dealing with queries arising, in particular payments made to the Company that would normally have been forwarded to the primary creditors.
- 2.31 Further time is yet to be spent in dealing with the unsecured creditor claims. It is necessary to spend this time, as it is considered eminently possible that there will be further distributions to creditors on this case.

Investigations

- 2.32 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ('CDDA 1986') and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations.

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

- 2.33 This work may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 2.34 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.35 Shortly after 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 any information provided by creditors. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

Matters still to be dealt with

- 2.36 The remaining matters to be dealt with in the liquidation include the collection of the Barclays purchased debt and the determination as how to treat the various funds held by the Company and the associated complexities therewith.
- 2.37 If there are ultimately sufficient realisations in the liquidation to enable a return to be made to the unsecured creditors, then the advertising for unsecured creditor claims and the adjudication thereon, and the calculation and distribution of an unsecured distribution will also be required. This will also include the calculation of any unsecured excess employee claims in respect of redundancy and payment in lieu of notice entitlements, which will likely result in the instruction of Employment Rights Act specialists to assist.
- 2.38 Further information on the remaining work to be undertaken in the liquidation will be provided to creditors upon issue of the Liquidator's fee resolution request, which will be issued shortly after this report.

3 Creditors

Secured Creditors

- 3.1 There are no secured creditors in the liquidation.

Preferential Creditors

- 3.2 There are no known preferential creditors in the liquidation.

Unsecured Creditors

- 3.3 I have received claims totalling £215,228.68 from 23 creditors. I have yet to receive claims from 15 creditors whose debts total £166,708.99 in the statement of affairs.
- 3.4 The creditor claims received includes a claim from HMRC in the sum of £16,094.00. However, this should be entirely eliminated by way of Crown set-off as a result of corporation tax repayments due to the Company following making terminal loss relief claims.

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

- 3.5 Additionally, the creditor claims received includes a sum of £159,985.70 from the National Insurance Fund. There remains a balance from the corporation tax repayment due from the terminal loss relief claims in the sum of £25,700.29 that should be available to further set-off against the National Insurance Fund's claim.
- 3.6 The Company did not grant any floating charges. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the 'Prescribed Part'), which only applies to charges created after 15 September 2003.
- 3.7 Based on present information, it is not yet possible to determine whether there will be sufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors. The likelihood and timing of any dividend is entirely dependent on the eventual treatment of the funds described above and the outcome of the collection of the Barclays' purchased debt.

4 Liquidator's Remuneration

- 4.1 It was resolved at the first meeting of creditors held on 4 October 2016 that my pre-appointment fees of £5,000 plus VAT would be drawn from the assets in the liquidation. I drew these fees in full during the Period.
- 4.2 I have yet to seek a resolution from creditors to set the basis of my remuneration for acting as liquidator. I intend making a proposal to creditors in this regard shortly after the issue of this report.
- 4.3 For reference, I attach a time analysis, which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by me in managing the liquidation. Time costs for the Period are £76,813.00, representing 251.95 hours at an average rate of £304.87 per hour.
- 4.4 Also attached is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements, including details of the expenses incurred on the case during the Period.
- 4.5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://wsm.co.uk/insolvency/creditors-guides/>.

5 Creditors' Rights

- 5.1 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 provide further information about his remuneration or expenses which have been itemised in this progress report.
- 5.2 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, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

6 Next Report

- 6.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.
- 6.2 If you have any queries in relation to the contents of this report, please contact my office on 020 8939 8240 or by email at insolvency@wsm.co.uk



A J Whelan

Liquidator

30 November 2017

Regal Credit Consultants Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 04/10/2016 To 03/10/2017 £	From 04/10/2016 To 03/10/2017 £
	ASSET REALISATIONS		
2,715.00	Furniture & Equipment	1,810.00	1,810.00
2,000.00	Motor Vehicles	2,610.00	2,610.00
15,584.51	Book Debts	20.12	20.12
33,816.65	Cash at Bank	39,449.63	39,449.63
	Royal Mail Refund	127.18	127.18
	Bank Interest Gross	30.32	30.32
		<u>44,047.25</u>	<u>44,047.25</u>
	COST OF REALISATIONS		
	Specific Bond	250.00	250.00
	Preparation of S. of A.	5,000.00	5,000.00
	Accountancy Fees	1,260.00	1,260.00
	Agents/Valuers Fees	2,732.80	2,732.80
	Legal Fees	11,500.00	11,500.00
	Re-Direction of Mail	878.00	878.00
	Statutory Advertising	220.50	220.50
	Other Property Expenses	1,100.29	1,100.29
	Insurance of Assets	905.97	905.97
	Wages & Salaries	711.40	711.40
		<u>(24,558.96)</u>	<u>(24,558.96)</u>
	UNSECURED CREDITORS		
(63,788.58)	Trade & Expense Creditors	NIL	NIL
(83,881.05)	Employees	NIL	NIL
(141,341.59)	Landlord	NIL	NIL
(54,618.34)	Directors	NIL	NIL
(11,300.59)	PAYE	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1,052.00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		<u>NIL</u>	<u>NIL</u>
<u>(301,865.99)</u>		<u>19,488.29</u>	<u>19,488.29</u>
	REPRESENTED BY		
	Vat Receivable		2,312.00
	Fixed Current A/c		17,176.29
			<u>19,488.29</u>



Andrew John Whelan
Liquidator

WSM MARKS BLOOM LLP
TIME & CHARGEOUT SUMMARIES

From 04 October 2016 to 03 October 2017

Regal Credit Consultants Limited

HOURS							
Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	60.70	12.90	79.60	5.90	159.10	49,044.00	308.26
Investigations	22.70	1.30	7.80	0.00	31.80	11,432.00	359.50
Realisation of Assets	7.20	2.20	23.30	0.50	33.20	9,602.00	289.22
Creditors	0.30	0.90	25.40	1.25	27.85	6,735.00	241.83
Total Fees Claimed £	37,222.00	4,404.00	34,332.00	855.00		76,813.00	
Total Hours	90.90	17.30	136.10	7.65	251.95		304.87
Average Rate £	409.48	254.57	252.26	111.76			

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES, EXPENSES AND DISBURSEMENTS

Detailed below is WSM Marks Bloom LLP's policy in relation to Staff allocation and the use of subcontractors, Professional advisors, and Disbursements

Staff allocation and the use of subcontractors

The 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, a Manager, and an Administrator or Assistant.

The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

The charge out rate schedule below provides details of all grades of staff and their experience level.

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

Professional advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Russell-Cooke LLP (legal advice)	Hourly rate and disbursements
WSM Advisors Ltd (payroll services)	Hourly rate and disbursements
Leiwy Sherman & Co (accountancy services)	Hourly rate and disbursements
Marriott & Co (valuation and asset disposal services)	Hourly rate and disbursements
Graham Varndell (ex-employee)	Hourly rate and disbursements
Jenny Thatcher (ex-employee)	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Liquidator's Expenses & Disbursements

The following expenses have been incurred during the Period, and have been paid from the funds in the liquidation account.

I have also indicated what I anticipate to be the total expenses on the case.

REGAL CREDIT CONSULTANTS LIMITED (IN LIQUIDATION)

Expense	Incurred and paid during the Period £	Total anticipated cost £
Insurance of assets	905.97	905.97
Legal fees	11,500.50	50,000.00
Specific penalty bond	250.00	250.00
Accountancy fees	1,260.00	1,260.00
Agents/valuers fees	2,732.80	2,732.80
Re-direction of Mail	878.00	1,153.00
Statutory advertising	220.50	297.00
Utility supply	1,100.29	1,100.29
Wages and salaries	711.40	711.40

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, or document storage. We would confirm that this firm does not seek to charge any Category 2 disbursements.

Charge-out Rates

A schedule of current charge-out rates (effective from January 2017) is detailed below.

Grade of staff	Charge-out rates per hour	Previous rates from January 2016
Partners & Licensed Appointment Takers	£420	£400
Other Licensed Appointment Takers	£340	£320
Non-Appointment Taking Licence Holders	£280	£240
Other Professional Staff	£200	£180
Assistants and Support Staff	£120	£100

The minimum time unit is 6 minutes.

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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	Andrew John Whelan
Company name	WSM Marks Bloom LLP
Address	Unit 2 Spinnaker Court 1C Becketts Place
Post town	Hampton Wick
County/Region	Kingston upon Thames
Postcode	K T 1 4 E Q
Country	
DX	
Telephone	020 8939 8240



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