

LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



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A19

01/08/2019

#303

COMPANIES HOUSE

1 Company details

Company number 0 2 5 5 7 7 3 0

Company name in full People 1st

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

2 Liquidator's name

Full forename(s) Peter

Surname O'Hara

3 Liquidator's address

Building name/number Wesley House

Street Huddersfield Road

Post town Birstall, Batley

County/Region West Yorkshire

Postcode W F 1 7 9 E J

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

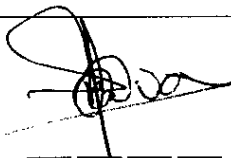
Postcode

Country

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

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	d	2	d	5	m	0	m	6	y	2	y	0	y	1	y	8
To date	d	2	d	4	m	0	m	6	y	2	y	0	y	1	y	9
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>X</div> <div></div> <div>X</div>															
Signature date	d	2	d	6	m	0	m	7	y	2	y	0	y	1	y	9

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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 **Mike Sharp**Company name **O'Hara & Co**Address **Wesley House****Huddersfield Road**Post town **Birstall, Batley**County/Region **West Yorkshire**Postcode **W F 1 7 9 E J**

Country

DX **insol@ohara.co.uk**Telephone **01924 477449****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

**People 1st
(In Liquidation)
Liquidator's Summary of Receipts & Payments**

Statement of Affairs £	From 25/06/2018 To 24/06/2019 £	From 25/06/2018 To 24/06/2019 £
ASSET REALISATIONS		
Bank Interest Gross	1,128.56	1,128.56
Book Debts	7,957.00	7,957.00
Cash at Bank	51,927.71	51,927.71
Hospitality Training	55.00	55.00
Property Service Charges	79,179.85	79,179.85
Surplus from Administrator	274,701.48	274,701.48
Work in Progress	29,952.79	29,952.79
Work in Progress International Contrac	51,227.14	51,227.14
	<u>496,129.53</u>	<u>496,129.53</u>
COST OF REALISATIONS		
Commission due on Schedule A Debto	3,271.99	3,271.99
Commission due on Schedule B Debto	20,320.50	20,320.50
Legal Fees	11,028.58	11,028.58
Specific Bond	720.00	720.00
Statutory Advertising	74.10	74.10
	<u>(35,415.17)</u>	<u>(35,415.17)</u>
	<u>460,714.36</u>	<u>460,714.36</u>
REPRESENTED BY		
Bank 1 Current		460,714.36
		<u>460,714.36</u>


 Peter O'Hara
 Liquidator

Our Ref: POH/MJS
Your Ref:

23rd July 2019



To All Creditors

Wesley House
Huddersfield Road
Birstall
Batley
WF17 9EJ

Tel: 01924 477449
Fax: 01924 475262



Dear Sirs

PEOPLE 1ST - IN LIQUIDATION

Pursuant to Section 104A of the Insolvency Act 1986 (as amended) I write to provide a progress report for the period 25 June 2018 to 24 June 2019. I enclose for your information an up to date receipts and payments account for the period in question, together with a time costs summary in Statement of Insolvency Practice 9 format.

Details of Appointment

Company name: People 1st
Company number: 02557730
Registered office: Wesley House
Huddersfield Road
Birstall
Batley
WF17 9EJ
Liquidator: Peter O'Hara
Date of appointment: 25 June 2018
Authorising body: Insolvency Practitioners Association
IP numbers: 6371

Asset Realisation

Premises

The Company held a lease of premises at Hospitality House which is owned by Macdonalds. The lease was worthless as it was unassignable but Macdonalds agreed to it being assigned to People 1st International on the basis that a sponsorship agreement was novated.

The importance for the liquidation of People 1st is that the lease of the premises had connected to it an Outsourcing Agreement with Barnet & Southgate under which the company was to receive payment of a share of the revenue generated by Barnet & Southgate out of the use of the premises.

The lease has been assigned and the outsourcing and sponsorship agreements have been novated. As a result, the company avoided any claim from the landlord for breach of lease and received the sum of £79,179 from Barnet & Southgate under the Outsourcing Agreement.

Administrators Surplus

As can be seen from the attached statement of affairs, I received the sum of £274,701 from the administrators the details of which were set out in the administrators' report to creditors. Their fees agreed with creditors were also deducted from the monies in hand.

Book Debts and Retentions

The sale of part of the business undertaken by the administrators involved the collection of various book debts and work in progress. People 1st International arranged collection of the book debts (£51,927) which were paid into the company's bank account (hence described as cash at bank in the attached schedule) and for which they were paid a commission of £3,271.

In addition, the agreement provided for a split of the work in progress, payment for which was made directly into the company's bank account and the sum of £20,320 was paid to People 1st International for its share of the receipts falling into this category.

In addition, work in progress in the sum of £51,227 has been received from People 1st International in respect of the work in progress for international contracts which were continued by People 1st International after the dated of administration. The split of the proceeds was calculated on a quantum meruit basis.

I have recovered additional book debts in the sum of £7,957 plus a small debt of £55 for hospitality training. People 1st International have now ceased their collection of outstanding monies and passed the remaining debts to me for collection. The remaining debts are now being handled by our debt collection agents.

Other Realisations in the Liquidation

I have received the sum of £1,128.56 in respect of bank interest.

Creditors' Claims

Fixed Charge Creditors

There are no fixed charge creditors

Preferential Creditors

I have not received any claims from creditors claiming preferential status. However please see the details of the unsecured creditors and in particular the former employees who have claimed a protective award. Part of the award made may have preferential status. I am awaiting a formal claim either from the employees or the Redundancy Payments Office before this issue can be finalised.

Non-Preferential Creditors

I was informed at the outset of the liquidation that there were almost 2,500 creditors in this liquidation. This information was clearly inaccurate and the error has created a significant cost to the liquidation both in terms of the initial communication with creditors and the subsequent telephone calls from those who could find no recent record of dealings with the company.

In the circumstances, I do not propose to send this report out to all of the creditors on the initial list. It is being sent only to those who have lodged a claim. When I am in a position to make an interim distribution I will advertise for any further claims and set a date by which any remaining creditors must lodge their claim. If you receive this report, it indicates that I

have already received your proof of debt and there is nothing more you need to do at this stage.

Employment law is such that if consultation with employees is not undertaken in a prescribed manner and over a set period of time, if more than 20 employees are made redundant, they are able to claim a protective award. In this case, more than 20 staff were made redundant and the Employment Tribunal awarded them 90 days extra pay as their protective award. The calculation of that sum is awaited as are details of whether the Redundancy Payments Office is subrogated to any part of the claims. Until this matter is resolved I will not be in a position to make an interim distribution in this case.

Liquidator's Remuneration and Expenses

As can be seen from the attached schedule, my time costs amount to £86,055. This is significantly higher than the estimate previously indicated to creditors due to the complexity of the issues remaining unresolved after the administration and the inaccurate information provided regarding the creditor claims.

At this stage I have not drawn any remuneration and propose to postpone the issue of the costs to a future date. Once I have a clearer picture of the likely overall costs, I will seek creditors' approval of the proposed level of fees.

Expenses

During the course of the Liquidation, I have made payments as follows:

- Statutory advertising - £74.10
- Specific bond - £720

Professional Fees

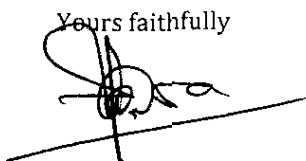
I instructed Messrs Wilkinsons Solicitors to deal with the disposal of the lease, novation of the sponsorship agreement and the outsourcing agreement. Their fees for their services are £11,028 which is included in the attached summary of receipts and payments.

Appendices

- A Account of Liquidator's Receipts and Payments for the period from 25th June 2018 to 24th June 2019
- B Summary of Liquidator's Time Costs up to 24th June 2019
- C Extract from the Insolvency (England & Wales) Rules 2016 relating to Creditor's rights to request further information
- D Extract from the Insolvency (England & Wales) Rules 2016 relating to Office Holders' Remuneration

Should you require any further information, please do not hesitate to contact Mike Sharp.

Yours faithfully



Peter O'Hara
Liquidator

**People 1st
(In Liquidation)
Liquidator's Summary of Receipts and Payments
To 24 June 2019**

RECEIPTS	Statement of Affairs (£)	Total (£)
Book Debts		7,957.00
Surplus from Administrator		274,701.48
Cash at Bank		51,927.71
Property Service Charges		79,179.85
Work in Progress		29,952.79
Bank Interest Gross		1,128.56
Work in Progress International Contracts		51,227.14
Hospitality Training		55.00
		<hr/>
		496,129.53
		<hr/>
PAYMENTS		
Specific Bond		720.00
Legal Fees		11,028.58
Commission due on Schedule B Debtors		20,320.50
Commission due on Schedule A Debtors		3,271.99
Statutory Advertising		74.10
		<hr/>
		35,415.17
		<hr/>
Net Receipts/(Payments)		460,714.36
		<hr/>
 MADE UP AS FOLLOWS		
Bank 1 Current		460,714.36
		<hr/>
		460,714.36
		<hr/>

Time Entry - SIP9 Time & Cost Summary

P365 - People 1st
To: 25/06/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	66.40	0.00	45.10	56.20	167.70	49,825.00	297.11
Case Specific Matters	0.00	0.00	9.80	0.00	9.80	2,940.00	300.00
Creditors	7.50	0.00	43.30	25.20	76.00	21,032.50	276.74
Investigations	0.90	0.00	6.50	0.00	7.40	2,287.50	309.12
Realisation of Assets	16.20	0.00	4.70	9.00	29.90	9,400.00	314.38
Trading	0.00	0.00	1.90	0.00	1.90	570.00	300.00
Total Hours	91.00	0.00	111.30	90.40	292.70	86,055.00	294.00
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

An Extract from the Insolvency (England and Wales) Rules 2016 Relating to Creditors' Rights to Request Additional Information from the Liquidator

1. The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report until rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14:
 - a) A secured creditor;
 - b) An unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - c) Members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - d) Any unsecured creditor with the permission of the court; or
 - e) Any member of the company in a members' voluntary winding up with the permission of the court.
2. A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
3. The office-holder must, within 14 days of receipt of such a request, respond to the person or persons who requested the information by:
 - a) Providing all the information requested;
 - b) Providing some of the information requested; or
 - c) Declining to provide the information requested.
4. The office-holder may respond by providing only some of the information requested or decline to provide the information if:
 - a) The time or cost of preparation of the information would be excessive; or
 - b) Disclosure of the information would be prejudicial to the conduct of the proceedings;
 - c) Disclosure of the information might reasonably be expected to lead to violence against any person; or
 - d) The office-holder is subject to an obligation of confidentiality in relation to the information.
5. An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
6. A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of:
 - a) The office-holder giving reasons for not providing all of the information requested; or
 - b) The expiry of the 14 days within which an office-holder must respond to a request.
7. The court may make such order as it thinks just on an application under paragraph (6).

An Extract from the Insolvency (England and Wales) Rules 2016 Relating to Office Holders' Remuneration

Rule 18.34

1. This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that:
 - a) The remuneration charged by the office-holder is in all the circumstances excessive;
 - b) The basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - c) The expenses incurred by the office-holder are in all the circumstances excessive.
2. The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable:
 - a) A secured creditor;
 - b) An unsecured creditor with either
 - i. The concurrence of at least 10% in value of the unsecured creditors (including that creditor); or
 - ii. The permission of the court; or
 - c) In a members' voluntary winding up:
 - i. Members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company; or
 - ii. A member of the company with the permission of the court.
3. The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

Rule 18.36

1. This rule applies to applications made with permission under rule 18.34.
2. Where the court has given permission, it must fix a venue for the application to be heard.
3. The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.
4. If the court considers the application to be well-founded, it must make one or more of the following orders:
 - a) An order reducing the amount of remuneration which the office-holder is entitled to charge;
 - b) An order reducing any fixed rate or amount;
 - c) An order changing the basis of remuneration;
 - d) An order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
 - e) An order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by:
 - i. The administrator or liquidator of the administrator's or liquidator's personal representative to the company; or
 - ii. The trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - f) Any other order that it thinks just.