

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

02657790

Name of Company

Unity Properties Limited

I / We


Nicholas Charles Osborn Lee, 158 Edmund Street, Birmingham, B3 2HB

Dean Nelson, St Helens House, King Street, Derby, DE1 3EE

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986.

The Progress Report covers the period from 01/02/2016 to 31/01/2017

Signed



Date

29/3/2017

Smith Cooper
158 Edmund Street
Birmingham
B3 2HB

Ref: XXUN01/NL/MB/KF/KAW/KAW

SATURDAY



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COMPANIES HOUSE

UNITY PROPERTIES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)

JOINT LIQUIDATORS' FIRST ANNUAL PROGRESS REPORT
TO MEMBERS AND CREDITORS PURSUANT TO
SECTION 104A OF THE INSOLVENCY ACT 1986
FOR THE YEAR ENDED
31 JANUARY 2017

Nicholas Charles Osborn Lee
Joint Liquidator

Smith Cooper
158 Edmund Street
Birmingham
B3 2HB

29 March 2017

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**UNITY PROPERTIES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

STATUTORY INFORMATION

Trading Address:	Branston Court Branston Street The Jewellery Quarter Birmingham B18 6BA
Company Number:	02657790 Registered in England and Wales
Date of Incorporation:	28 October 1991
Registered Office:	158 Edmund Street Birmingham B3 2HB
Nature of Business:	Architectural Activities
Date of Liquidation:	1 February 2016
Basis of Remuneration:	No approval for the basis of the Joint Liquidator's remuneration has been obtained.
Contact Details:	marina.bray@smithcooper.co.uk
Joint Liquidators:	Nicholas Charles Osborn Lee Dean Anthony Nelson
IP No & Authorising Body:	9069 – Institute of Chartered Accountants in England and Wales 9443 – Institute of Chartered Accountants in England and Wales
Joint Liquidators' Address:	158 Edmund Street Birmingham B3 2HB

1. Introduction

- 1.1. At meetings of members and creditors held on 1 February 2016 at 158 Edmund Street, Birmingham B3 2HB it was resolved that Nicholas Charles Osborn Lee and Dean Anthony Nelson be appointed Joint Liquidators. Nicholas Lee and Dean Nelson are licensed to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

2. Joint Liquidators' Receipts and Payments

- 2.1. An abstract of the Joint Liquidators' receipts and payments for the period 1 February 2016 to 31 January 2017 is attached at Appendix A.
- 2.2. The assets realised during the period of this report is shown below with an estimate of any future anticipated realisations.

Statement of Affairs £	Asset Realisation	Para	Realisations in this Period £	Total Realisations £	Anticipated Further Realisations £
100.00	Plant, Machinery, Fixtures and Fittings	2.3	400.00	400.00	Nil
Uncertain	Work in Progress	2.3	2,000.00	2,000.00	3,000
3,000.00	Cash at Bank	2.4	2,604.55	2,604.55	Nil
	Bank Interest Gross	2.5	2.27	2.27	

- 2.3. The Company's statement of affairs disclosed Plant, Machinery, Fixtures and Fittings estimated to realise £100. This was based upon a valuation prepared by Lambert Smith Hampton. In addition the company had 7 clients with Work in Progress of circa £1,000. In the event an offer of £4,800 plus VAT was received for these assets. To date we have received £2,400 on account, leaving a balance of £2,400 plus VAT outstanding, together with interest. In accordance with the guidance given in SIP 13, details of the Company's transactions with connected parties during the period since the Joint Liquidators appointment, are provided below:

- The transaction was completed on 1 February 2016.
- The sale included the Company's interest in the following assets:
 - fixtures and fittings
 - work in progress
- The sale consideration totalled £4,800 (exclusive of vat), and to date the sum of £2,400 has been received.
- The purchaser was BG3 Architecture
- The purchaser is connected to the Company as the purchaser has similar directors and shareholders to the Company.
- As far as the Joint Liquidators are aware, the purchaser was independently advised.

- 2.4. The Company's Statement of Affairs disclosed cash at bank of £3,000. Upon appointment I wrote to the Company's bankers, and requested the credit balance. In the event, and following the closure of the account, the liquidation estate received the sum of £2,604.55.
- 2.5. To date, Gross Bank Interest of £2.27 has been received, on the monies held in an interest bearing post appointment account.
- 2.6. Payments made during the period to 31 January 2017 are detailed on Appendix A, the majority of which are self-explanatory. An explanation of the principal items are detailed below:-
- 2.7. Preparation of Statement of Affairs of £2,000 relates to the costs of convening the meetings of members and creditors, and, the preparation of information required at the relevant meetings. The agreed fee of £6,000 plus VAT and disbursements was approved by creditors and are payable to Smith Cooper. The balance of £4,000 plus VAT remains outstanding at the date of this report.
- 2.8. Legal disbursements totalling £528.47 plus VAT have been paid to H & S Legal Solicitors in connection with the recovery of the balance due from the purchaser of the assets.

3. Investigations

- 3.1. The Joint Liquidators have a statutory obligation to submit a report on the Director's conduct, to the Insolvency Service, and I confirm that this report has been submitted. The content of this report is confidential and as such cannot be disclosed to creditors.

4. Joint Liquidators' Expenses and Disbursements

- 4.1. Below is a summary of the disbursements incurred, during the period of this report:-

Category 1 Disb.	£	Category 2 Disb.	£
Specific Bond	30.00	none	-
Statutory Advertising	140.44		
Total	<u>170.44</u>	Total	<u>-</u>

Category 1 Disbursements: Payment of specific expenditure which generally comprise of external supplies and services specifically identifiable to the case which can be made without approval from creditors.

Category 2 Disbursements: Payments to the office holder or any party that is an associate of the office holder which generally comprise of disbursements for services provided by the office holder's firm.

5. Joint Liquidators' Remuneration

- 5.1. An analysis and explanation of the Joint Liquidators' time costs incurred for the period 1 February 2016 to 31 January 2017 is attached at Appendix C.

5.2. Smith Cooper has been paid £2,000 plus VAT on account of its costs of convening the meetings of members and creditors and with regard to its assistance provided in the preparation of the Company's statement of affairs which together total £6,000 plus VAT. This amount was duly approved by creditors at the meeting held on 1 February 2016.

5.3. The Joint Liquidators have not sought creditors approval regarding their remuneration as asset realisations are insufficient to meet these costs. As such the time costs incurred since the appointment of the Joint Liquidator's will be written off.

6. Secured creditor

6.1. There are no secured creditors.

7. Preferential Creditors

7.1. There were no preferential creditors disclosed in the Company's statement of Affairs, and no preferential claims have been received.

8. Unsecured Creditors

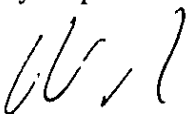
8.1. The Company's Statement of Affairs disclosed unsecured creditors totalling £62,097 and to date, unsecured creditor claims of £48,364.70 have been received.

8.2. Due to a paucity of funds currently at the Joint Liquidators' disposal, there will be insufficient funds available to declare a dividend distribution to unsecured creditors in this matter.

9. Conclusion

9.1. Once the outstanding matters have been resolved, I will draft my final report convening the final meeting of creditors, in order to obtain my release from office and liability.

For and on behalf of
Unity Properties Limited– in Liquidation


Nicholas Charles Osborn Lee
Joint Liquidator

Unity Properties Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 01/02/2016 To 31/01/2017 £	From 01/02/2016 To 31/01/2017 £
	ASSET REALISATIONS		
100.00	Plant, Machinery, Fixtures & Fittings	400.00	400.00
Uncertain	Work in Progress	2,000.00	2,000.00
NIL	Book Debts	NIL	NIL
3,000.00	Cash at Bank	2,604.55	2,604.55
	Bank Interest Gross	2.27	2.27
		<u>5,006.82</u>	<u>5,006.82</u>
	COST OF REALISATIONS		
	Cost of Convening Meeting	NIL	NIL
	Preparation of S. of A.	2,000.00	2,000.00
	Joint Liquidators' Fees	NIL	NIL
(170.44)	Joint Liquidators' Expenses	NIL	NIL
	Petitioning Costs	NIL	NIL
	Legal Disbursements	528.47	528.47
		<u>(2,528.47)</u>	<u>(2,528.47)</u>
	UNSECURED CREDITORS		
(9,754.50)	Trade & Expense Creditors	NIL	NIL
(3,000.00)	Director's Loan Account	NIL	NIL
(12,000.00)	Landlord	NIL	NIL
(8,679.40)	HM Revenue & Customs - VAT	NIL	NIL
(24,345.57)	HM Revenue & Customs - CT	NIL	NIL
(4,317.15)	HM Revenue & Customs - PAYE	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(60,167.06)		<u>2,478.35</u>	<u>2,478.35</u>
	REPRESENTED BY		
	Vat Receivable		400.00
	Bank 1 Current		2,078.35
			<u>2,478.35</u>

UNITY PROPERTIES LIMITED

XXUN01

CREDITORS VOLUNTARY LIQUIDATION

PERIOD FROM 1 FEBRUARY 2016 TO 31 JANUARY 2017

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning	2.00	-	3.70	-	-	15.25	-	-	20.95	2,617.15	124.92
Case Specific Matters	-	-	-	-	-	-	-	-	-	-	-
Cashiering	1.60	-	0.10	-	-	0.10	8.20	-	10.00	1,249.50	124.95
Creditors	0.20	-	7.50	-	-	-	1.70	-	9.40	1,573.90	167.44
Employees	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	6.00	-	-	6.00	498.00	83.00
Realisation of assets	1.00	-	7.00	-	-	0.70	-	-	8.70	1,671.10	192.08
Special Projects	-	-	-	-	-	-	-	-	-	-	-
Statutory Reporting	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	4.80	-	18.30	-	-	22.05	9.90	-	55.05	7,609.65	138.23
Total Charge	1,627.20	-	3,330.60	-	-	1,830.15	821.70	-	7,609.65		

DESCRIPTION OF WORK CARRIED OUT

(Not all statements below will be relevant to this assignment and a more specific list of actions is provided as part of the Joint Liquidator's report)

1. Administration (including statutory reporting) can include tasks such as;

Case Planning

Setting initial case strategy taking into account the specific circumstances of the case and instructing staff accordingly
Periodic review of case strategy and varying strategy as appropriate in the light of case progress
Conducting regular file reviews to ensure compliance to identify any other matters requiring attention
Considering the requirement for solicitors and assessing the appropriate firm to be instructed
Giving instructions for legal advice to be sought
Liaising with solicitors with regard to strategy for legal action
Considering the basis of proposed legal fees

Administrative Set-up

Dealing with case set-up as required under the IPS system
Obtaining Specific Penalty for the appropriate sum
Conducting regular reviews to reconsider level of Specific Penalty required
Considering and reviewing investment of funds in interest bearing account
Dealing with general correspondence arising on the case from time to time
Undertaking a PPF search to ascertain the existence of a Company pension scheme

Appointment Notification, Filing and Advertising

Dealing with initial requirements for notification of appointment, with the Registrar of Companies
Arranging for notification of appointment and notice to creditors in the London Gazette
Notification of appointment to creditors
Notification of appointment to company advisors, including solicitors, auditors, insurance brokers and bankers

Maintenance of Records

Maintaining financial records in accordance with provisions of the Insolvency Act
Maintaining and reviewing Practitioner Record in accordance with provisions of Regulation 13
Dealing with related filing and processing requirements
Dealing with related filing and processing requirements

Statutory Reporting

Preparing and filing annual report with creditors and the Registrar of Companies
Preparing and filing final report with creditors and the Registrar of Companies
Convening General Meeting (where required)

2. Realisation of assets can include tasks such as;

Sale of Business/Assets

Marketing the business and assets for sale
Identifying targets and issuing a sales flyer
Inviting expressions of interest
Undertaking due diligence and issuing non-disclosure agreements
Agreeing a deadline for offers and informing the interested parties
Preparing and issuing sales particulars to the interested parties
Dealing with general enquires
Considering the offers received
Negotiating the terms of the offer with the potential purchasers

SPA Agreements

Instructing solicitors to prepare SPA agreements
Obtaining valuation from agents and requesting review and recommendation of offers to be accepted
Reconciling the fixed asset register to identify Company assets
Liaising with the two purchasers' solicitors concerning the asset purchase agreements and funds being held
Review reconciliation of funds being held by our solicitors and monitor receipt of monies transferred post-appointment

Cash at bank

Liaising with the bank regarding the credit balances
Monitoring receipts

Legal Matter

Liaising with the directors and a third party in respect a legal matter
Instructing our solicitors to pursue a settlement of the legal matter
Corresponding with our solicitors and reviewing the settlement agreement
Monitoring receipt of the full and final settlement

Book Debts

Collating information and supporting documents with regard to pre-appointment book debts
Liaising with the factoring company with regard to strategy for debt collections
Monitoring receipts and the reduction of the factoring company's indebtedness

3. Creditors (claims and distribution) can include tasks such as;

Employees

Providing employees with claim forms to enable their claims to be processed by the Department of Employment
Corresponding with the Redundancy Payments Service with regard to their final claim and dealing with its agreement
Liaising with solicitors in respect of an employee claim
Corresponding with the Employment Tribunal Service in respect of an employee claim
Instructing pension advisors to assist with the winding up of three pension schemes
Liaising with the pension advisors and providing additional information in respect of the associated employees

Communications with Creditors

Liaising with the major creditor's solicitors regarding strategy and associated issues
General correspondence and telephone conversations with creditors to update on dividend prospects and response to general enquiries

Creditors' Claims

Notification of appointment to creditors
Scheduling claims received from creditors
Corresponding with the HM Revenue & Customs with regard to pre-Administration taxation matters to enable a Corporation Tax liability or potential refund to be quantified

4. Investigations can include tasks such as;

Review of the contents of SIP2 and consideration of investigation strategy

Review of Company records and requests to creditors for information to identify any matters requiring further detailed examination
Correspondence with creditors and Crown departments to obtain supporting information required in connection with the investigation
Correspondence with connected parties
Analysis of the bank statements and correspondence with the bank to provide additional information
Reviewing the profit and loss accounts and comparing these with the aged creditor and HMRC analysis' to identify / support any claims arising from the investigations
Reconciling the fixed asset register to ascertain if all assets have been disclosed
Liaising with the director in respect of specific bank transactions
Reporting to the Department of Business, Innovation and Skills on the directors' conduct pursuant to the Company Directors Disqualification Act 1986

5. Trading (where applicable) can include tasks such as;

Employees

Liaising with the management team regarding continued utilisation of employees
Arranging payment of employee wages during the trading period
Liaising with solicitors for clarification of TUPE position
Liaising with Company employees regarding current contract and pending TUPE transfer
Preparation of notice letters and liaising with solicitors regarding content
Notifying employees of transfer under TUPE regulations
Reviewing wages calculations for pre-appointment, trading and post-appointment periods

Trading Debtors

Liaising with Company to obtain current position on issuing invoices
Undertaking reconciliations
Instructing sales invoices to be raised to date of appointment
Monitoring invoices/credits/disputes

Duress Creditors/Undertakings

Liaising with the Company regarding ongoing requirement of supplies/services in consideration of continuing to trade
Liaise with business critical suppliers, reviewing requests on a case by case basis and considering appropriateness to discharge any arrears to facilitate continued supply
Raising cheque requisitions to discharge balances
Regular attendance of sites to oversee trading

6. Cashiering can include tasks such as;

The setup and monitoring of the estate account
The completion of bank reconciliations
The completion of payments and deposits to the estate account
The allocation of bank interest

7. Case specific matters (where applicable)

Currently, there are no matters which are being dealt with of an unusual or special nature to the extent that recording the time spent in this regard should classes as a function separate from those areas discussed above.

INFORMATION FOR CREDITORS IN RELATION TO FEES AND DISBURSEMENTS

INFORMATION RELEVANT AT 17 APRIL 2015

W	smithcooper.co.uk
F	0121 285 1480
<hr/>	
VAT	123354934

General information to creditors regarding insolvency matters

Creditors wishing to understand or find out more information in relation to this or any other type of insolvency process may visit the website:

<http://www.creditorinsolvencyguide.co.uk/>

This website is a step-by-step guide designed to help creditors navigate their way through an insolvency process and has been produced by R3, the UK insolvency trade body.

A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

If any party is unable to obtain a copy of either of the above guides, please contact the individual referred to below who will furnish you with a copy, free of charge:

- Contact – Marina Bray
- Telephone - 0121 236 6789
- Email – marina.bray@smithcooper.co.uk
- Post – Marina Bray, Smith Cooper, 158 Edmund Street, Birmingham B3 2HB

Sent from: Smith Cooper, 158 Edmund Street, Birmingham B3 2HB

Smith Cooper is the trading name of SC Advisory Services Limited, a company registered in England
Registered number: 7678255
Registered Office: St Helen's House, King Street, Derby DE1 3EE
A list of directors is available for inspection at the above address.

Dean Anthony Nelson and Nicholas Charles Osborn Lee are licensed in the UK as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. Furthermore, they are both bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them.

Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities.



Information specific to Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	339
Director	243
Manager	182
Assistant Manager	182
Senior Insolvency Administrator	154
Administrator	122
Junior Administrator	83
Cashier	83
Other	58
Time costs are calculated using 6 minute units.	

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1, being expenses directly referable to a third party, eg statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and Company Search fees, or Category 2, being expenses incurred by the firm and recharged to the estate, which may include a profit element, eg postage, stationery and storage.

Category 1 disbursements are recoverable in full from the estate without the prior approval of creditors. Category 2 disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance.

Category 2 disbursements are proposed to be recovered as follows:-

Postage	Charged at actual cost (first class)
Photocopying	Recharged at 17p per sheet
Storage	Charged at cost
Room Hire	£50 per meeting held Smith Cooper offices
Archiving case files & closure	Recharged at £42.70 per box
Archiving records & closure	Recharged at £9.55 per box
Mileage	45p per mile