

Liquidator's Progress

S.192

Report

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

To the Registrar of Companies

Company Number

02756082

Name of Company

Alchemea Limited

I,
Farheen Qureshi
Parker Getty Limited
Devonshire House
582 Honeypot Lane
Stanmore
Middlesex
HA7 1JS

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 21 May 2015 to 20 May 2016

Signed



Date

11/07/16

Parker Getty Limited
Devonshire House
582 Honeypot Lane
Stanmore
Middlesex
HA7 1JS

Ref ALC/FQ/DC

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COMPANIES HOUSE

Alchemea Limited
Liquidator's Abstract of Receipts & Payments
For the Year 21 May 2015 to 20 May 2016

S of A (£)		Notes	Receipts & Payments for the year 21 May 2015 to 20 May 2016 (£)	Total Receipts & Payments to Date (£)
	ASSETS SPECIFICALLY PLEDGED			
10 000 00	Goodwill	1	NIL	NIL
NIL	Investments		NIL	NIL
(52,967 65)	Lloyds Bank		NIL	NIL
	Financed Assets		NIL	NIL
Uncertain	Five Arrow Media Finance		NIL	NIL
Uncertain			NIL	NIL
	COSTS OF REALISATIONS	1	NIL	NIL
			NIL	NIL
	ASSETS NOT SPECIFICALLY PLEDGED			
86 000 00	Sales Consideration		67 254 64	67 254 64
3 629 60	Debtors		1 750 00	1 750 00
Uncertain	Guarantor Payments		NIL	NIL
	Cash at Bank		NIL	NIL
	Bank Interest		25 74	25 74
			69 030 38	69 030 38
	COST OF REALISATIONS			
	Statement of Affairs Fee		5 833 33	5 833 33
	Office Holder's Fees		15 000 00	15 000 00
	Office Holder's Expenses		NIL	NIL
	Mailing Costs		724 54	724 54
	Insurance Cost		742 00	742 00
	Legal Fees		3,539 00	3 539 00
	Bank charges		100 00	100 00
	Agents Fee		6 595 10	6 595 10
	Chartered Surveyor		250 00	250 00
			32 783 97	32,783 97
	PREFERENTIAL CREDITORS			
(6 861 71)	Employee Arrears/Hol Pay		NIL	NIL
			NIL	NIL
19 553 58	2 PRESCRIBED PART	2	NIL	NIL
			NIL	NIL
	UNSECURED CREDITORS			
(9 294 19)	HM Revenue & Customs		NIL	NIL
(112 515 34)	Trade & Expense Creditors		NIL	NIL
(61 687 60)	Unsecured Employee Claims		NIL	NIL
(19 319 02)	Director's Loans		NIL	NIL
(35 000 00)	Associated Party Loans		NIL	NIL
(44,943 47)	Landlord		NIL	NIL
			NIL	NIL
	DISTRIBUTIONS			
	Ordinary Shareholders		NIL	NIL
			NIL	NIL
				36,246 41
	REPRESENTED BY			
	Interest Bearing Bank Account	3		29 858 81
	VAT Control Account	4		6,387 60
				36,246 41

NOTES

- The sale proceeds for the Company's goodwill were received into my agents bank account. Since the reporting period these have been remitted to the case account. Costs for the realisations are not shown on this periods account.
- No payments were made to creditors by virtue of Section 176a of the Insolvency Act 1986
- The balance of funds held is in an interest bearing current account
- Amounts showing are net of VAT

**Alchemea Limited – in Creditors' Voluntary Liquidation
Liquidator's Annual Progress Report to Creditors and Members
For the year 21 May 2015 to 20 May 2016**

STATUTORY INFORMATION

Enclosed in *Appendix I* of this report is the relevant statutory information concerning my appointment

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the year from 21 May 2015 to 20 May 2016 is enclosed in *Appendix II*.

LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

Since appointment the Liquidator has investigated what assets the Company had and if there are any potential claims against connected or third parties, for the benefit of the estate, with regard to antecedent transactions. A valuation agent, L Cohen of Foulds Ingham Associates was instructed to sell the Company's assets following my appointment. Mr Cohen is a Fixed Charge Receiver and Chartered Valuation Surveyor with over 25 years experience in this field.

ASSETS

Goodwill

The statement of affairs anticipated that the sum of £10,000 would be realised from the Company's goodwill, website and domain name.

Following my appointment a number of expressions of interest were received for the Company's goodwill. Of the expressions received the highest offer was considered by my agent to be the best value to the Company. Accordingly on 3 March 2016 the Company's goodwill was sold to 'The Institute of Contemporary Music Performance' for the sum of £3,000. The purchaser was not connected with the Company nor is directors as defined by section 249 of the Insolvency Act 1986.

The consideration for the sale was paid in two instalments to my agents account of £500 and £2,500. The final instalment payment was received on 14 May 2016. After deduction of the agents costs the proceeds will be remitted to my account.

Financed Assets

The Company's financed assets consisted of various items of computer equipment. It was anticipated that no surplus realisations would be available for the benefit of the Liquidation from the sale of the Company's financed assets by the respective finance Company. To date no realisations have been made nor are expected.

Sale of Company's Assets

In the Company's statement of affairs it was estimated that the following itemised sums would be realised from the sale of the Company's assets -

ASSETS	£
Recording Equipment	80,000 00
Teaching Equipment	3,000 00
Office Fixtures Fittings	3,000 00

Following my appointment an agent was instructed to sell the Company's assets. An inventory list was prepared by my agent and circulated to interested parties. Items on the list were sold to the highest bidder for the said item. 52 different parties purchased items on the sales list and a total sum of £67,254 64.

The Company directors purchased items on the list Mr Mike Sinnott purchased computer equipment to the total value of £3,970 which was paid for in full by 20 July 2015 Mr Huant purchased items to the value of £225 on 17 July 2015 and Mr Pickles purchased items for a value of £100 on 17 July 2015

Realisations were less than anticipated in the director's statement of affairs as more items of equipment than originally anticipated were subject to finance, and subsequently were collected by the respective finance company No further assets remain to be realised from the Company's assets

A valuation was commissioned on the Company's leasehold premises Accordingly there was no value in the Company's leasehold premises and these were disclaimed by the liquidator on 10 August 2015 Furthermore the landlord agreed to write off the amount due to him for rent arrears and dilapidations should the premises be vacated by the Company within a few weeks of the Liquidation

Debtors

On appointment the Company outstanding debtor ledger was valued at £4,627. Payment in full was received on one invoice in the sum of £1,750 00 payment on the remaining debtor has not been paid A solicitor will shortly be instructed to affect payment of this invoice

Guarantor Payments

The Company was limited by guarantee Upon the Company being placed into Liquidation a nominal sum of £1 would be payable to the Company by its three guarantors Following my appointment payment from the guarantees was not sought as it was uneconomical to pursue

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that Lloyd's Bank plc "Lloyds" have a fixed and floating charge debenture over the Company, which was created on 9 July 2012 and registered at Companies House on 18 July 2012

Legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors In this case the provisions of the prescribed part will apply Based on current realisations the prescribed part is currently valued at £9,516

On the Company's statement of affairs it was estimated that Lloyds were owed the sum of £52,967 65 To date I have not received confirmation from the bank if they will be submitting a claim in the Liquidation under their charge

Preferential Creditors

The statement of affairs anticipated preferential claims in the liquidation in the sum of £6,861 71 A preferential claim in the sum of £3,665 89 has been received in the liquidation

Crown Creditors

The statement of affairs included £9,294 19 owed to HM Revenue & Customs "HMRC" A final claim was received from HMRC's for £22,205 56 in respect of PAYE/NI

Non-preferential unsecured Creditors

The statement of affairs included 97 unsecured creditors with an estimated total liability of £342,588 98 Following my appointment 15 claims in the aggregate sum of £150,300 24 were received from trade & expense creditors

As a result of negotiations with the landlord concerning the Company's leasehold property and vacation thereof, the landlord is not expected to submit a claim in the Liquidation According to the Company's statements of affairs the Landlord was owed the sum of £44,943 47 excluding dilapidations

Further claims were received from short and long term course creditors in the aggregate sum of £83,702 00 and an unsecured claim from the Redundancy Payment Office in the sum of £42,657 65 To date post appointment claims in the sum of £322,037 28 have been received in the Liquidation

DIVIDEND PROSPECTS

A distribution will shortly be made to preferential creditors At present the secured charge holder has not submitted a claim in the Liquidation nor confirmed if a claim will be submitted Until this position has been crystalized a distribution to creditors under the provisions of the prescribed part or from the balance of funds held cannot be made

may be available to creditors

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make him unfit to be concerned with the management of the Company I would confirm that my report has been submitted

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved

No matters were identified which required further action

PRE-APPOINTMENT REMUNERATION

The board previously authorised the payment of a fee of £7,500 plus VAT for assistance with preparing the statement of affairs, producing and circulating the notices for the meetings of members and creditors Of this fee £2,000 was paid by one of the Company's directors with the balance paid as an expense of the Liquidation

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by creditors at a meeting held on 21 May 2015 to be drawn on a time cost basis My total time costs to 20 May 2016 amount to £18,467.00, representing 77 60 hours of work at an average charge out rate of £237 97 per hour

Fees in the sum of £15,000 have been drawn to date

A schedule of my time costs incurred to date is enclosed in **Appendix III**.

A copy of 'A Creditor's Guide to Liquidators' Fees' published by the Institute of Chartered Accountants of England & Wales, is available at the [http //www.icaew.com/en/technical/insolvency/creditors-guides](http://www.icaew.com/en/technical/insolvency/creditors-guides). A hard copy can be obtained upon request

Please note since 1 January 2016 my hourly charge out rates have increased as shown in **Appendix III**.

LIQUIDATOR'S EXPENSES

The Liquidator's disbursements incurred and reimbursed are summarised below Details are enclosed as **Appendix III**

	Incurred	Paid
Category 1 disbursements for this period, from 21 May 2015 to 20 May 2016	£1,217 12	£NIL
Category 2 disbursements for this period, from 21 May 2015 to 20 May 2016	£NIL	£NIL

The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Fee Arrangement
Foulds Ingham Associates Limited	Valuer/Auctioneer	Fixed fee for valuation report percentage of realisations
Summers Nigh LLP	Legal advice on creditor issues	Time costs
Summit Law LLP	Legal advice	Time costs
Langleys Chartered Surveyor	Desktop valuation on the Company's leasehold property	Fixed Fee

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

DISPUTES

At Parker Getty we strive to provide a professional and efficient service. If you should have cause to complain about the way that we are acting, you should, in the first instance, put details of your complaint in writing to for the attention of our complaints officer. This will formally invoke our complaints procedure.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, or you may email ip.complaints@insolvency.gov.uk, or you may phone 0845 602 9848.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

SUMMARY

The Liquidation will remain open until the position of the secured creditors claim in the liquidation has been crystallised and distributions have been made to unsecured creditors under the prescribed part. I estimate that this will take approximately 8 months and once resolved the Liquidation will be finalised and our files will be closed.

Statutory Information

Company Information

Company Name	Alchemea Limited
Previous Name	None
Company Number	02756082
Date of Incorporation	15 October 1992
Former Trading Address	The Windsor Centre, Windsor Street, London, N1 8QG
Current Registered Office	C/O Parker Getty, Devonshire House, 582 Honeypot Lane, Stanmore, Middx, HA7 1JS
Former Registered Office	The Windsor Centre, Windsor Street, London, N1 8QG
Principal Trading Activity	Technical and vocational secondary education

Appointment details

Liquidators' name	Farheen Qureshi of Parker Getty Limited, Devonshire House, 582 Honeypot Lane, Stanmore, Middx, HA7 1JS
Commencement of liquidation	21 May 2015
Date of appointment	21 May 2015
Appointment made by	Members and Creditors

Alchemea Limited
Liquidator's Abstract of Receipts & Payments
For the Year 21 May 2015 to 20 May 2016

S of A (£)		Notes	Receipts & Payments for the year 21 May 2015 to 20 May 2016 (£)	Total Receipts & Payments to Date (£)
	ASSETS SPECIFICALLY PLEDGED			
10,000 00	Goodwill	1	NIL	NIL
NIL	Investments		NIL	NIL
(52,967 65)	Lloyds Bank		<u>NIL</u>	<u>NIL</u>
Uncertain	Financed Assets		NIL	NIL
Uncertain	Five Arrow Media Finance		<u>NIL</u>	<u>NIL</u>
			NIL	NIL
	COSTS OF REALISATIONS	1	<u>NIL</u>	<u>NIL</u>
			NIL	NIL
	ASSETS NOT SPECIFICALLY PLEDGED			
88,000 00	Sales Consideration		67,254 64	67,254 64
3 628 60	Debtors		1,750 00	1,750 00
Uncertain	Guarantor Payments		NIL	NIL
	Cash at Bank		NIL	NIL
	Bank Interest		25 74	25 74
			<u>69,030.38</u>	<u>69,030 38</u>
	COST OF REALISATIONS			
	Statement of Affairs Fee		5 833 33	5 833 33
	Office Holder's Fees		15,000 00	15 000 00
	Office Holder's Expenses		NIL	NIL
	Mailing Costs		724 54	724.54
	Insurance Cost		742 00	742 00
	Legal Fees		3,539 00	3 539 00
	Bank charges		100 00	100 00
	Agents Fee		6,595 10	6,595 10
	Chartered Surveyor		250 00	250 00
			<u>32 783 97</u>	<u>32,783 97</u>
	PREFERENTIAL CREDITORS			
(6,861 71)	Employee Arrears/Hol Pay		<u>NIL</u>	<u>NIL</u>
			NIL	NIL
19,553 58	2 PRESCRIBED PART	2	<u>NIL</u>	<u>NIL</u>
			NIL	NIL
	UNSECURED CREDITORS			
(9,294 19)	HM Revenue & Customs		NIL	NIL
(112 515 34)	Trade & Expense Creditors		NIL	NIL
(61,687 60)	Unsecured Employee Claims		NIL	NIL
(19,319 02)	Director's Loans		NIL	NIL
(35,000 00)	Associated Party Loans		NIL	NIL
(44,943 47)	Landlord		<u>NIL</u>	<u>NIL</u>
			NIL	NIL
	DISTRIBUTIONS			
	Ordinary Shareholders		<u>NIL</u>	<u>NIL</u>
			NIL	NIL
				<u>36,246 41</u>
	REPRESENTED BY			
	Interest Bearing Bank Account	3		29 858 81
	VAT Control Account	4		6 387 60
				<u>36,246.41</u>

NOTES

- The sale proceeds for the Company's goodwill were received into my agents bank account. Since the reporting period these have been remitted to the case account. Costs for the realisations are not shown on this periods account.
- No payments were made to creditors by virtue of Section 178a of the Insolvency Act 1986
- The balance of funds held is in an interest bearing current account
- Amounts showing are net of VAT

Appendix III

Information relating to the Liquidator's Fees and Expenses

1 Explanation of Liquidator's charging and disbursement recovery policies

1.1. Time recording

Work undertaken on the case is recorded in minimum units of 6 minute Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done The current hourly charge-out rates are

	Rate from 1 January 2015 £	Rate from 1 January 2016 £
Director and licensed Insolvency Practitioner	330	350
Senior staff	130-205	150-205
Assistant and support staff	110	120

1.2 Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Parker Getty Limited and then recharged to the estate, approval from creditors is not required

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case

Category 2 disbursements.

These include elements of shared or allocated costs incurred by Parker Getty Limited and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance

Category 2 disbursements charged by Parker Getty Limited are as follows

Disbursement charge	Rate Since 1 January 2015	Rate Since 1 January 2016
Mileage	45p per mile	45p per mile
Envelope	15p	15p
Photocopying	15p per sheet	15p per sheet
Meeting Room Hire	£100	£100

2. Time and charge out summary

For the period of this report from 21 May 2015 to 20 May 2016 a total of 77 60 hours have been spent at an average charge out rate of £237 97 bringing the total charged to £18,467 00

Classification of work function	Insolvency Practitioner/ Director	Other senior professionals	Total	Time cost £	Average Hourly rate £
Administration and Planning	2 80	11 60	14 40	2,813 00	195 35
Assets					
Fixed Charge	1 60	0 00	1 60	536 00	335 00
Floating Charge	16 10	10 30	26 40	7,167 00	271 48
Investigations	1 50	6 50	8 00	1,665 00	208 13
Creditors	4 10	5 20	9 30	2,309 00	248 28
Employee	0 00	9 80	9 80	1,764 00	180 00
Review	3 00	3 60	6 60	1,706 00	258 48
Cashienng	1 50	0 00	1 50	507 00	338 00
Total hours	30 60	47 00	77 60		
Total fees claimed £	10,138 00	8,329 00		18,467 00	

A description of the routine work undertaken in the Liquidation to date is as follows

1 Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required.
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Case bordereau
- Case planning and administration
- Maintaining and managing the Liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

2 Assets

Fixed Charge

- Correspondence with valuation agent
- Correspondence with Charge holder

Floating Charge

- Collection of outstanding book debts
- Correspondence with interested parties
- Correspondence with valuation agent
- Correspondence with chartered surveyor
- Disclaiming onerous property

3 Investigations

- Review and storage of books and records
- Preparing a return pursuant to the Company Directors Disqualification Act
- Conducting investigations into suspicious transactions
- Reviewing books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors
- Liaising with solicitor

4 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS
- Reviewing and adjudicating on proofs of debt received from creditors
- Recording employees claims
- Adjudicating on employee and subrogated claims
- Submission of documentation to Redundancy Payments Office
- Correspondence with employees

5 Employee

- Submission of RP14 and RP14a forms to the Redundancy Payments Office "RPO"
- Correspondence with employees
- Correspondence with the RPO

6 Review

- Reviews of case progression and case files

7 Cashiering

- Maintaining the cash book
- Monthly reconciliation between the case cash book and bank statements

3 Disbursements

Disbursements incurred during the period of this report and cumulatively, and those reimbursed in the period and cumulatively, to date, are detailed below

Disbursements	Period 21 May 2015 to 20 May 2016	
	Incurring	Paid
	£	£
Category 1		
Statutory advertising	169 20	NIL
Bond premium	553 00	NIL
Postage	NIL	NIL
Land Registry	6 00	NIL
Locksmith	444 12	NIL
Courier Cost	44 80	NIL
	1,217.12	NIL
Total		
Category 2		
Mailing	NIL	NIL
Total	NIL	NIL
TOTAL DISBURSEMENTS	1,217.12	NIL

The above costs exclude VAT