

Liquidator's Final Report to Creditors



02958567 Limited

- In Compulsory Liquidation

25 February 2014

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1 Introduction

- 1 1 I, Ian Mark Defty of Kingston Smith & Partners LLP, 105 St Peter's Street, St Albans, Hertfordshire AL1 3EJ, was appointed as Liquidator of 02958567 Limited (the Company) on 17 August 2010, following the presentation of a petition for the compulsory winding up of the Company by HM Revenue & Customs. At the outset, there were asset values estimated at nil and anticipated liabilities of £83,714 as per the Official Receiver's Report.
- 1 2 This report provides a summary of the outcome of the liquidation of the Company which has now been completed.
- 1 3 The trading address of the Company was 196 Elliot Street, Tyldesley, Manchester M28 8DS.
- 1 4 The registered office of the Company was changed to 105 St Peter's Street, St Albans, Hertfordshire AL1 3EJ and its registered number is 02958567.

2 Progress of the Liquidation

- 2 1 There are no known assets in the liquidation.
- 2 2 At Appendix A, I have provided an account of my Receipts and Payments for the period from 17 August 2013 to 25 February 2014 with a comparison to the Official Receiver's Statement of Affairs values, together with a cumulative account since my appointment.
- 2 3 This account has been reconciled with that which is held by the Secretary of State in respect of the winding up.
- 2 4 Further information on the Liquidator's remuneration can be found in section 5 below.

3 Investigations

- 3 1 I would refer to my Annual Report to Creditors dated 18 September 2013.
- 3 2 As previously advised, the Company entered into a tax avoidance scheme involved in the purchase of a second hand capital redemption policy which created a tax loss.
- 3 3 As stated in my annual report to creditors dated 18 September 2013, the likely recovery if proceedings were to be brought in respect of the tax avoidance scheme would not be commercial compared to the debt owed to HM Revenue & Customs. The decision has therefore been taken not to pursue recovery action against the directors.

3 4 In light of the above, I am now seeking to finalise my administration of this case and obtain my release as Liquidator

4 Outcome for Creditors

Secured Creditors

4 1 There are no secured creditors in the liquidation

Preferential Creditors

4 2 There are no preferential creditors in the liquidation

Unsecured Creditors

4 3 I received a claim totalling £28,752 from one creditor

4 4 I can confirm that the realisations are insufficient to declare a dividend to the unsecured creditors

5 Liquidator's Remuneration

5 1 The Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation

5 2 My time costs for the period from 17 August 2010 to 25 February 2014 are £19,044 38 This represents 90 42 hours at an average rate of £210 62 per hour Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation

5 3 Also attached as Appendix B is a cumulative Time Analysis for the period from 17 August 2010 to 25 February 2014 which provides details of my total time costs since the date of my appointment

5 4 I would confirm that the no fees or disbursements have been drawn and these will now be written off

5 5 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

5 6 The bulk of the time of £7,737 84 incurred in this case has been spent in dealing with investigation matters, details of which have been provided previously

5 7 £7,746 98 has been spent in dealing with the general planning and administration of the case, including tasks not caught by other codes

5 8 £3,492 07 has been incurred in dealing with creditors claims and correspondence with them

6 Creditors' rights

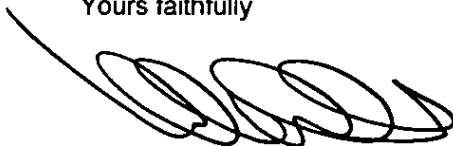
6 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report

6 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

7 Conclusion

7 1 This report together with the final meeting of creditors will conclude my administration Details of the final meeting and resolutions to be considered have been circulated with this report

Yours faithfully

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, positioned above the printed name.

IAN M DEFTY
Liquidator

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02958567 LIMITED – IN COMPULSORY LIQUIDATION

APPENDIX A


**Receipts and Payments Account from 17 August 2013 to 25 February 2014 with Cumulative
Receipts and Payments Account for Period from 17 August 2010 to 25 February 2014**

02958567 Limited
(In Liquidation)

Liquidator's Abstract Of Receipts And Payments

	Statement of affairs £	From 17/08/2013 To 25/02/2014 £	From 17/08/2010 To 25/02/2014 £
RECEIPTS			
Refunded OR Fees & Disbursements		1,511 00	1,511 00
Petitioners Deposit		0 00	1,000 00
		<u>1,511 00</u>	<u>2,511 00</u>
PAYMENTS			
O R Remuneration		0 00	2,235 00
Bank Charges		44 00	276 00
HMRC - Corporation Tax	(38,714 00)	0 00	0 00
Ordinary Shareholders	(45,000 00)	0 00	0 00
		<u>44 00</u>	<u>2,511 00</u>
BALANCE - 25 February 2014		<u>1,467 00</u>	<u>0.00</u>
MADE UP AS FOLLOWS			
ISA IB		1,467 00	0 00
		<u>1,467 00</u>	<u>0 00</u>

Note


Ian Defty
Liquidator

02958567 LIMITED – IN COMPULSORY LIQUIDATION

APPENDIX B

**Time Analysis for the Period from 17 August 2013 to 25 February 2014 with Cumulative Time
Analysis for the Period from 17 August 2010 to 25 February 2014**

02958567 Limited

Summary of Fees and Expenses

From 17/08/2013 to 25/02/2014

Time Costs

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Other Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
Administration & Planning	1 83	1 17	1 67	0 50	5 17	2,016 11	390 21
Case Planning/Information	1 83				1 83	1,274 17	695 00
General Admin/Billing/Filing		0 17	0 42		0 58	160 27	274 75
Post Appointment VAT & CTax		1 00	0 50	0 50	2 00	425 42	212 71
Statutory filing with Court, Companies			0 25		0 25	41 75	167 00
Strategy reviews/Checklists/Diary			0 50		0 50	114 50	229 00
Creditors		0 50	7 50	0 25	8 25	1,456 00	176 48
Correspondence/Preparation of		0 50	7 50	0 25	8 25	1,456 00	176 48
Grand Total	1 83	1 67	9 17	0 75	13 42	3,472 11	

Notes

1 All costs are shown excluding VAT and include an element of undrawn work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.

2 The time accounting system utilised by Kingston Smith & Partners LLP does not allow for analysis of time, by task, prior to 30 November 2002.

Disbursements

Category 1 Disbursements

72 21

These are out of pocket expenses which are directly attributable to the case. These are charged to the case and billed as funds allow.

Category 2 Disbursements

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as follows:

Photocopies	26 10
Postage	8 52
	34 62

Summary of Fees and Expenses

From 17/08/2010 to 25/02/2014

Time Costs

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Other Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
Administration & Planning	5 67	9 33	13 42	0 83	29 25	7,746 98	264 85
Case Planning/Information	5 58		4 25		9 83	3 663 92	372 60
Set-up Administration/IPS/Initial	0 08	2 08	2 17		4 33	842 75	194 48
Books & Records administration		0 50			0 50	120 00	240 00
General Admin/Billing/Filing		2 17	4 75		6 92	1 330 55	192 37
Post Appointment VAT & CTax		1 00	0 92	0 83	2 75	535 84	194 85
Strategy reviews/Checklists/Diary		3 58	0 75		4 33	1,168 84	269 73
Statutory filing with Court, Companies			0 58		0 58	85 08	145 85
Realisation of Assets	0 08	0 08	0 08		0 25	67 49	269 96
Identification, securing, insuring &	0 08	0 08	0 08		0 25	67 49	269 96
Creditors	0 33	2 33	14 83	0 25	17 75	3,492 07	196 74
Claims/Proofs	0 17				0 17	69 33	415 98
Correspondence/Preparation of	0 17	2 33	14 83	0 25	17 58	3,422 74	194 66
Investigations		19 00	24 17		43 17	7,737 84	179 25
Information capture/initial		5 92	2 33		8 25	1 728 11	209 47
Litigation - document review		0 83			0 83	195 00	234 00
Retrieval, review & analysis of debtors		1 58	8 75		10 33	1,603 66	155 19
Strategy, planning, meetings and		10 67	13 08		23 75	4,211 07	177 31
Grand Total	6 08	30 75	52 50	1 08	90 42	19,044 38	

Notes

1 All costs are shown excluding VAT and include an element of undrawn work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.

2 The time accounting system utilised by Kingston Smith & Partners LLP does not allow for analysis of time, by task, prior to 30 November 2002.

Disbursements

Category 1 Disbursements

484 94

These are out of pocket expenses which are directly attributable to the case. These are charged to the case and billed as funds allow.

Category 2 Disbursements

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as follows:

Photocopies	64 20
Postage	21 67
	85 87

02958567 LIMITED – IN COMPULSORY LIQUIDATION

APPENDIX C

Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No. 9

Appendix C

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

Policy

Detailed below is Kingston Smith & Partners LLP's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- 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 sub-contractors 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
Clake Willmott (legal advice)	CFA Basis
Willis (insurance)	Scale Rate

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.

Disbursements

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 disbursements can include costs incurred by Kingston Smith & Partners LLP for the provision of services which include an element of recharged overhead, for example, room hire or document storage.

On this case the following Category 2 disbursements have been incurred since my appointment

Type & Purpose	£
Photocopies	64.20
Postage	21.67
Total	85.87

Charge-out Rates

A schedule of Kingston Smith & Partners LLP charge-out rates for this assignment effective from 1 November 2013 is detailed below

	Per Hour £
Partner	433 to 695
Senior Manager	314 to 550
Assistant Manager/Manager	275 to 495
Other Senior Professionals	
Supervisor	238 to 285
Senior Administrator	222 to 230
Administrator	167
Junior Administrator	140
Support Staff	
Experienced Cashier	238
Cashier	167
Support	105

The lower charge-out rates have been applied to this case

Please note that this firm records its time in minimum units of 5 minutes