

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



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03/06/2017

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COMPANIES HOUSE

1 Company details

Company number 0 2 9 9 0 5 8 0

Company name in full L.G.A. Limited

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

2 Liquidator's name

Full forename(s) Timothy Colin Hamilton

Surname Ball

3 Liquidator's address

Building name/number 90 Victoria Street

Street

Post town Bristol

County/Region

Postcode B S 1 6 D P

Country

4 Liquidator's name

Full forename(s)

Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address

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

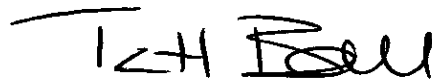
6 Period of progress report

From date	^d 2	^d 3	^m 0	^m 4	^y 2	^y 0	^y 1	^y 6
To date	^d 2	^d 2	^m 0	^m 4	^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 2	^d 2	^m 0	^m 4	^y 2	^y 0	^y 1	^y 7
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LIQ03

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 **Timothy Colin Hamilton Ball**Company name **Mazars LLP**Address **90 Victoria Street**Post town **Bristol**

County/Region

Postcode **B S 1 6 D P**

Country

DX

Telephone **0117 928 1700****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

L.G.A. Limited
In Liquidation

Liquidator's progress report covering the period from 23 April 2016 to
22 April 2017

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L.G.A. Limited - In Liquidation ("the Company")

Progress Report to Creditors & Members

1. Introduction

- 1.1. This report is prepared pursuant to Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 22 April 2017.
- 1.2. I was appointed as Liquidator of the Company following its conversion from an Administration pursuant to paragraph 83 of Schedule B1 of the Insolvency Act 1986 on 23 April 2015. I am authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.3. Identification details relating to the Company and the Liquidator are attached at *Appendix A*.

2. Liquidator's Receipts and Payments

- 2.1. A summary of receipts and payments covering the period from 23 April 2016 to 22 April 2017 is attached at *Appendix B*. The receipts and payments account also covers the cumulative period from the date of appointment to 23 April 2015. A comparison of the figures estimated by the Joint Administrators to actual realisations made to date is included to assist creditors in assessing progress to date.
- 2.2. The receipts and payments account confirms that there is currently a balance in hand of £96,335, along with a recoverable VAT balance of £7,356.
- 2.3. An explanation of the assets realised and the expenses paid is provided below.

3. Asset Realisations and Details of Progress

- 3.1. Asset realisations made during the period covered by this report are detailed below.
- 3.2. **Claim Against the Estate of Mr Albert Birkett ("the Estate")**
 - 3.2.1. As creditors will recall, upon my appointment, I was made aware that one of the Company's directors, Mr Albert Birkett, had used the Company's resources in order to complete work on a private property.
 - 3.2.2. I instructed my agents, Craigdam, to review this 'contract' and the work that had been completed on the property in order to determine the value of the work carried out by the Company. Following Craigdam's detailed analysis of the Company's invoices and records, Craigdam calculated Mr Birkett's debt to be approximately £580,065, however it was also accepted that Mr Birkett had certain counter claims against the Company and had also paid



significant personal funds to the Company, which should reduce this debt. As creditors will recall, due to the quantum of this debt, the disputes raised, and the difficulty progressing repayment discussions with representatives of the Estate, this matter was passed to my solicitors, Blake Morgan LLP and I would refer creditors to my report of 16 June 2016 for detail of work completed by the Liquidator and his solicitors up until 22 April 2016.

- 3.2.3. Since the Liquidator's last statutory update provided to creditors, I can report that, following extensive correspondence with the Estate and whilst progressing legal proceedings, and the appointment of a joint expert for the review of the work completed by the Company on Mr Birkett's private property, a constructive meeting has been held with the representatives of the Estate and I am pleased to be able to report that a tentative agreement has been reached to settle the matter. I would, however, advise creditors that to date a formal agreement has not been entered into and no funds have yet been secured from the Estate.
- 3.2.4. The settlement agreed in principle, is dependent upon the sale of a freehold property ("the Farm") held by the Estate and the satisfaction of the Bank's charge over the Farm. Accordingly, as the exact details of the agreement are not yet confirmed, and may yet be subject to change, the specific details of the agreement are not being disclosed within this report.
- 3.2.5. It has been agreed, however, that the legal proceedings instigated in this regard will be held, whilst the settlement is finalised.

3.3. Book debts

- 3.3.1. Detailed information regarding the realisation of the Company's debtors during the Administration was reported to creditors in my final progress report, dated 12 May 2015.
- 3.3.2. In summary, per the advice of my appointed debt collection agents, Craigdam, the book value of the Company's sales ledger was £288,575, with an estimated to realised value of £83,000, of which £76,462 was realised during the prior Administration of the Company.
- 3.3.3. The Company's outstanding book debts are still currently being pursued by my agents, Craigdam and, to date, a further £102,613 has been realised during the course of the Liquidation. My agents are still pursuing a further, and likely final, realisation, anticipated to be in the region of £10,000, however, it is presently being disputed by the debtor in question and it appears that the claim will subject to an element of set off.
- 3.3.4. In addition, as creditors will recall, a further book debt was also realised by the Liquidator, independent of Craigdam, totalling £31,706.
- 3.3.5. Accordingly, to date, book debt realisations in the Liquidation have amounted to £134,319.

3.4. Sundry

- 3.4.1. Bank interest of £886 has been received during the period on the investment of funds generated from the realisation of the Company's assets. Interest accrued in the Liquidation now totals £1,207.



4. Assets still to be realised

4.1. Assets still to be realised comprise:

4.2. Claim Against the Estate of Mr Albert Birkett

4.2.1. As detailed in **Section 3.2**, funds have not yet been received from the Estate of Mr Albert Birkett in respect of the Liquidator's significant claim concerning the use of the Company's resources on a private property owned by the Company's former director.

4.2.2. A tentative agreement has been reached with the Estate's representatives and it is currently anticipated that this matter will be resolved in the near future, although any realisation is subject to the sale of a freehold property held by the Estate, and it is understood by the Liquidator that, as at the date of this report, the sale has not yet been completed.

4.3. Book debts

4.3.1. As detailed in **Section 3.3**, the Liquidator's agent, Craigdam, is pursuing one last book debt, which is anticipated to result in a final book debt realisation of £10,000. No other realisations are anticipated in this regard and it is hoped that the debt collection process will be concluded in the near future.

5. Estimated Outcome Statement

5.1. An estimated outcome statement has not been prepared for this report as the significant asset in this case, the Liquidator's claim against the Estate of the Company's former director, Mr Albert Birkett, remains outstanding and the result of this claim could significantly change the potential outcome for creditors.

5.2. As detailed above, an agreement has been reached with the Estate of Mr Albert Birkett, however, the terms have not yet been finalised and no funds have been received by the Liquidator at this time. The payment from the Estate is subject to the sale of a freehold property that is in the Estate's possession. Furthermore, the National Westminster Bank ("Bank") also has an interest in the sale of the freehold property due to a personal guarantee that had been provided by Mr Birkett. It appears that the Bank will be able to call upon the personal guarantee and the payment to the Bank may affect and the possible outcome for creditors in this case.

5.3. Of note, and as creditors will recall, the Company's preferential creditors have already been paid in full. Accordingly, should the secured creditor be paid in full from the sale of the freehold property in the possession of the Estate, it is possible the funds would then be available for the Company's unsecured creditors.

5.4. Should the Liquidator receive significant funds from the Estate, it is anticipated that, subject to remaining costs of the Liquidation, it may be possible that a dividend could be paid to the Company's unsecured creditors. This estimate is subject to the assumption that the secured creditor will have been paid in full by the Estate of Mr Albert Birkett and that the Estate waives its subrogated claim in the Liquidation as part of the settlement reached.



- 5.5. Should no realisation be achieved from the Estate, it appears likely that the secured creditor would suffer a shortfall and no payment would therefore be made to the Company's unsecured creditors.

6. Liabilities

6.1. Secured Creditors

- 6.1.1. The Company banked with National Westminster Bank ("NatWest" or "the Bank"), holding three accounts. NatWest have confirmed that it was granted the benefit of a legal debenture, created on 27 March 1995 and registered on 29 March 1995.
- 6.1.2. As creditors will recall, having secured a copy of the security document, my solicitors conducted a review of the debenture's validity and confirmed that it was, indeed, validly executed.
- 6.1.3. As previously reported, the Bank submitted a proof of debt claim form, in the sum of £181,555, in respect of an overdrawn bank account. At the present time, it is currently estimated that that the Company's secured creditor will be paid in full from anticipated asset realisations, including significant sums due from the Estate of Mr Birkett.
- 6.1.4. I can report that a distribution of £100,000 was made to the Bank during the reporting period, reducing its outstanding claim to £81,555.
- 6.1.5. As creditors will recall, in addition to the above sum, the Liquidator has also been made aware the Company has provided a Guarantee in relation to a £250,000 loan provided by the Bank to Mr Albert Birkett for work on one of Mr Birkett's private properties.
- 6.1.6. Having met with representatives of the Estate, it is the Liquidator's understanding that this potential secured liability should, at first, be settled by the Estate, or, through the sale of one of two personal properties under the control of the Estate of Mr Birkett.
- 6.1.7. If, however, insufficient funds are received from the Estate and the sale of the two properties, it is my solicitors' advice that the Bank may request payment from the Company as a result of a Guarantees provided by the Company, via Mr Birkett, one of which the Liquidator understands has already been sold.
- 6.1.8. Recent meetings with the representatives of the Estates have been constructive and I would advise creditors that it is currently anticipated that remaining monies owing to the Bank will be settled through the sale of the freehold properties held by the Estate. It also been tentatively agreed that the Estate will waive the subrogated secured claim that the Estate would have in the Liquidation, which should result in additional funds being available for a distribution to the Company's unsecured creditors.
- 6.1.9. I would advise creditors, however, that as at the time of this report, one of the freehold property under the control of the Estate has not yet been sold and that the secured creditors' claims remain outstanding.

6.2. Preferential Creditors

- 6.2.1. The Company's preferential creditors' claims, in relation to the claims of the Company's former employees for arrears of wages (subject to a £800 preferential limited) and holiday pay, were reviewed and agreed during the previous reporting period and a 100p in the £ dividend was paid to the Company's preferential creditors, totalling £52,748.
- 6.2.2. As the Company's preferential creditors have been paid in full, no further payments will be made in this regard.

6.3. Unsecured Creditors

- 6.3.1. The Joint Administrators were advised at the outset of the Administration that the Company's directors that the Company's trade and expense creditors' claims, excluding sums due to H M Revenue & Customs in relation to VAT, PAYE/National Insurance, and Corporation Tax, amounted to approximately £903,393.
- 6.3.2. In addition, I can report that, during the course of the reporting period, the Liquidator has received an interim proof of debt claim in the sum of £159,912 from H M Revenue and Customs. I still await details of final sums due to H M Revenue & Customs in relation to PAYE/National Insurance and Corporation Tax.
- 6.3.3. In addition, it is estimated that the Company's former employees' unsecured claims will amount to approximately £266,948. Therefore, total unsecured claims in the Liquidation are expected to exceed £1,330,253.
- 6.3.4. At the present time, it is currently anticipated that there may be sufficient funds realised to enable a modest dividend to be paid to unsecured creditors, however this is subject to the outcome of the Liquidator's claim against the Estate of Mr Birkett and the satisfaction of the secured creditor's claims, along with the Estate waiving its potential subrogated claim.

7. Prescribed Part

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003.
- 7.2. In this instance, the Bank's debenture was created before 15 September 2003 and, accordingly, the prescribed part will not apply in this case.

8. Investigations

- 8.1. In accordance with the Company Directors Disqualification Act 1986, the Liquidator is required to investigate the affairs of the Company and the conduct of the directors during the three years

prior to the Liquidation. The Liquidator can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service. As creditors may recall, the Liquidator, in his capacity as a Joint Administrator, also submitted a statutory report to the Insolvency Service during the first six months of the Administration.

- 8.2. An investigation into the Company's affairs has also been undertaken by the Liquidator in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation. As detailed above, in **Section 3.2**, significant work has been undertaken in respect of a claim against the Company's former director, the Late Mr Albert Birkett and it is currently anticipated that a significant realisation will be achieved for the benefit of the Company's creditors.
- 8.3. Should creditors have any information which they consider may assist the Liquidator in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Liquidator, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

9. Liquidator's Remuneration

- 9.1. A resolution was passed by the creditors at a meeting held during the prior Administration on 22 December 2014 enabling the Liquidator to draw remuneration by reference to the time properly spent by the Liquidator and their staff in dealing with the matters arising during the Liquidation.
- 9.2. Attached at **Appendix D1** is a summary of the Liquidator's time costs for the period 23 April 2016 to 22 April 2017. These costs total £34,767, which represents 149 hours at an average hourly rate of £233. Further details of the work carried out during this period is attached at **Appendix D2** in the narrative summary.
- 9.3. Total time costs incurred in the Liquidation to date amount to £104,469. This represents 508 hours at an average hourly rate of £206. Attached at **Appendix D3** are details of the Liquidator's cumulative time costs since appointment.
- 9.4. As at 22 April 2017, an amount of £103,500 has been drawn against the Liquidator's time costs in respect of the Liquidation.
- 9.5. I would advise creditors that future work anticipated to be carried out by the Liquidator is expected to include, but may not be limited to, the following:
- Realisation of remaining assets as detailed in **Section 3** of the report, including the significant claim against the Estate of Mr Albert Birkett.
 - Possible further investigations as detailed in **Section 8** of the report.
 - The possible adjudication of claims and payment of an unsecured dividend to creditors.



- Reporting and statutory and compliance functions.
 - Liaising with creditors regarding the Liquidation process, providing updates as and when requested.
 - Tax and VAT compliance work, including preparing tax computations and returns and seeking final tax clearance prior to closure.
- 9.6. Routine administration of the liquidation has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Liquidator. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and Liquidator.
- 9.7. Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.
- 9.8. The charge out rates of the team members employed on the assignment are provided in *Appendix D4*.

10. Liquidator's Disbursements

- 10.1. Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Liquidator or the firm that can be allocated to the case on a proper and reasonable basis).
- 10.2. Category 2 disbursements require approval in the same manner as remuneration and creditors will recall that a resolution was passed on 22 December 2014 by the Company's creditors in agreement of the anticipated Category 2 disbursements of the Liquidator.
- 10.3. Further details of the rates agreed are provided within the Rates and Disbursements policy which was disclosed in my report dated 16 June 2016, and which is available upon request.
- 10.4. Details of disbursements incurred in the period and whether they constitute Category 1 or Category 2 disbursements, is provided below. Details of disbursements paid during the period is provided within the attached receipts and payments account. The amount of disbursements paid during the period may be more than the amount incurred due to balances carried over from previous periods.

Type of Disbursement	Description	Amount incurred in period (£)
Category 2		
Mileage, tolls, and parking costs.	This expense represents the travelling costs of the Office Holders' staff, the majority of which specifically relates to meetings held with the Liquidator's solicitors and representatives of the Estate of Mr Albert Birkett.	56
Postage and Photocopying costs	Postage and photocopying costs, specifically in relation to the issuing of the Liquidator's progress report dated 16 June 2016.	107
Subsistence	Subsistence was provided for an extended meeting between the Liquidator and his solicitors, Blake Morgan LLP, in respect of the claim against the Estate of Mr Albert Birkett.	136
Total		299

11. Expenses

- 11.1. Details of all expenses incurred during the period of the report are provided in the Expense Statement attached at **Appendix C**, together with an explanation as to why the expenses have been incurred.
- 11.2. Details of expenses paid during the current period are shown in the receipts and payments account at **Appendix B**. The amount of expenses paid during the period may be more than the amount incurred due to balances carried over from previous periods.
- 11.3. I have reviewed the expenses incurred to date and I am satisfied that they are reasonable in the circumstances of the case.

12. Matters outstanding

- 12.1. As detailed above in **Sections 3.2** and **4.2**, the main outstanding matter in this case is the claim against the Estate of Mr Albert Birkett, which, if successful, may allow a dividend to be paid to the Company's unsecured creditors.

13. Creditors' Rights

13.1. Further information

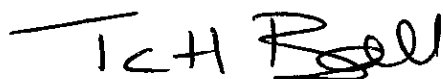
- 13.1.1. I would advise you that pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the Court, may, within 21 days of receipt of this progress report, ask the Liquidator for further information about the remuneration and expenses set out in this progress report.

13.2. Apply to Court

- 13.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:
- a. That the remuneration charged by the Liquidator is in all of the circumstances, excessive or inappropriate.
 - b. That the basis fixed for the Liquidator's remuneration is in all of the circumstances, excessive or inappropriate.
 - c. That the expenses incurred by the Liquidator are in all of the circumstances, excessive or inappropriate.

13.3. Further guidance

- 13.3.1. Creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidator's fees" which is available to download from www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Nov2011.pdf or, alternatively, will be provided free of charge upon written request to this office.
- 13.3.2. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit www.creditorinsolvencyguide.co.uk.
- 13.4. Should you have any queries in relation to this matter, please do not hesitate to contact Christopher Colyer at this office.



T C H Ball
Liquidator

Dated 30 May 2017

T C H Ball is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics

L.G.A. Limited**In Liquidation****Identification Details****Details relating to the Company**

Company name	L.G.A. Limited
Previous names	Admiredance Limited
Trading name	L.G.A. Limited
Company number	02990580
Registered office	c/o Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP
Former registered offices	C/O Mazars LLP, Clifton Down House, Beaufort Buildings, Clifton, Bristol, BS8 4AN, and; Birkett House, Abergarw Trading Estate, Brynmenyn, Bridgend, CF32 9LW.
Trading address	Birkett House, Abergarw Trading Estate, Brynmenyn, Bridgend, CF32 9LW.

Details relating to the Liquidator

Date of appointment	23 April 2015
Liquidator	T C H Ball IP No(s) 008018
Liquidator's address	Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP
Liquidator's contact telephone number	0117 928 1700

L.G.A. Limited – In Liquidation
**Liquidator's Summarised Receipts & Payments Account
for the period from 23 April 2016 to 22 April 2017**

	Estimated to realise per the Administrators' final report £	Total received/ paid in the period 23 April 2016 To 22 April 2017 £	Total received/ paid in the period 23 April 2015 To 22 April 2017 £
RECEIPTS			
Book Debts	Uncertain	-	134,319
Funds from Administrator	309,588	-	309,588
Claim Against the Estate of the Late Mr Albert Birkett	Uncertain	-	-
Motor Claim Settlement	-	-	50
Bank Interest Gross	-	886	1,207
	309,588	886	445,164
PAYMENTS			
Preferential Dividend (100p/£)		-	52,748
Distribution to Secured Creditor		100,000	100,000
Administrators' Final Fees		-	11,100
Administrators' Final Disbursements		-	9
Liquidator's Fees		36,000	103,500
Liquidator's Disbursements		299	447
Accountancy Fees in respect of the directors' Statement of Affairs		-	2,000
Agent Fees in respect of Debt Collection – Craigdam		-	30,641
Agent Fees in respect of Employee Claims - Insol		-	665
Legal Fees in respect of claim against The Estate of the Late Mr Albert Birkett		16,029	34,097
Corporation Tax		51	65
Statutory Advertising		-	163
Insurance of Assets		-	5,950
Bank Charges		21	88
Vat Receivable		-	7,356
		152,400	348,829
BALANCE of funds in hand, held on an interest bearing account			96,335

**M A Z A R S****L.G.A. Limited - In Liquidation****APPENDIX C****EXPENSES STATEMENT**

Type of Expenditure	Who expense incurred by and nature of expense	Amount incurred in current period (£)
Legal fees and disbursements	Blake Morgan LLP have been instructed to provide legal advice in respect of the Liquidator's claim against the Estate of Mr Albert Birkett. They were chosen based on their experience in insolvency matters. Their fees have been agreed on a time cost basis, but fixed and subject to the review and approval of the Liquidator.	16,029
Corporation tax	Corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest bearing deposit account.	51
Bank Charges	Bank charges and cheque fees applied by the bank and incurred during the reporting period, and paid in full.	21
Liquidator's Remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements.	34,767
Liquidator's Disbursements	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. A further breakdown of the disbursements incurred in the period is provided within Section 10 of the report.	299
Total Expenses		51,167

**L.G.A. Limited –In Liquidation**

The Liquidator's time costs for the period 23 April 2016 to 22 April 2017 are further analysed below, for the benefit of creditors, by reference to the grade of staff involved with the case and the tasks on which they have been engaged:-

Grade of staff Classification of work function	Hours				Total hours per activity	Total time costs per activity £	Average hourly rate per activity £
	Partner	Director	Senior Manager/ Manager	Administrators and other support staff			
VAT and taxation matters	1.0	-	3.5	17.3	21.8	3,094	142
Investigations	0.7	-	2.9	-	3.6	1,248	347
Securing and realising assets (including debtors, etc)	10.0	10.5	29.2	16.6	66.3	19,338	292
Correspondence with creditors	1.7	-	4.0	10.8	16.5	3,200	194
Reporting to creditors	0.5	-	3.3	9.2	13.0	2,315	178
Distributions	-	-	0.9	1.1	2.0	412	206
Cashiering	1.2	-	6.5	10.1	17.8	3,847	216
Statutory reporting & compliance	-	-	1.8	6.3	8.1	1,313	162
Total hours per grade of staff	15.1	10.5	52.1	71.4	149.1		
Total time costs per grade of staff (£)	5,965	3,780	17,202	7,820		34,767	
Average hourly rate (£)	395	360	330	110			233



**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE LIQUIDATOR FOR THE
PERIOD 23 APRIL 2016 TO 22 APRIL 2017**

Introduction

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.

This summary should be read together with the Liquidator's Time Costs Analysis at *Appendix D1*. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.

Work carried out in the current period**Taxation**

The following activities were undertaken in order to ensure the Company is compliant with tax requirements:

- Accounting for input and output VAT
- Completion of post appointment Corporation Tax computations and returns, including Corporation Tax Return

The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation.

Investigations

A summary of the work undertaken to date is as follows:

- Specific investigations have been undertaken in respect of assets alleged to have been misappropriated by the Company's director, the late Mr Albert Birkett. The Liquidator's office has worked closely with the Liquidator's appointed solicitors, gathering evidence in order to formulate a claim against the Estate of Mr Albert Birkett.

It should be noted that the majority of time relating to the above matter has been recorded under 'Realisation of Assets'.

It is anticipated that this work will derive a financial benefit for creditors as the Liquidator is in the process of negotiating an agreement with the Estate of Mr Albert Birkett, which should result in a significant realisation for the liquidation and allow a dividend to be payable to the Company's unsecured creditors. Of note, such work is also required in order to ensure compliance with statutory duties.

Realisation of Assets

The work undertaken in respect of the realisation of the Company's assets is detailed in **Section 3** of the report. The main assets comprise of book debts and a significant claim against a former director of the Company and for further detail please see above and section **Section 3** of my report.

The work undertaken has added value for the benefit of creditors by enabling the realisation, and potential future realisation, of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.

**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE LIQUIDATOR FOR THE PERIOD 23 APRIL 2016 TO 22 APRIL 2017****Creditors**

There are approximately 150 unsecured creditor claims. In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Reviewing and acting upon creditor correspondence
- Responding to creditor queries
- Logging creditor claims

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors, however, as creditors will note from the attached report, it is possible that, depending on future realisations, that a dividend may be paid to unsecured creditors in due course, which would be of direct financial benefit to creditors.

Distributions

As detailed in **Section 6.1**, £100,000 was distributed to the Company's secured creditor, National Westminster Bank, during the reporting period. Work undertaken in respect of distribution included:

- Reviewing the secured creditors claim and liaising with my solicitors regarding payment.
- Liaising with the secured creditor.
- Raising payment to the secured creditor and preparing a letter and receipts and payments statement for the bank.

The work involved in agreeing and paying creditor claims provides a financial benefit though ensuring that the level of claims admitted for dividend purposes is correct and in distributing funds to creditors.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Preparing and circulating the Liquidator's annual statutory reports to creditors and members in relation to the year ended 22 April 2016.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken includes:

- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

Statutory and Compliance

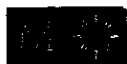
The work undertaken as required by statute and our internal procedures involves:



**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE LIQUIDATOR FOR THE
PERIOD 23 APRIL 2016 TO 22 APRIL 2017**

- Case monitoring and statutory compliance, including internal case reviews.

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.


L.G.A. Limited –In Liquidation

The Liquidator's time costs for the period 23 April 2015 to 22 April 2017 are further analysed below, for the benefit of creditors, by reference to the grade of staff involved with the case and the tasks on which they have been engaged:-

Grade of staff Classification of work function	Hours				Total hours per activity	Total time costs per activity £	Average hourly rate per activity £
	Partner	Director	Senior Manager/ Manager	Administrators and other support staff			
Administration & planning	-	-	0.3	1.5	1.8	243	135
VAT and taxation matters	2.0	-	8.1	30.5	40.6	6,364	157
Investigations	1.5	-	20.7	2.8	25.0	7,825	313
Securing and realising assets (including debtors, etc)	25.7	12.5	51.4	72.9	162.5	39,792	245
Employees	0.6	-	0.4	3.3	4.3	692	161
Correspondence with creditors	9.4	1.0	27.7	84.0	122.1	21,933	180
Reporting to creditors	1.0	-	3.3	20.1	24.4	3,596	147
Distributions	0.3	-	2.1	2.8	5.2	1,065	205
Cashiering	4.7	-	16.6	39.9	61.2	12,042	197
Statutory reporting & compliance	1.3	-	17.3	42.0	60.6	10,917	180
Total hours per grade of staff	46.5	13.5	147.9	299.8	507.7		
Total time costs per grade of staff (£)	18,368	4,860	49,238	32,003		104,469	
Average hourly rate (£)	395	360	333	107			206

**L.G.A. Limited – In Liquidation****Guidance for creditors on charge out rates and allocated disbursements*****Charge out rates***

The following grades of personnel have worked on this case. Their current charge out rates are set out below.

Grade of personnel	Current charge out rate per hour, effective from 1 September 2016 (£)
Partner	395
Director	360
Senior manager	335
Senior administrator	110 - 200
Insolvency administrator	75 – 100
Cashier	100 – 130
Secretary and support staff	40 – 85
Taxation Partner	340
VAT Senior Manager	250
Taxation Senior Manager	195
Taxation Administrator	50 – 95

In common with other professional firms, our charge out rates increase from time to time over the period of administration of a case.

Allocated disbursements

Details of the approved bases for charging allocated disbursements are set out below:

- Meeting room charge for statutory meetings, charged at £60 per meeting summoned (members' and creditors' meetings on the same day treated as one meeting)
- Document storage – £3.50 per box per annum, based on the cost charged by the storage company for storage of boxes and files of records and allocated on the basis of the number of boxes per case and a one-off cost of £2.60 per box for the acquisition of the storage boxes. Secure disposal is charged at £1.70 per box.
- Facsimiles are charged at £1 per page and photocopying is charged at a cost of 5p per page.
- Business rate mileage, at a cost of between 45p and 80p per mile in relation to the running costs of different classes of vehicle.



MAZARS

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- Electronic verification of individual's identity for money laundering purposes, charged at £2.50 per individual or £10.00 per company (where applicable)

It should be noted that the above costs might increase from time to time. However, this would only be as a result of inflationary increases or in line with increases from my suppliers. All other disbursements are simply recovered at cost.