

Section 106 The Insolvency Act 1986**S. 106**Return of Final Meeting in a
Creditors' Voluntary Winding Up**Pursuant to Section 106 of the
Insolvency Act 1986**

For official use

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Company Number

To the Registrar of Companies

03008902

[a] Insert full name of
company Name of Company

(a) Principal People Limited

I/We (b) Brian Baker, Kingston Smith & Partners LLP, Devonshire House, 60 Goswell Road,
London, EC1M 7AD

give notice

- [c] Delete as applicable 1 that a general meeting of the company was duly (c) ~~held on~~ [summoned for]
[d] Insert date (d) 30 October 2013
[e] The copy account must be authenticated by the written signature[s] of the liquidator[s] pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached (e) laid before it showing how the winding up of the company has been disposed of and (c) ~~[that the same was done accordingly and the following resolutions were passed (1) That the Liquidator's Final Report be approved and (2) That the Liquidator be granted his release from office]~~ [no quorum was present at the meeting],
2 that a meeting of the creditors of the company was duly held (c) ~~held on~~ [summoned for] (d) 30 October 2013
pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding-up of the company has been conducted and the property of the company has been disposed of and (c) ~~[that the same was done accordingly and the following resolutions were passed (1) That the Liquidator's Final Report be approved and (2) That the Liquidator be granted his release from office]~~ ~~[no quorum was present at the meeting]~~

Signed

Brian Baker

Date 30.10.13

Presenter's name, address and reference (if any) Brian Baker, Kingston Smith & Partners LLP,
Devonshire House, 60 Goswell Road, London, EC
7AD

SATURDAY



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02/11/2013

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COMPANIES HOUSE

Liquidator's Final Report to Creditors and Members

Principal People Limited

- In Liquidation

30 October 2013

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APPENDICES

- A Receipts and Payments Account from 10 December 2012 to 30 October 2013
- B Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9 (SIP9)

1 Introduction

- 1.1 I, Brian Baker of Kingston Smith & Partners LLP, Devonshire House, 60 Goswell Road, London, EC1M 7AD, was appointed as Liquidator of Principal People Limited ("the Company") on 10 December 2012. This report provides a summary of the outcome of the liquidation of the Company which has now been completed.
- 1.2 The trading address of the Company was 51-53 Guildford Street, Chertsey, Surrey, KT16 9BA.
- 1.3 The registered office of the Company was changed to Devonshire House, 60 Goswell Road, London, EC1M 7AD and its registered number is 03008902.
- 1.4 The liquidation commenced in December 2012 with estimated asset values of £13,592 and anticipated liabilities of £60,582, which subject to the cost of liquidation expected a return to creditors of nil pence in the pound. The actual return to creditors was nil pence in the pound.

2 Progress of the Liquidation

Book Debts

- 2.1 The Company's debts were subject to a factoring agreement with ABN Amro Commercial Finance Plc, who held a fixed charge over debts collected in. After their outstanding fee of £1,350 was deducted, a surplus of £8,356 was transferred into the Liquidation account.
- 2.2 Further book debts totalling £4,742 were listed separately on the Statement of Affairs. This represented debts that were disapproved by ABN Amro and were not collectable.

Chattel Assets

- 2.3 The Company's chattel assets comprised IT equipment including PCs and laptops, and office furniture including desk units, chairs, decorative and other miscellaneous items.
- 2.4 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that the following assets were sold to PP Recruitment Limited, a new business operated by a Director of the Company.

Date of transaction	Asset involved and nature of transaction	Consideration Paid and Date	Sold to	Relationship
12 December 2012	Office furniture and IT Equipment	£1,100 plus VAT paid on 12/12/12	PP Recruitment Limited	Connected Company – common Directors

- 2 5 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 30 October 2013 with a comparison to the Director's Statement of Affairs values, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator during the period of this report

Further information on the Liquidator's remuneration can be found in section 5 below

3 Investigations

- 3 1 In accordance with the Company Directors Disqualification Act 1986 I would confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills. As this is a confidential report, I am not able to disclose the contents
- 3 2 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report

4 Outcome for Creditors

Secured Creditors

- 4 1 As detailed on the Director's Estimated Statement of Affairs, ABN Amro Commercial Finance Plc held a fixed charge over the Company's Book Debts as part of a debt factoring agreement. As detailed in section 2 of this report, once all collections had been made, the balance owing to ABN Amro was deducted and their fixed charge was deemed to be satisfied
- 4 2 The Company had an additional fixed and floating charge registered in favour of Lloyds TSB Commercial Finance Limited. However, Lloyds TSB confirmed post-Liquidation that they no longer held any securities over Company assets

Preferential Creditors

- 4 3 A summary of preferential claims is detailed below

Preferential claim	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1
Department for Business Innovation & Skills (BIS)	1,618	2,000	nil

- 4 4 I can confirm that realisations were insufficient to declare a dividend to preferential creditors

Unsecured Creditors

4 5 I received claims totalling £163,702 from 13 creditors

4 6 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 the date of appointment to 25 August 2013 are £8,441 This represents 48.5 hours at an average rate of £174 per hour I would confirm that the amount of £239.14 plus disbursements of £nil has been drawn in total and that no further fees can be taken

5 3 As agreed by creditors at the initial creditors' meeting and detailed in section 6 below, £7,000 was paid to Kingston Smith & Partners LLP in respect of work and advice in preparation of the Statement of Affairs and convening meetings of the Company's members and creditors

5 4 Time has been spent mainly in the following areas

- Corresponding with ABN Amro to realise the Book Debt surplus for the Liquidation estate
- Liaising with agents to facilitate the sale of chattel assets
- Dealing with Preferential creditor claims including liaison and correspondence with the Redundancy Payments Service and employees
- Dealing with the Company pension scheme and trustees
- Corresponding with creditors and dealing with claims
- General administrative work and statutory compliance associated with the Liquidation

A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.kspllp.co.uk/creditorsguidetofees

5 5 Attached as Appendix B 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

6 Liquidator's Expenses

The following expenses have been incurred since my appointment as Liquidator

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
Kingston Smith & Partners LLP	Assistance in Preparation of the Statement of Affairs and convening meetings of the Company's members and creditors	7,000	7,000	nil
ABN Amro Commercial Finance Plc	Book debt collection fees to collect in final debtors	1,350	1,350	nil
Key Appraisal Limited	Valuation and sale of chattel assets	875	875	nil
Marsh Limited	Insurance (Bonding)	30	30*	nil
Companies House	Company Searches	11	11*	nil
TMP Worldwide	Statutory Advertising	198	198*	nil
Alexander Forbes Trustee Services	Pension Brief Report and Advice relating to Company pension scheme	300	300*	nil

Note Expenses are shown exclusive of VAT Expenses marked (*) have been paid by Kingston Smith & Partners LLP and disbursed to the case, but have not been billed

7 Creditors' rights

- 7.1 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
- 7.2 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

8 Conclusion

- 8.1 This report together with final meetings of members and creditors will conclude my administration. Details of the final meetings and resolutions to be considered have been circulated with this report.

Yours faithfully

A handwritten signature in black ink, appearing to read 'B Baker', written in a cursive style.

B BAKER
Liquidator

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**Principal People Limited
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 10/12/2012 To 30/10/2013 £	From 10/12/2012 To 30/10/2013 £
RECEIPTS			
Furniture & Equipment	1,100 00	1,100 00	1,100 00
Factored Book Debts	21,366 00	8,355 91	8,355 91
Cash at Bank	165 00	7 53	7 53
Other book debts	4,742 00	0 00	0 00
Bank Interest Gross		0 70	0 70
Vat Payable		220 00	220 00
Vat Control Account		1,672 83	1,672 83
		<u>11,356 97</u>	<u>11,356 97</u>
PAYMENTS			
Preparation of Statement of Affairs		7,000 00	7,000 00
Liquidator's Fees		239 14	239 14
Debt Collection Fees	(13,781 00)	1,350 00	1,350 00
Agents/Valuers Fees (1)		875 00	875 00
DE Arrears & Holiday Pay	(2,000 00)	0 00	0 00
Trade & Expense Creditors	(26,282 00)	0 00	0 00
Employees	(2,000 00)	0 00	0 00
Shareholder Loans	(30,000 00)	0 00	0 00
Vat Receivable		1,892 83	1,892 83
		<u>11,356 97</u>	<u>11,356 97</u>
BALANCE - 30 October 2013			<u><u>0 00</u></u>

Additional Information in Relation to Liquidator's Fees Pursuant to Statement of Insolvency Practice 9 (SIP9)

Appendix B

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.

On this case we have used the services of the following sub-contractors

Service	Provider	Basis of fee arrangement	Cost to date
Book debt collection	ABN Amro	Balance of fees as per factoring agreement	£1,350

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
Alexander Forbes Trustee Services (pensions advice)	Set fee for Standard Pension report
Marsh Limited (insurance)	Risk based premium
Key Appraisal Limited (valuation and disposal advice)	Hourly rate and disbursements

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 are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. We would confirm that this firm does not seek to charge any Category 2 disbursements.

Charge-out Rates

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

	Per Hour £
Partner	433
Senior Manager	314
Manager	260
Other Senior Professionals	
Supervisor	238
Senior Administrator	222
Administrator	167
Junior Administrator	140
Support Staff	
Experienced Cashier	238
Cashier	167
Support	105

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