

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

03404585

Name of Company

Zeit Distribution Limited

~~I / We~~

Alan Simon AFA MIPA FABRP, Langley House, Park Road, London, N2 8EY

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 03/09/2014 to 02/09/2015

Signed

Date

30/10/2015

AABRS Limited
Langley House
Park Road
London
N2 8EY

Ref Z1002/AS/SR/NR/hs/MA/NS

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COMPANIES HOUSE

Zeit Distribution Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 03/09/2014 To 02/09/2015	From 03/09/2010 To 02/09/2015
ASSET REALISATIONS			
Uncertain	Goodwill	NIL	NIL
1,735 00	Plant, Furniture & Equipment	NIL	1,735 00
	Stock - Note 5	NIL	8,000 00
80,000 00	Book Debts	NIL	10,013 74
Uncertain	VAT Refund - Note 5	NIL	NIL
12,142 66	Cash at Bank	NIL	20,649 04
	Royalties	608 12	12,525 67
	Bank Interest Gross	55 60	324 52
		<u>663 72</u>	<u>53,247 97</u>
COST OF REALISATIONS			
	Specific Bond	NIL	376 00
	R4 62 - Expenses of Creditors Meeting	NIL	62 50
	Liquidators Fees	11,500 00	34,500 00
	Book Debt Collection Fees	NIL	6,573 88
	Agents/Valuers Fees	NIL	210 00
	Legal Fees	NIL	8,150 00
	Corporation Tax	61 41	115 60
	Travel expenses	NIL	19 00
	Statutory Advertising	NIL	125 00
		<u>(11,561 41)</u>	<u>(50,131 98)</u>
UNSECURED CREDITORS			
(145,873 34)	Trade & Expense Creditors	NIL	NIL
(121,104 82)	Director - R M Ayling	NIL	NIL
(7,244 41)	HM Revenue & Customs (PAYE)	NIL	NIL
(3,467 94)	HM Revenue & Customs (Corporation)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS			
100 00	Ordinary Shares	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
(183,712.85)		<u>(10,897.69)</u>	<u>3,115.99</u>
REPRESENTED BY			
	Natwest		934 92
	VAT Payable		(118 93)
	Vat Control Account		2,300 00
			<u>3,115.99</u>

Alan Simon AFA MIPA FABRP
Liquidator

Liquidator's Annual Progress Report to Members & Creditors

**Zeit Distribution Limited
In Liquidation
30 October 2015**

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- 8** Liquidator's Expenses
- 9** Creditors' Rights
- 10** Next Report

APPENDICES

- A** Receipts and Payments Account from 03 September 2014 to 02 September 2015 and the Cumulative Receipts and Payments Account for the Period from 03 September 2010 to 02 September 2015
- B** Time Analysis for the period 03 September 2014 to 02 September 2015 and the Cumulative Time Analysis for the Period from 03 September 2010 to 02 September 2015
- C** Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9 (SIP9)

1 Introduction and Statutory Information

- 1.1 I, Alan Simon of AABRS Limited, Langley House, Park Road, London, N2 8EY, was appointed as Liquidator of Zeit Distribution Limited (the Company) on 03 September 2010. This report provides an update on the progress in the liquidation for the year ended 02 September 2015.
- 1.2 The principal trading address of the Company was Sunrise House, Sunrise Lane, Houghton-Le-Spring, Tyne & Wear, DH4 5AL.
- 1.3 The registered office of the Company has been changed to Langley House, Park Road, East Finchley, London, N2 8EY and its registered number is 03404585.

2 Realisation of Assets

- 2.1 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 02 September 2015 with a comparison to the Directors' Statement of Affairs ("SoA") values, together with a cumulative account since my appointment, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator during the period of this report.
- 2.2 Further information on the Liquidator's remuneration can be found in section 7 below
- 2.3 In the reporting period, the following assets have been realised and they are as follows:-
- 2.4 **Royalties**
 - 2.4.1. The Director's SoA did not indicate that Royalties would be realised. During the reporting period £608.12 has been realised bringing total realisations to £12,525.67.
 - 2.4.2. A former employee of the Company has recently contacted me and shown an interest in buying the Company's interest in these Royalties.
 - 2.4.3. I am currently reviewing my ability to sell the Company's interest in these royalties and obtain a valuation of same.
 - 2.4.4. I will report any updates to creditors in my next report.

3 Unrealised Assets

- 3.1 All assets have been looked into. Any unrealised assets are as detailed above

4 Duty as Liquidator

I have carried out the following duties in my capacity as liquidator:-

- 4.1.1. Co-ordinated the collection of the book debt process.
- 4.1.2. Performed monthly bank reconciliations on the designated liquidation account.
- 4.1.3. Instructed agents to deal with the sale of assets.
- 4.1.4. Dealt with the investigation as detailed below.
- 4.1.5. Circulated annual progress reports to creditors'.

5 Investigations

5.1 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.

5.2 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

5.3 This investigation included the following work:-

- 5.3.1. A review of the company books and records and comparing it to the company search
 - 5.3.2. Examination of the financial records (last accounts and movements since) to ensure movements on assets and any unusual payments are accounted for.
 - 5.3.3. Consideration of the trading position in light of any material deficiency since the last financial statement.
 - 5.3.4. A review of transactions with associated companies or connected persons, ensuring that all transactions are at arms length.
 - 5.3.5. Checking the movements on directors' loan accounts or other accounts where they have given a guarantee
 - 5.3.6 A review of all information supplied by creditors, who have expressed particular concern over the company's dealings or to the directors' conduct.
- 5.4 No opportunity to pursue cash recoveries arose from my investigations.

6 Creditors

Secured Creditors

- 6.1 The Company did not grant any fixed and floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors.

Preferential Creditors

- 6.2 No claims were anticipated and none have been received.

Unsecured Creditors

- 6.3 I have received claims totalling £265,766.60 from 17 creditors. I have yet to receive claims from 40 creditors whose debts total £77,438.65 as per the Director's SoA.
- 6.4 Based on current figures, I estimate that unsecured creditors will not receive a dividend.

7 Liquidator's Remuneration

- 7.1 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.
- 7.2 My time costs for the period from 03 September 2014 until 02 September 2015 are £4,902.50. This represents 23 hours at an average rate of £213.15 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.
- 7.3 Also included within Appendix B is a cumulative Time Analysis for the period from 03 September 2010 to 02 September 2015, which provides details of my total time costs since the date of my appointment until the end of this reporting period.
- 7.4 I would confirm that in this period, the amount of £11,500 plus VAT have been drawn on account of my time costs. In addition, the amount drawn on account of my total time costs from the date of my appointment until the end of the reporting period is £34,500 plus VAT.
- 7.5 With reference to Appendix C, included within the work performed under 'Administration and Planning' are various statutory filing duties and obligations; case planning and strategy; and certain cashiering. Work contained within 'Investigations' include the time spent on CDDA and SIP2 reporting. Included within the category of 'Realisation of Assets' is work performed in recovering tangible and intangible assets; payment of costs; banking of all realisations; and insurance and Bonding. Finally, included within 'Creditors' has been time spent in dealing with creditors, including preparation of progress reports; dealing with creditors' claims and liaising with unsecured creditors.
- 7.6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.aabrs.com/resources/creditor-guides.

- 7.7 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.

8 Liquidator's Expenses

- 8.1 A statement of the expenses incurred by the Liquidator during the period of the report is as follows: (this is irrespective of whether payment was actually made during that period)

Charged By	Brief Description of Services Provided	Total amount charged £	Amount paid £
HM Revenue & Customs	Corporation Tax for the period 2013/2014	£61 41	£61 41

9 Creditors' rights

- 9.1 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.
- 9.2 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 the circumstances, the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

10 Next Report

- 10.1 I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors.

Yours faithfully


Alan Simon
Liquidator

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Zeit Distribution Limited
(In Liquidation)
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 Alan Simon AFA MIPA FABRP
 Liquidator

Time Entry - SIP9 Time & Cost Summary + Cumulative

Z1002 - Zeit Distribution Limited
Project Code POST
From 03/09/2014 To 02/09/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Administration & Planning	1 90	1 60	0 00	8 40	11 90	2 454 00	206 22	57 60	13 258 00
Case Specific Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00	5 20	750 00
Creditors	0 90	0 00	0 00	3 30	4 20	900 00	214 29	60 50	15 917 00
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	88 60	20 736 50
Realisations of Assets	1 60	0 30	0 00	5 00	6 90	1,548 50	224 42	104 40	31 901 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours / Costs	4 40	1 90	0 00	16 70	23 00	4,902 50	213 15	316 30	82,562 50
Total Fees Claimed						34,500 00			
Total Disbursements Claimed						0 00			

Appendix C

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

1 Policy

Detailed below is AABRS Limited policy in relation to:

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

1.1 Staff allocation and the use of subcontractors

Our 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, Manager, Administrator and/or an Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

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

Service (s)	Provider	Basis of fee arrangement	Cost to date
Book debt collection	Moreton Smith Limited	% of realisations	£6,573 88

1.2 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
Matthew Arnold Baldwin LLP (legal advice)	Hourly rate and disbursements
The Warren Partnership Ltd (valuation and disposal advice)	Hourly rate and disbursements
Quickbyte Ltd (IT consultancy)	Hourly 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.

1.3 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.

2 Charge-out rates

A schedule of AABRS Limited charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved and at that time of subsequent reports. A schedule of current rates is shown below.

A schedule of AABRS Limited charge-out rates effective from 1 April 2015 is as follows

Role	(per hour)
Director	£450
Manager	£190 - £225
Other Senior Professionals	£170 - £190
Assistants & Support Staff	£60 - £170

There have been no material increases in charge-out rates since the commencement of the liquidation.

Please note that this firm records its time in minimum units of 6 minutes.