

# LIQ14

## Notice of final account prior to dissolution in CVL



Companies House

WEDNESDAY



\*A913UPL7\*

A09

18/03/2020

#362

COMPANIES HOUSE

### 1 Company details

Company number 0 3 8 8 6 0 0 9

Company name in full Liability Solutions Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Peter

Surname Hart

### 3 Liquidator's address

Building name/number 15 Westferry Circus

Street

Post town Canary Wharf

County/Region London

Postcode E 1 4 4 H D

Country

### 4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number

Street

Post town

County/Region


Postcode

Country

② Other liquidator

Use this section to tell us about  
another liquidator.

LIQ14  
Notice of final account prior to dissolution in CVL

6	Liquidator's release	
	<input type="checkbox"/> Tick if one or more creditors objected to liquidator's release.	
	:	
7	Final account	
	<input checked="" type="checkbox"/> I attach a copy of the final account.	
8	Sign and date	
Liquidator's signature	<div>Signature</div> <div>X</div> <div></div> <div>X</div>	
Signature date	<div><div>d</div><div>1</div><div>d</div><div>7</div></div> <div><div>m</div><div>0</div><div>m</div><div>3</div></div> <div><div>y</div><div>2</div><div>y</div><div>0</div></div> <div><div>y</div><div>2</div><div>y</div><div>0</div></div>	

## FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

### Content

1. Executive Summary
2. Administration and Planning
3. Enquiries and Investigations
4. Realisation of Assets
5. Creditors
6. Fees and Expenses
7. Creditors' Rights
8. EU Regulations
9. Conclusion

### Appendices

Appendix I -	Statutory Information
Appendix II -	Receipts and Payments account for the period 16 February 2019 to 17 January 2020 ("the Review Period") and cumulatively for the Liquidation
Appendix III -	Detailed list of work undertaken in the Review Period including Charge-out Rates and Category 2 Disbursements
Appendix IV -	Time cost information for Review Period and cumulatively for the Liquidation
Appendix V -	Time costs summary for Review Period, cumulative & comparison with estimate
Appendix VI -	Expenses summary for Review Period and cumulative for the Liquidation

## FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

### 1. EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

#### Assets

Asset	Estimated to realise per Statement of Affairs (£)	Realisations in Review Period (£)	Total Realisations (£)
Office Equipment	Uncertain	NIL	1,750
Intercompany Loan Account - LSG	Uncertain	NIL	NIL
Other Receivables	NIL	NIL	NIL
VAT Refund	Uncertain	NIL	NIL
Cash and Cash Equivalents	NIL	NIL	NIL
<b>Total</b>	<b>Uncertain</b>	<b>NIL</b>	<b>1,750</b>

#### Expenses

Expense	Amount per fees and expenses estimates (£)	Expense incurred in Review Period (£)	Expense incurred to date (£)	Total paid expense (£)
Liquidator's Fees	19,900	3,673	14,140	NIL
Category 1 Disbursements	n/a	182	1,250	1,250
Category 2 Disbursements	n/a	76	227	NIL
Agents' fees	n/a	NIL	500	500
<b>Total</b>	<b>19,900</b>	<b>3,931</b>	<b>16,117</b>	<b>1,750</b>

#### Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Secured creditor	n/a	n/a
Preferential creditors	NIL	NIL
Unsecured creditors	Nil	Nil

#### Closure

There are no further matters in the Liquidation to be progressed and the Liquidation may now be concluded.

## **2. ADMINISTRATION AND PLANNING**

### **Statutory information**

Statutory information may be found at Appendix I.

The Liquidator is required to meet a considerable number of statutory and regulatory obligations. Although many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

## **3. ENQUIRIES AND INVESTIGATIONS**

On 10 May 2017, I submitted a confidential report to The Insolvency Service on the conduct of the Directors (past and present) in accordance with the Insolvent Companies (Reports on Conduct of Directors) Rules 1996 and Company Directors Disqualification Act 1986.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

The initial assessment did not identify any instances of misconduct by the Company's officers or any further assets or actions which might lead to a recovery for creditors.

Although this work did not generate any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

## **4. REALISATION OF ASSETS**

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix III. The Liquidator formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

There were no realisations in the Review Period.

### **Transactions with connected parties**

Since my appointment a sale to a connected party has occurred.

The Liquidator instructed Charterfields Surveyors, who are professional independent agents with adequate professional indemnity insurance, to dispose of the Company's assets using the most advantageous method available.

The director expressed an interest in purchasing the Company's office equipment.

## **FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION**

Therefore, the director was invited to contact Charterfields direct to progress his interest. Charterfields weighed up the advantages of a swift sale, which would avoid the ongoing costs of storing and marketing the assets, against the potential of attracting a better offer albeit that this would involve incurring more costs. Charterfields concluded that the director's offer was very likely to represent the best net realisation for the assets and they recommended to the Liquidator that the offer be accepted.

Consequently, the Company's office equipment was sold to the director's new company for £3,000, plus VAT. Only £1,750, plus VAT, was recovered prior to the death of the director. The residual balance of £1,250, plus VAT, was written off as irrecoverable.

### **Parent Company Loan**

The director's Statement of Affairs showed an outstanding amount of £375,227 due to the Company from Liability Solutions Group Limited ("LSG"), a company incorporated in Malta with its registered office at 171 Old Bakery Street, Valetta, VLT 1455, Malta. This related to a loan that was made by the Company as part of an Employee Share Option Scheme ("ESOC") designed to assist directors in investing in shareholdings in their companies. This scheme was implemented with the approval of HM Revenue & Customs.

LSG was unable to repay the outstanding balance of the loan account. Although LSG was balance sheet solvent, all of its assets were tied up in investments in, and other loans to, other subsidiary companies that could not afford to repay their respective loans or were insolvent. Consequently, no recovery was made from this source.

### **Other Receivables**

This asset related to various expenses paid in advance according to the draft management accounts as at the date of Liquidation. Unfortunately, this had no realisable value in the Liquidation.

### **VAT Refund**

The Company's books and records showed that a refund of £2,553 was due to the Company from HM Revenue & Customs at the date of Liquidation in respect of VAT.

However, this amount was retained by HM Revenue & Customs under the rules pertaining to Crown Set-off.

## **5. CREDITORS**

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Liquidator has had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the anticipated outcomes to creditors and any distributions paid.

### **Secured creditors**

The Company has not granted any charges over its assets.

## FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

### **Preferential creditors**

#### **Employee claims**

The Company had one employee who was made redundant on 15 February 2017. The relevant information for employees to submit claims has been made to the Redundancy Payments Office and information and help has been given to employees to enable them to submit their claims online.

Employees were shown to be owed £2,779. The Redundancy Payments Office have not yet submitted a claim in the Liquidation.

#### **Unsecured creditors**

The director's Statement of Affairs showed that the Company had 18 potential creditors with total liabilities estimated at £389,158.

Seven claims were submitted in the Liquidation totalling £82,159.

#### **Prescribed Part**

The provisions of Section 176A of the Insolvency Act 1986, concerning the setting aside of a Prescribed Part of floating charge funds for the benefit of unsecured creditors, will not apply in respect of the Company as no fixed and floating charge security has been provided to any party by the Company.

#### **Dividend prospects**

There will be no dividend to any class of creditor and a formal notice confirming the same accompanies this report in accordance with Rule 14.36 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

## **6. FEES AND EXPENSES**

### **Pre-Appointment Costs**

#### **Paid by Company/director or Third party prior to appointment**

A fixed fee of £5,000 was agreed and paid by the Director prior to the winding up resolution.

#### **The Liquidator's fees**

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or partner.

The basis of the Liquidator's fees was approved by creditors on 30 March 2017 in accordance with the following resolution:

"That the basis of the Liquidators remuneration be fixed by reference to the time costs incurred by the Liquidator and his staff in attending to matters arising during the course of the Liquidation. The

## **FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION**

Liquidator's estimated time costs of £19,900 are detailed in the attached fee estimate, in accordance with the provisions of Rule 4.127 of the Insolvency Rules 1986, as amended."

This resolution should be read in conjunction with the Liquidator's circular to creditors dated 16 February 2017.

The time costs for the Review Period total £3,672.50, representing 20.30 hours at an average hourly rate of £180.91. The total time costs during the period of appointment amount to £14,140.00 representing 70.20 hours at an average hourly rate of £201.42. These time costs are detailed at Appendix IV and a comparison between the original estimate and time costs to date is given at Appendix V.

Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Liquidator considers that:

- the original fee estimate is unlikely to be exceeded and due to the limited funds realised in the Liquidation the Liquidator will be obliged to write off these costs in full as irrecoverable.

### **Disbursements**

The disbursements that have been incurred and paid during the period are detailed on Appendix VI.

The category 1 disbursements paid for in the Review Period totalling £1,250 are also detailed at Appendix VI and represent the simple reimbursement of actual out of pocket payments made in relation to the assignment.

The category 2 disbursements for the Review Period total £75.60 and these may include an element of overhead charges in accordance with the resolution passed by creditors at a meeting held on 30 March 2017. The basis of calculation of this category of disbursement was disclosed to creditors prior to the resolution being passed and is also detailed at Appendix III.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk>. A copy of 'A Creditors' Guide to Fees' may be found at [www.geoffreymartin.co.uk](http://www.geoffreymartin.co.uk) by selecting 'Fee Guides and Reports', then 'Fee Guides'. A hard copy of the Creditors' Guide may be obtained on request.

### **Other professional costs**

#### **Agents and valuers**

Charterfields Surveyors were instructed as agents and valuers in relation to the sale of office equipment. Their costs were agreed and settled on the basis of their standard sales commission rate, plus disbursements and VAT which totalled £500, plus VAT.

## **7. CREDITORS' RIGHTS**

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.



## FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

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.

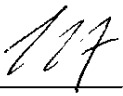
### 8. EU REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

The Company's centre of main interest was in the UK as their registered office and trading address was situated at 6 Stratton Street, London W1J 8LD and therefore it is considered that the EU Regulations apply. These proceedings are main proceedings as defined in the EU Regulation.

### 9. CONCLUSION

There are no other matters outstanding and the affairs of the Company have been fully wound up.

If you require any further information, please contact this office.

Signed  \_\_\_\_\_  
Peter Hart  
Liquidator  
17 January 2020

## FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

### Appendix I

#### Statutory Information

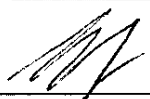
Company Name:	Liability Solutions Limited
Company Number:	03886009
Registered Office:	15 Westferry Circus, Canary Wharf, London, E14 4HD
Former Registered Office:	6 Stratton Street, London W1J 8LD
Officeholder:	Peter Hart
Officeholder's address:	Geoffrey Martin & Co, 15 Westferry Circus, Canary Wharf, London E14 4HD
Date of appointment	15 February 2017

FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix II

Receipts and Payments account for the Review Period 15 February 2019 to 17 January 2020  
and cumulatively for the Liquidation

Liquidator's Abstract Of Receipts And Payments

	Estimated to Realise per Statement of Affairs £	From 15/02/2019 To 17/01/2020 £	From 15/02/2017 To 17/01/2020 £
<b>RECEIPTS</b>			
Office Equipment	Uncertain	NIL	1,750.00
	<b>Uncertain</b>	<b>NIL</b>	<b>1,750.00</b>
<b>PAYMENTS</b>			
Category 1 Disbursements		1,250.00	1,250.00
Agents/Valuers Fees		NIL	500.00
		<b>1,250.00</b>	<b>1,750.00</b>
<b>Balance in Hand as at 17 January 2020</b>			<b>NIL</b>
			
			<b>Peter Hart</b> Liquidator

## FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

### Appendix III

#### Detailed list of work undertaken for Liability Solutions Limited in Creditors' Voluntary Liquidation for the Review Period 15 February 2019 to 17 January 2020

Below is detailed information about the tasks undertaken by the Liquidator.

General Description	Includes
<b>Statutory and General Administration</b>	
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Corporation tax and VAT returns
Document maintenance/file review/checklist	Filing of documents <i>Periodic file reviews documenting strategy</i> Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence to close accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued
Books and records / storage	Dealing with records in storage Sending job files to storage
Closure	Review case to ensure all matters have been finalised
<b>Creditors</b>	
Reports	Preparing annual progress report and circulating final report to creditors Disclosure of sales to connected parties
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via email and post
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend

## FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

### **CHARGING AND DISBURSEMENTS POLICY (Combined London & Leeds Offices)**

#### **Time Costs**

The firm's hourly charge out rates are revised annually from 1 July. The rates currently in use are within the following bands:

	£
Appointment Taker	325 – 450
Associate	285
Manager	265 – 295
Senior Administrator	160 – 225
Junior Administrator and Support Staff	100 – 175

Secretarial and cashiers time is charged to the case and their rates are included within the above hourly rates identified above as appropriate. Time is charged in units of 6 minutes.

#### **Disbursements**

A disbursement charge relating to the recovery of overhead costs is levied at the rate of £3.60 per shareholder and creditor. This sum is drawn at the outset of the case and on each anniversary thereafter and covers printing, postage, stationery, photocopying, telephone and fax usage.

Company Searches and Identity Verifications are charged at cost.

Outsourced printing and/or photocopying will be charged at cost in addition to the above.

Travelling expenses are charged at the rate of 45p per mile.

FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

**Appendix IV**

Time cost information for the Review Period 15 February 2019 to 17 January 2020

**SIP 9 - Time & Cost Summary**

Period 15/02/19 – 17/01/20

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Appointment Taker	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	0.00	0.40	4.00	8.30	12.70	2,302.50	181.30
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	0.00	0.00	0.00	1.00	1.00	175.00	175.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.90	5.70	6.60	1,195.00	181.06
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	0.40	4.90	15.00	20.30	3,672.50	180.91

FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

Time cost information for the period 15 February 2017 to 17 January 2020

**SIP 9 - Time & Cost Summary**

Period 15/02/17 – 17/01/20

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Appointment Taker	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	2.50	0.40	17.30	13.10	33.30	6,867.50	206.23
Investigations	0.00	0.00	2.70	0.00	2.70	607.50	225.00
Realisations of assets	0.00	0.00	2.60	1.00	3.60	760.00	211.11
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	21.60	6.10	27.70	5,252.50	189.62
Case specific matters	0.00	0.00	2.90	0.00	2.90	652.50	225.00
Total Hours	2.50	0.40	47.10	20.20	70.20	14,140.00	201.42

# FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

## Appendix V

### Time costs summary for period, cumulative & comparison with estimate for Liability Solutions Limited in Creditors Voluntary Liquidation

Work category	Original fees estimate			Actual time costs incurred during the Review Period			Total time costs incurred to date		
	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	23.00	224.46	5,162.50	12.70	181.30	2,302.50	33.30	206.23	6,867.50
Realisation of assets	14.00	314.29	4,400.00	1.00	175.00	175.00	3.60	211.11	760.00
Creditors	36.50	215.41	7,862.50	6.60	181.06	1,195.00	27.70	189.62	5,252.50
Investigations	9.00	275.00	2,475.00	0.00	0.00	0.00	2.70	225.00	607.50
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	2.90	225.00	652.50
<b>Total</b>	<b>82.50</b>	<b>205.83</b>	<b>19,900.00</b>	<b>20.30</b>	<b>180.91</b>	<b>3,672.50</b>	<b>70.20</b>	<b>201.42</b>	<b>14,140.00</b>



FINAL ACCOUNT OF LIABILITY SOLUTIONS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

**Appendix VI**

**Expenses summary for the Review Period and cumulatively for the Liquidation**

Below are details of the Liquidator's expenses for the period under review and the total to date.

Expenses	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Actual expenses paid £
<b>Category 1 Expenses</b>			
Advertising	NIL	395	395
Insurance	NIL	275	275
Storage Costs	182	665	567
Bonding	NIL	13	13
<b>Total</b>	<b>182</b>	<b>1,348</b>	<b>1,250</b>
<b>Category 2 Expenses</b>			
PST	76	227	NIL
<b>Total</b>	<b>76</b>	<b>227</b>	<b>NIL</b>

LIQ14

Notice of final account prior to dissolution in CVL



### 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	David Young
Company name	Geoffrey Martin & Co
Address	15 Westferry Circus Canary Wharf
Post town	London
County/Region	
Postcode	E 1 4 4 H D
Country	
DX	info@geoffreymartin.co.uk
Telephone	020 7495 1100



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)