

# 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

03934698

Name of Company

ABS London Limited

I / We

James Money, 55 Baker Street, London, W1U 7EU

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 04/12/2012 to 03/12/2013

Signed



Date

19.2.15

BDO LLP  
55 Baker Street  
London  
W1U 7EU

Ref 04018978/JM/SJ/AC

TUESDAY



A04  
03/03/2015  
COMPANIES HOUSE  
#103

**ABS London Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

	From 04/12/2012 To 03/12/2013	From 24/02/2011 To 03/12/2013
<b>ASSET REALISATIONS</b>		
Book Debts	12,117 36	172,288 53
Cash at Bank	NIL	15,704 38
Released client account funds	51 64	319 43
	<u>12,169 00</u>	<u>188,312 34</u>
<b>COST OF REALISATIONS</b>		
Professional Fees	NIL	NIL
Agents/Valuers Fees	NIL	20,319 86
Administrators Fees	37,833 64	84,729 64
Bank Charges	29 89	92 47
DTI Unclaimed Dividends	1,177 90	NIL
	<u>-39,041 43</u>	<u>-105,141 97</u>
<b>PREFERENTIAL CREDITORS</b>		
Department of Employment	NIL	9,403 38
Employees Wage Arrears	441 84	11,341 41
	<u>-441 84</u>	<u>-20,744 79</u>
<b>FLOATING CHARGE CREDITORS</b>		
Floating Charge Creditor	4,312 38	49,312 38
	<u>-4,312 38</u>	<u>-49,312 38</u>
	<u><b>-31,626.65</b></u>	<u><b>13,113 20</b></u>
<b>REPRESENTED BY</b>		
Bank 1 - Current		13,113 20
		<u><b>13,113.20</b></u>



**ABS London Limited**

**Liquidator's Progress Report for  
the period 4 December 2012 to 3  
December 2013**

**February 2014**

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- C. Liquidator's detailed time cost summary from 24 February 2011 to 31 May 2013 and from 1 June 2013 to 3 December 2013
- D. Creditors' Guide to Fees

## 1 Introduction and Background

- 1.1 In accordance with Rule 4.49C(3) of the Insolvency Rules 1986, I write to provide creditors with a progress report on the conduct of the Liquidation of ABS London Limited ("the Company") for the period 4 December 2012 to 3 December 2013
- 1.2 This report assumes that you have read our previous reports and, as such, information given in previous reports will not be repeated in this document.

## 2 Progress of the Liquidation

- 2.1 As you are aware, following the conclusion of the administration, the Company was placed into a Creditors' Voluntary Liquidation and Stephen Holgate and Philip Long were appointed as Joint Liquidators of the Company on 24 February 2011. Mr Holgate subsequently resigned from his role as partner at PKF (UK) LLP and on 1 June 2012, an order was made at the Cardiff District Registry of the High Court of Justice, removing Mr Holgate from office. Mr Holgate was released from office on 1 July 2012. In the order made on 1 June 2012, James Money was appointed as Joint Liquidator of the Company with immediate effect.
- 2.2 Philip Long also resigned from PKF (UK) LLP and in accordance with an order made in the Cardiff District Registry of the High Court of Justice, he ceased to act as Joint Liquidator of the Company with effect from 3 December 2012.
- 2.3 On 28 March 2013, PKF (UK) LLP merged with BDO LLP, with the merged entity being called "BDO LLP". James Money is a partner of BDO LLP and the merger has had no impact on the liquidation.

## 3 Realisations

- 3.1 In January 2013, a cheque in the sum of £51,640 was received from Pollecoff Solicitors (In Liquidation). This sum relates to the distribution of client funds by the Liquidators of Pollecoff Solicitors, following their client accounts being unfrozen by the company's bankers.
- 3.2 In July 2013, the sum of £7,566.73 was received from HM Revenue & Customs. This relates to a VAT reclaim.
- 3.3 As discussed further in Section 5 of this report, the Liquidator has been liaising with professional advisors in respect of potential future realisations.

## 4 Payments

- 4 1 In January 2013, the sum of £441 84 was paid in respect of a preferential dividend. The original cheque had not been received by the preferential creditor and was cancelled in the previous reporting period. The payment in this period relates to the reissued cheque
- 4 2 In February 2013, the sum of £4,312.38 was paid to the floating chargeholder, HSBC Bank Plc. This payment was the final distribution due to the floating chargeholder.
- 4 3 In April 2013, £37,833 64 was paid to BDO LLP in respect of the former Administrators' time costs.

## 5 Other matters and future realisations

- 5 1 We continue to correspond with Haslers regarding the Company's Share Incentive Plan and tax planning. In the absence of any negotiated settlement the test case should have been heard in February 2013, however Haslers have advised that the case has been stayed until 30 June 2014. Haslers are in continuing discussions with HM Revenue & Customs.
- 5 2 The Liquidator has been taking legal advice regarding certain antecedent transactions, including outstanding debts of £300,000 from Norton Heights Limited and £17,000 from Messrs Smith and Selvester. Given the lack of funds available to pursue any such actions independently, the Liquidator is considering alternative options to pursue potential recoveries.

## 6 Distribution prospects

- 6 1 HSBC Bank Plc ("the Bank") holds a fixed and floating charge over the Company's assets. At the date of the appointment of Administrators, the Bank was owed £586,000, excluding post demand entries and accruing interest and charges. Under the administration £555,000 was distributed to the Bank in relation to their fixed charge over the Company's commercial property which was sold in January 2011. A further £45,000 was paid to the Bank in June 2012 in respect of the floating charge held over the Company's assets and a final payment of £4,321 38 was paid to the Bank on 12 February 2013. The Bank has now been paid in full.
- 6 2 A dividend of 100p/£ was distributed to all preferential creditors in June 2012, totalling £20,745. These claims consisted of employee claims for arrears of wages, subject to statutory limits, and unpaid holiday pay.
- 6 3 A return for the unsecured creditors is dependant on the outcome of ongoing investigations.

## 7 Remuneration and Disbursements

- 7.1 The time costs incurred in the period 4 December 2012 to 3 December 2013 amount to £16,168.06 and represent 78.19 hours at an average hourly cost of £209.78. Time costs for the full period of the liquidation amount to £85,491.29 and represent 353.92 hours at an average hourly cost of £241.56
- 7.2 As noted in our previous report, the time costs for the administration have yet to be paid in full. Now that the secured creditor has been paid in full, it is anticipated that the remaining funds will be used to settle the administrators' time costs, to the extent that this is possible. Absent further realisations, no funds will be available for the Liquidator
- 7.3 Since the merger of PKF (UK) LLP and BDO LLP, it has not been possible to integrate the two firms' time records. On this basis, Appendix C contains two schedules covering detailed time costs for the reporting period
- 7.4 During the period of this report, disbursements of £72.10 have been incurred and these disbursements are detailed below.

	Category 1 (£)	Category 2 (£)
Postage	2.10	
Room hire		64.00
HM Land Registry	6.00	
	<u>8.10</u>	<u>64.00</u>

- 7.5 To date, Category 1 disbursements of £420.88 and Category 2 disbursements of £207.00 have been incurred. Of the total disbursements of £627.88, the sum of £555.78 has been paid and only the above detailed disbursements remain outstanding
- 7.6 Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally, such as printing, room hire and document storage.
- 7.7 All category 1 disbursements are charged at the actual cost incurred.
- 7.8 Category 2 disbursements will comprise cost allocations which may arise on some of the expenses where supplied internally typically, items such as room hire or document

storage Also included will be routine or more specialist copying and printing, and allocated communication costs

- 7 9 A creditors' guide to fees, which provides information regarding creditors' rights in relation to insolvency practitioners' fees, is attached at Appendix D
- 7 10 In accordance with Rule 4.49E of the Insolvency Rules 1986, an unsecured creditor with the concurrence of at least 5% in value of the total unsecured creditors (including the value of their own claim) or with the permission of the court, or any secured creditor may make a formal request in writing to liquidator for further information about the remuneration or expenses (other than pre-liquidation costs) set out in this report Such a request must be made within 21 days from receipt of this progress report
- 7 11 Additionally, creditors who believe that the liquidator's remuneration is, in the circumstances, excessive or inappropriate, may apply to court under the provisions of Rule 4 131 of the Insolvency Rules 1986 Such an application may be made by a secured creditor or any unsecured creditor, the latter requiring 10% concurrence of the total unsecured creditors (including their own claim) of the permission of the court.
- 7 12 The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit [http //www bis gov.uk/insolvency/contact-us/IP-Complaints-Gateway](http://www.bis.gov.uk/insolvency/contact-us/IP-Complaints-Gateway) where you will find further information on how you may pursue the complaint

## 8 Concluding Comments

- 8 1 I trust that this report and its appendices are satisfactory however, should you have any queries or require any further information, please contact Annie Coulson on 020 7893 3735 or [annie.coulson@bdo.co.uk](mailto:annie.coulson@bdo.co.uk)

Yours faithfully,

For and on behalf of ABS London Limited



**James Money**  
Liquidator



## Appendix A

### Statutory Information

Company Name	ABS London Limited
Registration Number	03934698
Registered Office Address	55 Baker Street, London, W1U 7EU
Liquidator's Details	James Money BDO) LLP 55 Baker Street, London, W1U 7EU Appointed on: 1 June 2012

## Appendix B

### Liquidator's Summary of Receipts and Payments Account for the period 24 February 2011 to 3 December 2013

**ABS London Limited**  
**(In Liquidation)**  
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<b>REPRESENTED BY</b>		
Bank 1 - Current		13,113 20
		<u><b>13,113 20</b></u>

## Appendix C

Liquidator's detailed time costs for the periods:

- 24 February 2011 to 31 May 2013
- 4 December 2012 to 31 May 2013
- 1 June 2013 to 3 December 2013

## Analysis of OfficeHolders Timecosts 04/12/2012 to 31/05/2013

**ABS London Limited**

Grade	Partner / Director	Manager	Supervisor / Senior Administrator	Administrator / Assistant	Total					
Average Cost per hour	£524.00	£319.00	£204.00	£113.00	£193.00					
Tasks	Amount (£)	Hours	Amount (£)	Hours	Amount (£)	Hours				
Planning & Monitoring	0 00	0 00	1,809 65	5 70	0 00	0 75	1,904 45	6 45		
Time Summaries & Billing	0 00	0 00	126 80	0 40	0 00	0 00	92 00	1 00	218 80	1 40
Cashiering Function Generally	52 40	0 10	253 60	0 80	0 00	0 00	675 96	5 99	981 96	6 89
Dividends & Distributions	0 00	0 00	0 00	0 00	51 00	0 25	0 00	0 00	51 00	0 25
Office Holders Tax Liabilities	0 00	0 00	262 75	0 75	0 00	0 00	488 80	2 80	751 55	3 55
Secured Creditors (reporting/accounting for funds, etc)	0 00	0 00	903 45	2 85	0 00	0 00	0 00	0 00	903 45	2 85
Non Preferential Creditors	0 00	0 00	271 10	0 85	0 00	0 00	529 25	4 00	800 35	4 85
Legal Correspondence/Litigation	0 00	0 00	1,775 20	5 60	0 00	0 00	166 55	1 60	1,941 75	7 20
General Administration	0 00	0 00	0 00	0 00	0 00	0 00	243 80	2 65	243 80	2 65
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	55 20	0 60	55 20	0 60
Annual/Periodic Reporting/Meeting (ie S48 or S105)	0 00	0 00	0 00	0 00	0 00	0 00	570 40	6 20	570 40	6 20
Secretarial	0 00	0 00	0 00	0 00	0 00	0 00	154 50	1 50	154 50	1 50
	52 40	0 10	5,402 55	16 95	51 00	0 25	3,071 26	27 09	8,577 21	44 39

## Appendix C

SIP9 Analysis of OfficeHolders Timecosts as at 31/05/2013

Client. 4018978 ABS London Limited

Tasks	Grade	Partner / Director	Manager	Supervisor / Senior Administrator	Administrator / Assistant	Total
		Amount (£)	Amount (£)	Amount (£)	Amount (£)	
		Hours	Hours	Hours	Hours	Hours
	Average Cost per hour:	£524.00	£319.00	£204.00	£113.00	£193.00
Planning & Monitoring		0.00	1,809.65	0.00	94.80	1,904.45
Time Summaries & Billing		0.00	126.80	0.00	92.00	218.80
Cashiering Function Generally		52.40	253.60	0.00	675.96	981.96
Dividends & Distributions		0.00	0.00	51.00	0.00	51.00
Office Holders Tax Liabilities		0.00	262.75	0.00	488.80	751.55
Secured Creditors (reporting/accounting for funds, etc)		0.00	903.45	0.00	0.00	903.45
Non Preferential Creditors		0.00	271.10	0.00	529.25	800.35
Legal Correspondence/Litigation		0.00	1,775.20	0.00	166.55	1,941.75
General Administration		0.00	0.00	0.00	243.80	243.80
Investigations		0.00	0.00	0.00	55.20	55.20
Annual/Periodic Reporting/Meeting (ie S48 or S105)		0.00	0.00	0.00	570.40	570.40
Secretarial		0.00	0.00	0.00	154.50	154.50
		52.40	5,402.55	51.00	3,071.26	8,577.21
		0.10	16.95	0.25	27.09	44.39

# ABS London Limited - In Creditors' Voluntary Liquidation

## Detail of Time Charged and Rates Applicable for the Period From 01/06/2013 to 03/12/2013

Description	PARTNER		MANAGER		SENIOR ADMINISTRATOR		EXECUTIVE		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
Planning and Strategy			5 25	2,031 75							5 25	2,031 75
General Administration			3 45	945 00			13 45	1,944 25	0 70	35 85	17 60	2,925 10
Creditor Claims			0 85	246 50			4 00	884 00			4 85	1,130 50
Reporting			0 20	58 00							0 20	58 00
Work					5 90	1,445 50					5 90	1,445 50
	0 00	0 00	9 75	3,281 25	5 90	1,445 50	17 45	2,828 25	0 70	35 85	33 80	7,590 85
Average rate per hour (£)			336 54		245 00		162 08		51 21		224 58	

## Appendix D

### Creditors' Guide to Fees

**Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:-**

**Rule 2 48A Creditors' request for further information**

- (1) If—
- (a) within 21 days of receipt of a progress report under Rule 2 47—
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor, makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either—
- (a) providing all of the information asked for, or
  - (b) so far as the administrator considers that—
    - (i) the time or cost of preparation of the information would be excessive, or
    - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
    - (iii) the administrator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—
- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
  - (b) the expiry of the 14 days provided for in paragraph (1),
- and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

**Rule 2 109 Creditors' claim that remuneration is or other expenses are excessive**

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that—
- (a) the remuneration charged by the administrator,
  - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
  - (c) expenses incurred by the administrator,
- is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")



**Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses (continued):-**

**Rule 2 109 (continued)**

- (2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly.
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
  - (a) an order reducing the amount of remuneration which the administrator was entitled to charge,
  - (b) an order fixing the basis of remuneration at a reduced rate or amount,
  - (c) an order changing the basis of remuneration,
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,
  - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration.