

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

THURSDAY



A14 *A7J9D2BV* #146
22/11/2018
COMPANIES HOUSE

1 Company details

Company number 0 3 9 6 4 5 1 1
Company name in full 2 AM Creative Limited
t/a 2am

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

2 Liquidator's name

Full forename(s) Philip
Surname Booth

3 Liquidator's address

Building name/number Coopers House
Street Intake Lane
Post town Ossett
County/Region
Postcode W F 5 0 R G
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.

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6

Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7

Final account

☒ I attach a copy of the final account.

8

Sign and date

Liquidator's signature

Signature

X *P. Book*

X

Signature date

^d2 ^d1 ^m1 ^m1 ^y2 ^y0 ^y1 ^y8

LIQ14

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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	Alistair Barnes
Company name	Booth & Co
Address	Coopers House Intake Lane
Post town	Ossett
County/Region	
Postcode	W F 5 0 R G
Country	
DX	
Telephone	01924 263777



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

**2 AM CREATIVE LIMITED T/A 2 AM
IN CREDITORS VOLUNTARY LIQUIDATION**

**Liquidator's Final Report To Members And Creditors Pursuant To
Section 106 Of The Insolvency Act 1986 For The
Period 29 September 2017 to 21 November 2018**

**Philip Booth
Liquidator**

**Booth & Co
Coopers House
Intake Lane
Ossett
WF5 0RG**

Statutory Information

Company Name:	2 AM Creative Limited t/a 2 AM ("the Company")		
Company Number:	03964511		
Date of Incorporation:	4 April 2000		
Principal Activity:	Creative Design Studio		
Registered Office:	Coopers House Intake Lane Ossett WF5 0RG	<i>formerly</i>	St George's Park Kirkham Preston PR4 2DZ
Trading Address:	St George's Park Kirkham Preston PR4 2DZ		
Date of Liquidation:	29 September 2017		
Liquidator:	Philip Booth		
Basis of Remuneration:	<p>On 19 September 2018 creditors approved a decision by correspondence to set the Liquidator's remuneration as follows:</p> <ul style="list-style-type: none">• A fixed fee of £10,000 for undertaking the following categories of work in the Liquidation, namely; Administration and Planning, Investigations, Realisation of Assets and Creditors.• Recovery of all Category 1 and Category 2 disbursements.		

1. Introduction

- 1.1 I am writing to provide you with my final report on the conduct of the Liquidation for the period from 29 September 2017 to 21 November 2018.

2. Receipts

- 2.1 A copy of the Receipts and Payments Account made up to 21 November 2018 is attached.
- 2.2 The Company's assets as at the date of my appointment as Liquidator comprised of cash held in my firm's client account of £3,200, a small amount of office furniture and equipment with a total estimated to realise value of £900, book debts with an estimated to realise value of £44,174, which were assigned to Factor 21 (North) Limited under the terms of a factoring agreement, and a debt in the sum of £69,888 due from ADP (Wyre) Limited which was attributed with an 'uncertain' value for Statement of Affairs purposes.
- 2.3 Following my appointment I instructed Michael Steel & Co, an independent firm of valuers and agents, to realise the Company's assets. Following negotiations conducted by Michael Steele & Co, the director of 2AM Creative Limited, Mr P Stubbs, submitted an offer in the sum of £4,500 plus VAT for the Company's office equipment, furnishings, goodwill and domain names. In accordance with advice provided by Michael Steel & Co, this offer was accepted on 9 October 2018.
- 2.4 The information provided above in relation to the sale of the Company's assets to Mr Stubbs is provided in accordance with the provisions of Statement of Insolvency Practice 13 'Disposal of Assets to Connected Parties in an Insolvency Process'.
- 2.5 Following my appointment as Liquidator, Factor 21 (North) Limited took steps to collect the outstanding book debts which had been assigned to them. However, book debt recoveries have been insufficient to repay the amount owed to Factor 21 (North) Limited, which is currently £14,818.
- 2.6 The Company's only other asset was the amount owed by ADP (Wyre) Limited which was attributed with an 'uncertain' value for Statement of Affairs purposes.
- 2.7 ADP (Wyre) Limited was a shell company which was formed in connection with a project to develop a tidal gateway on the River Wyre Estuary. The project was to be funded by a Company called Aventa Capital Partners Ltd, which became insolvent. A winding up petition was presented against Aventa Capital Partners Ltd on 12 September 2017, and it entered into a Company Voluntary Arrangement with its creditors on 4 January 2018. Based on the information currently available, I do not believe there is any prospect of the Company recovering any amount in respect of this debt.
- 2.8 No other realisations are anticipated.

3. Payments

- 3.1 In accordance with the resolution passed at the virtual meeting of creditors, an amount in the sum of £4,500 plus VAT has been paid to Booth & Co in respect of the costs incurred in assisting the Director with the preparation of the Director's Report and Statement of Affairs.
- 3.2 Information in respect of the Liquidator's remuneration and expenses is dealt with in Section 8 below.

- 3.3 Fees amounting to £500 plus VAT have been paid to Michael Steel & Co in respect of their fees incurred in the valuation and realisation of the Company's assets.
- 3.4 Other than a small amount of bank charges, there have been no other payments made during the period.

4. Secured Creditors

- 4.1 The Company had granted a fixed and floating charge debenture over its assets in favour of Factor 21 (North) Limited. The debenture was created on 13 April 2017 and delivered to Companies House on 20 April 2017. The amount estimated to be owed to Factor 21 (North) Limited as at the date of my appointment as Liquidator was £20,038, and the amount currently owed is £14,818, which includes termination fees.
- 4.2 The Company had also granted fixed and floating charges over its assets in favour of RBS Invoice Finance Ltd and The Royal Bank of Scotland plc, which were created on 2 October 2015 and 5 November 2014, and delivered to Companies House on 13 October 2015 and 7 November 2014 respectively. No amount was owed to RBS Invoice Finance Ltd as at the date of my appointment as Liquidator, and the amount estimated to be owed to The Royal Bank of Scotland plc was £18,000.
- 4.3 Insufficient funds have been realised to allow any payment to be made to the secured creditors.

5. Preferential Creditors

- 5.1 The Statement of Affairs disclosed that preferential claims in respect of employee arrears of pay and holiday pay were estimated at £10,412, and I have received a preferential claim from the Redundancy Payments Service for an amount in the sum of £7,808.
- 5.2 Insufficient funds have been realised to allow any payment to be made to preferential creditors.

6. Unsecured Creditors

- 6.1 The Director estimated in the Statement of Affairs that unsecured creditors amounted to £232,576, and I have received eleven Proofs of Debt totalling £291,106.
- 6.2 Insufficient funds have been realised to enable a dividend to be paid to unsecured creditors and in my letter dated 25 September 2018, creditors were provided with formal notice of no dividend in accordance with Rule 14.37 of the Insolvency (England and Wales) Rules 2016.

7. Directors' Conduct Report & Investigation

- 7.1 As required, I have submitted my confidential report to the Insolvency Service. I have also carried out my investigations into the conduct of the business.
- 7.2 Pursuant to the provisions of Statement of Insolvency Practice 2, I can advise creditors that my investigations did not reveal any matters which would require me to take further action against any officer of the Company, or any third parties.

8. Liquidator's Remuneration

- 8.1 No resolution in respect of the Liquidator's remuneration was passed at the Virtual Meeting of Creditors held on 29 September 2017.

- 8.2 On 19 September 2018, resolutions were passed by creditors approving that the Liquidator's remuneration be fixed on the following bases :-
1. A fixed fee of £10,000 plus VAT for undertaking the following categories of work in the Liquidation, namely; Administration and Planning, Investigations, Realisation of Assets and Creditors, and;
 2. Recovery of all Category 1 and Category 2 disbursements.
- 8.3 In respect of the Liquidator's fixed fee in the sum of £10,000 plus VAT, on 19 September 2018 I drew an amount in the sum of £1,871.55, which was limited to the funds available. My time costs incurred to the end of the period covered by this report are £10,126 which represents 53.8 hours at an average hourly rate of £188.22. Appendix A shows a breakdown of these costs.
- 8.4 Please note that my firm's charge out rates increased as from 1 January 2018, further details of which are attached to this report.
- 8.5 Disbursements incurred and paid amount to £816.45. Details are provided below:

<u>Category 1</u>	£	<u>Category 2</u>	£
<u>Disbursements</u>		<u>Disbursements</u>	
Statutory Advertising	248.50	Photocopying	58.50
Insurance Bond	400.00		
Postage	21.45		
Storage of Books & Records	38.00		
Creditor Gateway re Virtual Meeting	50.00		
	<hr/>		<hr/>
	757.95		58.50
	<hr/>		<hr/>

- 8.6 Category 1 disbursements relate to external services provided which are directly attributable to the case. Category 2 disbursements relate to shared or allocated costs which generally relate to internal charges made for items such as document storage, photocopying, room hire and mileage.
- 8.7 Creditor approval is required for Category 2 disbursements to be charged as an expense of the Liquidation in accordance with best practice guidelines as set out in Statement of Insolvency Practice 9.
- 8.8 There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors.
- 8.9 A description of the routine work undertaken in the Liquidation to date is set out as follows. Not all of the examples will apply in every case. Specific work carried out in the period is referred to in the narrative of each section to this report.

Administration and Planning

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical/electronic case files (as applicable).
- Setting up the case on the practice's electronic case management system and entering data.

- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.

Investigations

- Attempting to recover the books and records for the case.
- Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, eg the bank, accountants, solicitors, etc.
- Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.

Creditors

- Dealing with creditor correspondence and telephone conversations.
- Preparing reports to members and creditors.
- Maintaining creditor information on IPS case management software.
- Reviewing proofs of debt received from creditors.

Realisation of Assets

- Liaising with agents regarding negotiations for the sale of the Company's assets.
- Liaising with the Company's bank regarding the closure of the account.
- Liaising with the factoring company regarding the collection of outstanding book debts.
- Making further enquiries in relation to outstanding book debts due to the Company.

- 8.10 Further information about creditors' rights can be obtained by visiting the R3 website where creditors' information published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>.
- 8.11 A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3 is available at the following link: <https://www.r3.org.uk/what-we-do/publications/professional/creditors-guides>.
- 8.12 Pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (or with the permission of the Court), have a period of twenty-one days from the receipt of this final report to request (in writing) further information in respect of the Liquidator's remuneration and expenses.

- 8.13 The liquidator has 14 days from receipt of the request to comply with it, but he is treated as complying if: the time or cost of preparation of the information would be excessive; if the disclosure of the information would be prejudicial to the conduct of the liquidator might reasonably be expected to lead to violence against any person; if the liquidator is subject to an obligation of confidentiality in respect of the information, and he writes to the creditor(s) giving reasons for not providing the information requested.
- 8.14 A creditor may also apply to Court within 21 days of receipt of the reasons for not providing the information requested; or upon the expiry of the 14 day period for the liquidator to provide the information.
- 8.15 Pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, any secured creditor, or any unsecured creditor with the concurrence of at least 10% in value of the creditors, including that creditor (or with the permission of the Court), may make an application to the Court on the grounds that:-
- The remuneration charged by the Liquidator and, or
 - The basis fixed for the Liquidator's remuneration and, or
 - The expenses incurred by the Liquidator are excessive and, or
 - The basis fixed for the liquidator's remuneration is inappropriate

Such an application to the Court must be made within eight weeks of the date of the receipt of the final report.

9. Conclusion

- 9.1 The winding up of the Company is now for all practical purposes complete and I am seeking my release as Liquidator of the Company. Please note that provided no objections to my release are received I shall obtain my release as Liquidator following the delivery of the final notice to the Registrar of Companies.

Yours faithfully



Philip Booth
Liquidator

2 AM Creative Limited t/a 2am
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 29/09/2017 To 21/11/2018 £	From 29/09/2017 To 21/11/2018 £
	SECURED CREDITORS		
(18,000.00)	The Royal Bank of Scotland plc	NIL	NIL
		NIL	NIL
	HIRE PURCHASE		
44,174.00	Book Debts	NIL	NIL
(20,038.00)	Factor 21 (North) Limited	NIL	NIL
NIL	Goodwill	NIL	NIL
NIL		NIL	NIL
	ASSET REALISATIONS		
NIL	Leasehold Property Alterations	NIL	NIL
450.00	Office Equipment	NIL	NIL
450.00	Furniture & Equipment	4,500.00	4,500.00
Uncertain	Book Debt - ADP (Wyre) Limited	NIL	NIL
3,200.00	Cash in Booth & Co Client a/c	3,200.00	3,200.00
		7,700.00	7,700.00
	COST OF REALISATIONS		
	Preparation of S. of A.	4,500.00	4,500.00
	Office Holders Fees	1,871.55	1,871.55
	Office Holders Expenses	816.45	816.45
	Agents/Valuers Fees (1)	500.00	500.00
	Bank Charges	12.00	12.00
		(7,700.00)	(7,700.00)
	PREFERENTIAL CREDITORS		
(9,968.14)	RPS (Arrears & Holiday Pay)	NIL	NIL
(443.94)	Employees (Arrears & Holiday Pay)	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(8,585.38)	Trade & Expense Creditors	NIL	NIL
(345.23)	Employees (Notice & Redundancy)	NIL	NIL
(32,335.78)	RPS (Notice & Redundancy)	NIL	NIL
(3,423.00)	Director	NIL	NIL
(59,877.00)	Banks/Institutions	NIL	NIL
(88,383.00)	HM Revenue & Customs (VAT)	NIL	NIL
(39,624.00)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(5.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(232,754.47)		NIL	NIL
	REPRESENTED BY		
			NIL



Philip Booth
Liquidator

Time Entry - SIP9 Time & Cost Summary

2AM001 - 2 AM Creative Limited t/a 2am
Project Code: POST
To: 25/09/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.80	5.00	0.00	8.00	14.80	2,324.00	157.03
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	2.40	16.10	0.00	1.00	19.50	3,902.00	200.10
Investigations	0.70	3.50	0.00	1.00	5.20	972.00	186.92
Realisation of Assets	0.60	13.70	0.00	0.00	14.30	2,928.00	204.76
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	5.50	38.30	0.00	10.00	53.80	10,126.00	188.22
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Creditors' & Members' request for further information

Rule 18.9 of the Insolvency (England and Wales) Rules 2016

1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
 - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
 - (c) disclosure of the information might reasonably be expected to lead to violence against any person;
- or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
 - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

Rule 18.34 of the Insolvency (England and Wales) Rules 2016

(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

BOOTH & CO – FEES & DISBURSEMENTS 2018/19**ADDITIONAL INFORMATION IN RELATION TO OFFICE HOLDER'S FEES PURSUANT TO THE PROVISIONS OF STATEMENT OF INSOLVENCY PRACTICE 9**

Please find outlined below a schedule of Booth & Co charge out rates:-

<u>Staff Grade</u>	<u>Rate/Hour £</u> (From 01/01/18)	<u>Rate/Hour £</u> (01/04/15 to 31/12/17)
Insolvency Practitioner (appointment taking)	250 - 275	225 - 250
Senior Manager	210 - 235	195 - 210
Manager	175 - 195	160 - 175
Senior Administrator	150 - 165	140 - 155
Administrator	125 - 140	115 - 130
Cashier/Support	90 - 115	75 - 110

The charge out rates are subject to periodic reviews and change. The higher rates referred to above may be applied on more complex matters. If used, creditors will be informed accordingly.

In cases of exceptional complexity, the insolvency practitioner reserves the right to obtain authority from the committee or the creditors that their remuneration shall be fixed as a percentage of the value of the assets which are realised or distributed, or both.

An analysis of time costs incurred will be provided to creditors under the following areas of activity:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

Disbursements

There are two types of disbursements; direct disbursements (known as 'Category 1') and indirect disbursements (known as 'Category 2').

i) Category 1

Category one disbursements do not require approval by creditors. Typically, these include external supplies of incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel and external printing, room hire, insolvency bond and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Postage, external room hire and insolvency bond costs are charged out at the actual rate incurred.

ii) Category 2

Category two disbursements do require creditor approval and include elements of shared or allocated costs.

- Photocopying is charged at 15p per sheet/copy.
- Internal room hire (only charged for statutory meetings of members, creditors or a creditors' committee) is charged at £75 per hour (minimum charge £75; maximum charge £150).
- Mileage is charged at 45p per mile.

- Internal books and records storage is charged at £6 per box per annum.

Insolvency Guide to Unsecured Creditors

The insolvency trade association, R3, has launched a website, www.creditorinsolvencyguide.co.uk for cases in England and Wales, which is a step-by-step guide to the insolvency process for unsecured creditors, particularly small businesses who are unfamiliar with the insolvency process.

It sets out in straightforward English how creditors can engage in the insolvency process and includes:

- how different insolvency procedures work;
- simple explanations of insolvency terminology,
- useful tips on how to help oversee the running of the insolvency case.

For additional information regarding the remuneration of insolvency practitioners, please use the link <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/england-wales> and click on 'SIP 9'