

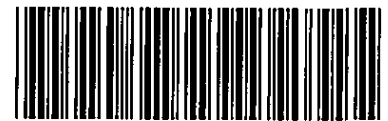
AUTOSCAN Q A LIMITED – IN COMPULSORY LIQUIDATION

BIRMINGHAM DISTRICT REGISTRY NO 8252 OF 2011 LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS FOR THE YEAR ENDING 29 MARCH 2016

STATUTORY INFORMATION

Company name	AUTOSCAN Q A LIMITED
Registered office	Haslers Old Station Road Loughton IG10 4PL
Former registered office	2 Albert Street, St Georges, Telford, Shropshire TF2 9AT
Registered number	03999630
Liquidator's name	Richard A J Hooper
Liquidator's address	Haslers Old Station Road Loughton IG10 4PL
Liquidator's date of appointment	30 March 2012

WEDNESDAY



A06 18/05/2016 #123
COMPANIES HOUSE

LIQUIDATOR'S ACTIONS SINCE LAST REPORT

Since my last report I have continued to consider whether, and if so which, claims should be made, following advice received from solicitors. This is discussed further, later in this report.

There is certain work that I am required by the insolvency legislation to undertake work in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is as follows:

Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case
- Dealing with all routine correspondence and emails relating to the case
- Maintaining and managing the office holder's cashbook
- Undertaking regular bank 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
- Preparing, reviewing and issuing annual progress reports to creditors and members

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- Filing returns at Companies House and Court
- Preparing and filing Corporation Tax returns

Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims
- Maintaining up to date creditor information on the case management system

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 30 March 2012 to 29 March 2016 is attached

The balance of funds are held in the Insolvency Services Account operated by The Insolvency Service

ASSETS

VAT REFUND

The VAT refund of £11,407.62 continues to be held in a suspense account as the Receiver acting on behalf of a secured creditor had claimed that this sum was due to the secured creditor. The Receiver has ceased to act and no further claim has been made. I am seeking to determine whether any further monies remain due.

ISA INTEREST

The sum of £55.16 has been received in respect of interest from the ISA account.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies showed that the Company has granted the following charges:

Debenture created 23 May 2011 to Cable Finance Limited
Debenture created 11 August 2010 to Close Invoice Finance Limited
Mortgage created 26 February 2009 to Lloyds TSB Bank plc

As indicated above, I have been seeking to determine whether a balance remains to Cable Finance Limited.

Preferential Creditors

The statement of affairs anticipated no preferential creditors and no claims have been received.

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Crown Creditors

The statement of affairs included £596,812 owed to HMRC. HMRC's claim of £744,035.22 has been received.

Non-preferential unsecured Creditors

The statement of affairs included unsecured creditors with an estimated total liability of £106,523.38. I have received claims from creditors at a total of £48,904.33.

DIVIDEND PROSPECTS

Secured creditors

I have been seeking to determine whether a balance remains to Cable Finance Limited.

Preferential creditors

There are no preferential creditors, and accordingly there will be no dividend to preferential creditors.

Floating charge creditors

I have been seeking to determine whether any balance remains due to the floating charge holder.

Unsecured creditors

As previously advised, the Company gave a floating charge to those as listed above and the prescribed part provisions will apply. On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs of the Liquidation to date, the net property of the Company is £8,959.00. However, this estimate does not take into account the future costs of the Liquidation, which will reduce the amount of the Company's net property.

Since the Company's net property is less than £10,000, the insolvency legislation does not require me to distribute the prescribed part of the net property to creditors if I think that the costs of distributing the prescribed part would be disproportionate to the benefits to creditors. I am of the view that the costs of distribution would be disproportionate and so will not be making a distribution of the prescribed part of the net property to non-preferential unsecured creditors.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

As previously reported, I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, funds likely to be available to fund an investigation, and the costs involved.

I previously reported that my investigations were ongoing and were of a confidential nature. In my view, aspects of this case remain so. I took the following action where I considered that further investigation was justified.

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I have reviewed the books and records of the company delivered up to me. I have reviewed the former Administrator's files, the transactions recorded in the company's records and its bank statements to determine how the company's funds were utilised by the directors.

I have also identified, located and made enquiries of the company's directors, former accountant, solicitors, bankers, Receivers and others to assist with my review.

I have identified a number of transactions for which I have requested explanations. To date adequate explanations have not been received. I had referred a number of matters to my solicitors and have been considering whether any action or claims can, or should, be made and, if so, how this should be funded.

I anticipate that an update will be provided on progress in this matter in the next report and creditors will be provided with full details when ongoing investigations are complete.

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by the creditors at a meeting held on 7 June 2012. My total time costs to 29 March 2016 amount to £96,730.17, representing 332.22 of hours work at an average charge out rate of £291.17 per hour, of which £9,462.00, representing 29.55 of hours work, was charged in the period since 30 March 2015, at an average charge out rate of £320.20 per hour. I have not been able to draw any remuneration in this matter.

Detailed schedules of my firm's time costs are enclosed, together with my firm's fee policy.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Haslers' fee policy are available at the link <http://www.haslers.com/services/insolvency/>.

LIQUIDATOR'S EXPENSES

I have incurred expenses to 29 March 2016 of £591.52 of which £35.27 was incurred in the period since 30 March 2015. I have not been able to draw any expenses in this matter.

I have incurred the following expenses in the period since my last progress report:

Type of expense	Amount incurred/ accrued in the reporting period
Land Registry fees	£24.00
Postage	£11.27

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Moon Beaver	Solicitors	Time costs

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Moon Beaver were appointed on a Conditional Fee basis and have outstanding time costs of £4,575

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case

CASE TRANSFER

Since the year end and following his retirement as a partner in Haslers, Richard Hooper has been removed as liquidator and replaced by Nicholas Nicholson and Stratford Hamilton by an order of the High Court dated 15 April 2016

FURTHER INFORMATION

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

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

To comply with the Provision of Services Regulations, some general information about Haslers can be found at <http://www.haslers.com/provision-of-services-regulations/>

SUMMARY

The Liquidation will remain open until the liability due to the secured lender and potential claims have been fully resolved. I estimate that this will take approximately 12 months and once resolved the Liquidation will be finalised and our files will be closed

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Ann Quartermain on the above telephone number, or by email at ann.quartermain@haslers.com



NICHOLAS NICHOLSON
JOINT LIQUIDATOR
for RICHARD A J HOOPER
FORMER LIQUIDATOR

Autoscan Q A Limited

Analysis of time costs from 30/03/12 to 29/03/16

Categories	Time recorded (Hours)					Total Time	Total Sum of Charge	Average Hourly Rate
	Partner	Manager	Senior Administrator	Administrator	Junior			
Administ & Planning	0 50		2 50			3 00	700 00	233 33
Case Planning	2 80	14 60	5 70	12 18	2 10	37 38	8 614 67	230 44
Administrative Set-up			2 60			2 60	507 00	195 00
Appointment Notification			0 50			0 50	97 50	195 00
Maintenance of Records	15 20	6 47	8 90	6 42	0 10	37 08	11,181 00	301 51
Statutory Reporting	0 60	10 40	5 40	8 15	1 40	25 95	5,636 00	217 19
Investigations	6 50	13 90	0 30			20 70	6 643 50	320 94
Investigating Antecedent Transactions	12 00	171 85		4 50	0 40	188 75	59,749 50	316 55
Identifying Securing, Insuring Assets		0 10	0 30			0 40	88 00	220 00
Debt Collection		3 00				3 00	950 00	316 67
Property, Business and Asset Sales			0 40			0 40	78 00	195 00
Communications With Creditors		2 35	1 10	0 90		4 35	1,058 50	243 33
Creditors' Claims (inc Employees and Preferential		0 20	0 40			0 60	133 00	221 67
Case Specific Matters		0 30	0 70			1 00	219 00	219 00
Non-formal app Work		1 50				1 50	412 50	275 00
INS Cashiering		0 30	1 20	3 50		5 00	662 00	132 40
	37 60	224 97	30 00	35 65	4 00	332 22	96,730 17	291 17

Autoscan Q A Limited

Analysis of time costs from 30/03/15 to 29/03/16

Categories	Time recorded (Hours)						Total Time	Total Sum of Charge	Average Hourly Rate
	Partner	Manager	Senior Administrator	Administrator	Junior				
Case Planning Maintenance of Records Statutory Reporting Investigating Antecedent Transactions Debt Collection INS Cashiering	1.50	3.40	0.60				4.90	1,819.00	371.22
	0.30	1.75					2.35	652.00	277.45
		3.20			0.40		3.90	1,187.00	304.36
		15.30			0.40		15.70	5,094.00	324.46
		2.00		0.70			2.00	640.00	320.00
	1.80	25.65	0.60	0.70	0.80		29.55	9,462.00	320.20

AUTOSCAN Q A LIMITED
(In Liquidation)

Liquidator's Abstract Of Receipts And Payments

RECEIPTS	Statement of Affairs (£)	From 30/03/2012 To 29/03/2015 (£)	From 30/03/2015 To 29/03/2016 (£)	Total (£)
VAT Refund		11,407 62	0 00	11,407 62
ISA interest		107 80	55 16	162 96
		11,515 42	55 16	11,570 58
PAYMENTS				
Official Receivers Remuneration		2,235 00	0 00	2,235 00
Tax on ISA interest		21 55	11 03	32 58
ISA Quarterly Charges		256 00	88 00	344 00
Trade and Expense Creditors	(703,335 38)	0 00	0 00	0 00
Ordinary Shareholders	(100 00)	0 00	0 00	0 00
		2,512 55	99 03	2,611 58
Net Receipts/(Payments)		9,002 87	(43 87)	8,959 00
MADE UP AS FOLLOWS				
Insolvency Service Account (ISA)		(2,491 00)	(88 00)	(2,579 00)
ISA Suspense Account		11,493 87	44 13	11,538 00
		9,002 87	(43 87)	8,959 00

PRACTICE FEE RECOVERY POLICY FOR HASLERS

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.haslers.com/services/insolvency/>. Alternatively a hard copy may be requested from Haslers, Old Station Road, Loughton, Essex IG10 4PL. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee (if applicable) and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 1 January 2016	Previous charge-out rate per hour, effective from 1 January 2015
	£	£
Partner – appointment taker	375-510	375-510
Manager	285-320	285-320
Senior Administrator	195-250	195-250
Case Administrator	95-165	95-165
Cashier	100	100

These charge-out rates charged are reviewed on 1 January each year and are adjusted to take account of inflation and the firm's overheads

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories

- Administration and Planning
- Maintenance of records
- Investigations
- Realisation of Assets
- Creditors
- Case specific matters
- Statutory reporting

IN CASES WHERE WE WERE APPOINTED PRIOR TO 1 OCTOBER 2015, MOST OF OUR FEES WERE RECOVERED ON A TIME COSTS BASIS AND APPROPRIATE AUTHORITY WAS OBTAINED FROM THE CREDITORS OR THE COMMITTEE AS SET DOWN IN THE LEGISLATION

THE LEGISLATION CHANGED ON 1 OCTOBER 2015 AND ON NEW APPOINTMENTS WE SEEK TIME COST RESOLUTIONS FOR ALL CATEGORIES OF WORK

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate, any additional work undertaken, or proposed to be undertaken, the hourly rates proposed for each part of the work, and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Haslers, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are costs which include elements of shared or allocated costs. It is not Haslers' policy to charge for such costs.