

The Insolvency Act 1986
Liquidator's Progress Report

Pursuant to Sections 92A and 104A of the Insolvency Act 1986

To the Registrar of Companies

For official use

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Company Number

04267316

Name of Company

Advance Integrated Systems Plc

I
Christopher Wood
Clough Corporate Solutions LLP
New Chartford House
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB

the Liquidator of the company attach a copy of my Progress Report under
section 192 of the Insolvency Act 1986

Signed



Date 6 November 2012

Presenter's
name, address
and reference
(if any)

Clough Corporate Solutions LLP
New Chartford House
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB

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For Official Use

Liquidation Section

Post Room

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COMPANIES HOUSE

Advance Integrated Systems Plc - In Liquidation

***Annual Report to Creditors pursuant to Section 104A of the
Insolvency Act 1986***

***Clough Corporate Solutions LLP
New Chartford House
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB***

6 November 2012

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- 1) Receipts and payments account for the period 23 September 2010 to 22 September 2012
- 2) Analysis of time costs for the period 23 September 2010 to 22 September 2012
- 3) Summary of expenses for the period 23 September 2010 to 22 September 2012

1. INTRODUCTION

The purpose of this report is to detail my acts and dealings as Liquidator of Advance Integrated Systems Plc ("the Company"), company number 04267316, for the period 23 September 2010 to 22 September 2012 and it should be read in conjunction with my previous correspondence to creditors.

2. BACKGROUND

I was appointed Liquidator on 23 September 2010, following a meeting of the members and my appointment was confirmed at a meeting of the creditors held on 6 October 2010.

The Company's former registered office was Unit 1, Viaduct Works, New Street, Slaithwaite, West Yorkshire, HD7 5BG and this was changed to the address of this office on 24 September 2010. The former registered office was also the trading address

The Company's principal activity was the supplying, installing and maintaining security systems.

3. ASSET REALISATIONS

According to the Statement of Affairs lodged in these proceedings, the assets of the Company had an estimated value of £77,020, which comprised of the following

Assets	Estimated to Realise as per Statement of Affairs £	Realised to Date £	Estimated Further Realisations £
Plant and machinery	2,100	4,499.76	Nil
Stock	1,000	2,142.82	Nil
Book debts	61,887	8,390.38	Nil
Cash at bank	133	Nil	Nil
Bank interest	Nil	3.23	Nil
Rates refund	Nil	2,943.27	Nil
Office furniture and IT equipment	1,900	3,821.22	Nil
Sundry refund	Nil	61.78	Nil
Cash in hand of accountant	10,000	10,000	Nil
Totals	77,020	31,862.46	Nil

The recovery of the Company's book debts is significantly lower than the estimated to realise figure shown in the Statement of Affairs because the sales ledger included several balances that were due to journals being entered through the sales ledger and were not attributable to genuine sales. In addition to this the Company's books and records were not satisfactory for the purpose of supporting any genuine debt collection in some instances.

Plant and machinery, stock and office furniture and IT equipment were sold by my agents, Walker Singleton Valuers and Chartered Surveyors of Huddersfield.

The rates refund was received from Kirklees Council in relation to a credit balance held by them in relation to payments made by the Company on account.

The sundry refund was received from a supplier in relation to a credit balance held by them.

No balance was received in relation to the Company's current account with HSBC because bank charges and interest were applied to the credit balance represented on the Statement of Affairs

Cash in hand of accountant relates to an amount that was held in Clough Corporate Solutions LLP's client account which was then transferred to the account opened for the purpose of the Liquidation

I am currently investigating several transactions and will take the necessary legal action against the Company's directors, should this prove necessary.

4. INVESTIGATIONS

As per my earlier report the directors conduct report was submitted to the Department for Business, Innovation and Skills, (formerly the Department for Business Enterprise and Regulatory Reform) on 21 February 2011. The contents of this report are confidential and therefore I am precluded from disclosing details to creditors.

5. CREDITORS CLAIMS

The secured creditor shown on the Statement of Affairs totalled £375,696.48 in relation to a floating charge held by Partnership Investment Equity Fund To date they have submitted a claim for £375,696 48

The preferential creditors as per the Statement of Affairs totalled £8,744 I have to date received a proof of debt from the Insolvency Service (Department of Employment) in the sum of £9,982 18

The unsecured creditors, as per the Statement of Affairs totalled £999,611. I have received 31 proof of debt forms from unsecured creditors which total £1,289,129 44 and these details have been noted on my files.

Since the date of appointment I have received 7 claims from creditors who I was unaware of as at the date of the Statement of Affairs Their claims total £11,051 06 of the creditors' claims submitted.

I have received a number of materially different unsecured claims to the figures on the Statement of Affairs These claims have increased the estimated total unsecured claims by £588,376 27

The majority of this difference relates to an amount owed to HM Revenue and Customs for PAYE/NIC and is due to inaccurate P35's being previously submitted by the Company prior to my appointment Once this was rectified a claim totalling £503,397 96 was received

Also included in this amount is a claim submitted by Alan and Sally Inkster in relation to their directors loan accounts The Statement of Affairs figure was an estimate based on the books and records of the Company totalling £250,000 and a claim was subsequently submitted for £380,148 45

If any dividend becomes payable to the unsecured creditors then further work will be required in the agreeing of all of the unsecured creditors claims received to date

6. DIVIDEND PROSPECTS

There are currently insufficient realisations in this case to permit paying a dividend to any class of creditor, however, any future dividends will be dependent on whether any monies are realised in relation to my ongoing investigations.

7. COSTS AND EXPENSES

The payments shown on the summary of the Receipts and Payments at Appendix 1 are in the main self-explanatory, however I would comment as follows.

(i) Statement of Affairs

Prior to my appointment as Liquidator I was instructed by the directors to assist them in convening the meetings of members and creditors and preparing the Statement of Affairs. This fee was agreed at the creditors meeting in the sum of £5,000 plus VAT and has been paid in full.

(ii) Liquidators Remuneration

I have drawn remuneration as Liquidator in relation to this assignment as authorised by creditors at the Section 98 meeting in accordance with the following resolution:

“That the Liquidator is authorised to draw his remuneration on a time costs basis and remuneration to be drawn on account from time to time at his discretion.”

My time costs in dealing with the conduct of the Liquidation to 22 September 2012 are £59,323 50 represented by 352 70 hours, at an average hourly rate of £168 20. To date I have drawn £10,000 plus VAT against these time costs.

A breakdown of the time costs incurred during the period of this report, in accordance with Statement of Insolvency Practice 9, is set out in Appendix 2 to this report

(iii) Disbursements

I have recovered disbursements that may include an element of overhead charges in accordance with the resolution passed by creditors at a meeting held on 6 October 2010. The basis of calculation of this category of disbursement was disclosed to creditors prior to the resolution being passed.

(iv) Other Costs

hlw Keeble Hawson LLP (formerly hlw Commercial Lawyers LLP) of Sheffield were instructed as legal advisors in relation to providing advice on and assisting in my investigations into various antecedent transactions. Their costs will be agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. No monies have yet been paid to them and to date they have outstanding fees of £14,500 plus VAT and disbursements of £60 plus VAT.

Walker Singleton Chartered Surveyors of Huddersfield were instructed as agents and valuers in relation to the valuation and disposal of the Company's tangible assets. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. They were paid £5,135.96 plus VAT in relation to these time costs and disbursements.

The sum of £1,543.34 was paid to the landlords of the premises to allow an on site asset sale to be held on the advice of my agents.

A breakdown of costs and expenses incurred in the period, irrespective of whether they have been paid or not, is included at Appendix 3 to this report.

8. CONCLUSION

I shall be continuing my administration of the Liquidation and hope to finalise the outstanding matters that are preventing this case from being closed, being the continuation of my investigation into several antecedent transactions and the recovery of funds in respect of these transactions if applicable.

Creditors have the right to request further information from the Liquidator under Rule 4.49E of the Insolvency Rules 1986 and also have the right to challenge my remuneration and expenses as Liquidator under Rule 4.131 of the Insolvency Rules 1986 following receipt of a progress report. Further details of these rights can be found in the Creditors' Guide to Fees which you can access by using the following link:

http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees.pdf

Alternatively a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information of 21 days following receipt of this progress report. There is a time limit of 8 weeks following receipt of this report for a Court application that the Liquidator's remuneration or expenses are excessive.

Should you have any queries regarding the contents of this report, please do not hesitate to contact this office.



Christopher Wood
Liquidator

Advance Integrated Systems Plc - In Liquidation
Liquidator's Abstract of Receipts & Payments

From 23 September 2011 To 22 September 2012

S of A £	As previously reported	23 September 2011 to 22 September 2012	Total £
RECEIPTS			
2,100 Plant & Machinery	4,499 76	NIL	4,499 76
1,000 Stock	2,142 82	NIL	2,142 82
61,887 Book Debts	8,390 38	NIL	8,390 38
133 Cash at Bank	NIL	NIL	NIL
NIL Bank Interest Gross	1 08	2 15	3 23
NIL Rates Refund	2,943 27	NIL	2,943 27
1,900 Office Furniture & IT Equipment	3,821 22	NIL	3,821 22
NIL Sundry Refund	61 78	NIL	61 78
10,000 Cash in Hand of Accountant	10,000 00	NIL	10,000 00
77,020	31,860 31	2 15	31,862 46
PAYMENTS			
Statement of Affairs Fee	5,000 00	NIL	5,000 00
Liquidators Fees	10,000 00	NIL	10,000 00
Agents/Valuers Fees	5,135 96	NIL	5,135 96
Storage Costs	NIL	144 00	144 00
Re-Direction of Mail	25 96	NIL	25 96
Statutory Advertising	824 39	NIL	824 39
Rents Payable	1,543 34	NIL	1,543 34
Mileage	36 60	47 20	83 80
Postage & Photocopying	369 07	317 10	686 17
Computer System disbursement	100 00	NIL	100 00
Specific Bond	528 00	NIL	528 00
Search Fees	4 00	NIL	4 00
	23,567 32	508 30	24,075 62
CASH IN HAND	8,292 99	(506 15)	7,786 84
REPRESENTED BY			
Current Account	3,093 52	(1,411 57)	1,681 95
Instant Deposit Account	3,001 08	3,002 15	6,003 23
VAT Control Account	2,198 39	(2,096 73)	101 66
	8,292 99	(506 15)	7,786 84

Liquidator's Remuneration Schedule
Advance Integrated Systems Limited
Between 23 September 2010 and 22 September 2012

Classification of work function	Partner/Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	10 70	90 00	0 00	84 30	185 00	31,457 00	170 04
Investigations	12 00	58 30	0 00	41 50	111 80	19,288 00	172 52
Realisation of Assets	0 00	10 50	0 00	0 00	10 50	2,047 50	195 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 20	19 00	0 00	19 10	38 30	5,821 00	151 98
Case Specific Matters	0 00	0 00	0 00	7 10	7 10	710 00	100 00
General Advice	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pre Appointment - Obtaining Information	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total hours	22 90	177 80	0 00	152 00	352 70		
Time costs	6,824 50	37,201 50	0 00	15,297 50	59,323 50		
Average hourly rate	298 01	209 23	0 00	100 64	168 20		

Total time spent in administering the Assignment
Total value of time spent
Total Liquidator's fees charged to date

Hours
£
£

352 70
59,323 50
10,000 00

ADVANCE INTEGRATED SYSTEMS PLC - IN LIQUIDATION
STATEMENT OF EXPENSES FOR THE PERIOD 23 SEPTEMBER 2010 TO 22 SEPTEMBER 2012

Expenses	Provider	Total paid at date of report (as per R&P) £	Costs incurred but not paid at date of report £	Total Expenses since appointment £	Total Expenses for period 1 (as per previous report) £	Total Expenses for the period £
Specific Bond	Willis Limited	528 00	0 00	528 00	528 00	0 00
Statement of affairs fee	Clough Corporate Solutions LLP	5,000 00	0 00	5,000 00	5,000 00	0 00
Liquidator's Remuneration	Clough Corporate Solutions LLP	10,000 00	49,323 50	59,323 50	10,000 00	49,323 50
Liquidator's Disbursements	Clough Corporate Solutions LLP	917 97	0 00	917 97	409 67	508 30
Statutory Advertising	Courts Advertising Limited	824 39	0 00	824 39	824 39	0 00
Legal Fees	hlw Keeble Hawson LLP	0 00	14,500 00	14,500 00	0 00	14,500 00
Legal Disbursements	hlw Keeble Hawson LLP	0 00	60 00	60 00	0 00	60 00
Agents' Fees	Tremark Associates Limited	175 00	0 00	175 00	175 00	0 00
Agents' Fees	Walker Singleton	4,960 96	0 00	4,960 96	4,960 96	0 00
Computer System Disbursements	Insolv Business Solutions	100 00	0 00	100 00	100 00	0 00
Rent Payable	Walker Singleton	1,543 34	0 00	1,543 34	1,543 34	0 00
Re-direction of mail	Royal Mail Group	25 96	0 00	25 96	25 96	0 00
Total		24,075 62	63,883 50	87,959 12	23,567 32	64,391 80