

## Liquidators' Progress

# S.192

## Report

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

4274463

Name of Company

Act Recruitment Limited

I,  
Amanda Wade  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

I  
Stephen Hunt  
Griffins  
Tavistock House South  
Tavistock Square  
London  
WC1H 9LG

the liquidators of the company attach a copy of our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 20 March 2015 to 19 March 2016

Signed



Date

09/05/16

Grant Thornton UK LLP  
No 1 Whitehall Riverside  
Leeds  
LS1 4BN

Ref AWA/GEM/HOB/A00995/9

Software Supplied by Turnkey Computer Technology Limited Glasgow





Our Ref AWA/GEM/HOB/A00995/7

To the creditors and members

Recovery and Reorganisation

Grant Thornton UK LLP  
No 1 Whitehall Riverside  
Leeds LS1 4BN

T +44 (0)113 245 5514  
F +44 (0)113 246 0828  
www.grantthornton.co.uk

11 April 2016

Dear Sirs

## **Act Recruitment Limited - In Liquidation (the Company)**

### **1 Introduction**

- 1.1 I refer to the above liquidation which commenced on 17 August 2010 with the appointment of Nicola Lesley Francis of Francis & Associates as liquidator
- 1.2 By way of an Order of the High Court of Justice dated 20 March 2015, Ms Francis was removed as liquidator and myself and Stephen Hunt of Griffins, Tavistock House South, Tavistock Square, London, WC1H 9LG were appointed joint liquidators in her place
- 1.3 In accordance with section 104A of the Insolvency Act 1986 (IA'86) I now report on the progress of the liquidation for the year ended 19 March 2016 and attach
- Appendix A, an account of our receipts and payments for the year ended 19 March 2016
  - Appendix B, an account of the previous liquidator's receipts and payments from 17 August 2010 to 19 March 2015
  - Appendix C, a statement of the remuneration charged by the joint liquidators in the period 20 March 2015 to 19 March 2016 and a statement of expenses incurred in the period
  - Appendix D, an analysis of time costs as required by Statement of Insolvency Practice 9 (SIP9)
  - Appendix E, an extract from the Insolvency Rules 1986 (IR'86) relating to creditors' rights to request additional information from the liquidator (rule 4.49E)
  - Appendix F, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive (rule 4.131)
- 1.4 I am authorised to act as an insolvency practitioner by the Insolvency Practitioners Association and Stephen Hunt is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. We are both bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

#### **Chartered Accountants**

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales. No. OC307742. Registered office: Grant Thornton House, Mellon Street, Euston Square, London NW1 2EP. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions. A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address. Please see [grantthornton.co.uk](http://grantthornton.co.uk) for further details.

## **2 Statutory information**

2 1 The Company's statutory details are as follows

Registered number 04274463

Registered office 30 Finsbury Square, London EC2P 2YU

## **3 Progress report**

### **Assets**

#### **Plant & machinery**

3 1 According to the statement of affairs the Company owned plant & machinery with a book value of £100 and an estimated to realise (ETR) value of £100. It is unclear from Ms Francis' file as to what these assets comprised and also whether an independent valuation was obtained. According to Ms Francis' receipts and payments account the sum of £100 was received in this regard.

#### **Cash at bank and in hand**

3 2 The statement of affairs also detailed cash at bank with a book value and ETR value of £930 and cash in hand with a book value and ETR value of £4,700. According to Ms Francis' receipts and payments account the sum of £882.56 was received in respect of the cash at bank and there were nil realisations in respect of cash in hand.

#### **VAT refund**

3 3 According to Ms Francis' receipts and payments account the sum of £700 was received in respect of a VAT refund.

## **4 Investigations**

4 1 I am in the process of investigating whether all potential assets have been pursued and appropriate recoveries made. To the extent that creditors' prospects may have been jeopardised by the actions (or omissions) of any party, including the former liquidator, a claim may be made against her and/or her insolvency bond. The liquidation will remain open until this area is fully explored.

4 2 To date, I have received 1 preferential claim in the sum of £1,534.00.

4 3 I have also received 5 unsecured claims totalling £57,693.66.

4 4 Unfortunately, there are insufficient funds available for a distribution to be made to creditors.

4 5 It is a statutory requirement that all practising licensed insolvency practitioners have suitable insurance in place to protect the creditors in the event of fraud and dishonesty by the practitioner. This is commonly known as a bond. It is a requirement that there should be both a specific bond, in relation to the specific assets of each individual case and a general bond in relation to a practitioner's whole portfolio of cases.

4 6 A bond claim has been submitted in this case and this may result in further recoveries. At this stage no finding has been made in respect of fraud and dishonesty.

- 4 7 In addition to the bond claim, a claim has been submitted against the former liquidator's professional indemnity insurance in respect of any losses which may have been caused by negligence rather than fraud or dishonesty. This claim may also result in further recoveries but the insurers have not yet reviewed the claim.

## **5 Liquidators' remuneration and expenses**

- 5 1 In accordance with SIP 9 office holders are obliged to provide creditors with certain information as regards their fees and disbursements accrued and/or drawn.

### **Former liquidator**

- 5 2 At the meeting of creditors held on 17 August 2010 a resolution was passed authorising Ms Francis' remuneration to be drawn on a time costs basis. According to her receipts and payments account, Ms Francis did not draw liquidator's fees however, she did draw £1,200.00 plus VAT, on account of the agreed Statement of Affairs fee of £5,000.00 plus VAT.

### **Joint liquidators**

- 5 3 In accordance with Rule 4.131A of the Insolvency Rules 1986 (IR'86), a review of remuneration may take place where there is a material and substantial change in the circumstances which were taken into account when fixing the basis of it. The creditors could not have envisaged a change of liquidator arising when agreeing the basis of the liquidator's remuneration. Accordingly, the liquidators may request a new resolution by convening a creditors meeting in accordance with Rule 4.54 of the IR'86. At the meeting, creditors are able to approve the basis of the liquidators' remuneration, which I would ask to be on the basis of time costs.

- 5 4 I have therefore convened a meeting of creditors to be held at the offices of Grant Thornton UK LLP, No 1 Whitehall Riverside, Leeds, LS1 4BN at 10.00 am on 11 May 2016.

- 5 5 In accordance with Statement of Insolvency Practice (SIP 9), I attach at Appendix D a summary of my time costs, by grade of staff and the type of work. This shows total time costs to 19 March 2016 of £10,437.35 represented by 41.76 hours at an average chargeout rate of £249.94 per hour.

- 5 6 Time is charged in units of 6 minutes. Background information regarding the fees of liquidators can be found at [https://www.r3.org.uk/media/documents/publications/professional/Guide\\_to\\_Liquidators\\_Fees\\_Oct\\_2015.pdf](https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Oct_2015.pdf)

- 5 7 Alternatively I will supply this information by post on request.

## **6 Other expenses incurred by the joint liquidators**

- 6 1 In addition, we have incurred expenses of £10.00 (bond premium) as indicated in Appendix C. To date, no expenses have been drawn.

- 6.2 If you have any questions or wish to discuss any aspect of this report, please contact Gill MacNaughton of this office

**7 Notice of meeting of creditors**

- 7.1 Notice is hereby given pursuant to Rule 4.54 of the Insolvency Rules 1986, that a meeting of creditors will be held at 10 00 am on 11 May 2016 at the offices of Grant Thornton UK LLP, No.1 Whitehall Riverside, Leeds, LS1 4BN, to consider the following resolution.

"That the basis of the joint liquidators' remuneration be agreed by reference to the time properly given by the joint liquidators and their staff in attending to matters arising in the liquidation "

- 7.2 A creditor entitled to vote at the above meeting may appoint a proxy to attend in his place. It is not necessary for the proxy to be a member or creditor of the Company in order to attend. I enclose a proxy form to be returned to the offices of Grant Thornton UK LLP, No.1 Whitehall Riverside, Leeds, LS1 4BN, by not later than 12 noon on 10 May 2016. To enable you to vote, a creditors' claim form (enclosed) must be lodged with me, unless previously lodged.
- 6.3 In accordance with the provisions of the Insolvency Rules 1986, I must have regard to the convenience of creditors when convening a creditors' meeting. If you wish to attend but the proposed venue is not convenient then I will consider rearranging the meeting, provided any such request is made within the next seven days, in order that I may inform all other creditors of any amended arrangements.
- 6.4 The meetings are purely formal and there is no necessity to attend. If you do wish to attend, kindly advise my colleague, Gill MacNaughton, in advance of the meeting.

Yours faithfully  
for and on behalf of Act Recruitment Limited



Amanda Wade  
Joint Liquidator

T 0113 200 2894  
E [gill@macnaughton@uk.gt.com](mailto:gill@macnaughton@uk.gt.com)

**A Abstract of the joint liquidators' receipts and payments**

	Statement of Affairs Book value £	Statement of Affairs estimated to realise £	Total from 20/03/15 to 19/03/16 £
<b>Receipts</b>			
Balance of funds from former liquidator	Nil	Nil	3 02
<b>Total receipts</b>			3 02
 <b>Total payments</b>			 Nil
 <b>Balance of funds in hand as at 19 March 2016</b>			 <u>£3 02</u>

## B Abstract of the former liquidator's receipts and payments

	Statement of Affairs Book Value £	Statement of Affairs estimated to realise £	Total from 17/08/2010 to 19/03/2015 £
<b>Receipts</b>			
Plant & machinery	100 00	100 00	Nil
Cash at bank	930 00	930 00	882 56
Cash in hand	4,700 00	4,700 00	Nil
VAT refund	Nil	Nil	700 00
Bank interest net	Nil	Nil	0 08
Business rates refund	Nil	Nil	63 73
<b>Total receipts</b>	5,730 00	5,730 00	1,646 37
 <b>Payments</b>			
Preparation of S of A	Nil	Nil	1,200 00
Statutory advertising	Nil	Nil	180 00
VAT receivable	Nil	Nil	271 50
<b>Total payments</b>	Nil	Nil	1,651 50
 <b>Balance of funds in hand as at 20 March 2015</b>			<b>£(5.13)</b>

**C      Remuneration charged and expenses incurred by the joint liquidators in the period**

	Charged/incurred in period 20/03/2015 to 19/03/2016	Cumulative charged/incurred to 19/03/2016	Of which paid to 19/03/2016
	£	£	£
Joint liquidators' fees	10,437 35	10,437 35	Nil
Time costs			
JLT – bond premium	10 00	10 00	Nil



# Act Recruitment Limited - in Liquidation - A00995 - SIP 9 TIME COST ANALYSIS

For the period covering 20 March 2015 to 19 March 2016

## Appendix D

Standard	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg Hry Rate	Hrs	£	Avg Hry Rate	Hrs	£	Avg Hry Rate	Hrs	£	Avg Hry Rate	Hrs	£	Avg Hry Rate
Administration and Planning	146	75190	515.00	4.35	425.50	327.70	1183	3365.90	285.21	10.22	1650.95	161.54	27.86	7214.25	259.85
Investigations				2.14	914.80	427.48	0.81	232.80	287.41	0.50	80.00	160.00	3.45	1227.60	355.83
Pensions				0.0	50.00	500.00				0.30	46.50	155.00	0.40	96.50	241.25
Taxation				1.80	778.00	431.11	0.80	229.50	286.88	7.76	806.50	103.80	8.75	1612.00	185.85
Total	146	75190	515.00	8.39	3166.30	377.39	13.74	3935.20	286.40	18.17	2583.95	142.21	41.76	10437.35	249.94

Total fees billed to date (Time) £ Nil

Activity	Examples of work
Administration and Planning	Administrative set-up, copying and filing previous officeholder's papers Case reviews, annual reports and appendices Treasury statutory reviews
Investigations	Reviewing previous officeholder's records and preparing strategy note Sending enquiry letters to various parties
Pensions	Pension compliance Initial searches, review search results to ascertain whether any statutory reporting requirements, update registers
Taxation	Complete taxation checklists, correspondence with HM Revenue & Customs, completion of tax diary lines and submission of returns where applicable

## Grant Thornton chargeout rates

	2014/2015
Partner	£ per hour
Director	495-615
Senior Manager	470-515
Manager	430-470
Other Senior Professional	290-400
Administrator	240-305
	160-230

**E      An extract from the Insolvency Rules 1986 relating to  
creditors' rights to request additional information from the  
liquidator**

Rule 4 49E edited for application to a progress report in a creditors' voluntary liquidation

- (1) If
  - (a) within the period mentioned in paragraph (2)
    - (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 the period mentioned in paragraph (2), any unsecured creditor makes a request in writing to the liquidator for further information about remuneration or expenses set out in the progress report, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of a matter which was previously included in a progress report
- (2) The period referred to in paragraph (1)(a) is 21 days of receipt of the progress report
- (3) The liquidator complies with this paragraph by either -
  - (a) providing all of the information asked for, or
  - (b) so far as the liquidator 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 liquidation or might reasonably be expected to lead to violence against any person, or
    - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,giving reasons for not providing all of the information
- (4) Any creditor, who need not be the same as the creditor who requested further information, may apply to the court within 21 days of -
  - (a) the giving by the liquidator 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
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 4 131(1B) by such further period as the court thinks just

**F     An extract from the Insolvency Rules 1986 relating to  
creditors' rights to challenge the liquidator's remuneration or  
expenses if excessive**

Rule 4 131

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the 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 by a creditor may be made on the grounds that -
  - (a) the remuneration charged by the liquidator,
  - (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
  - (c) expenses incurred by the liquidator,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 4 49E(5), be made no later than 8 weeks (or in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice, but which is without notice to any other party  
If the application is not dismissed under this paragraph, 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 liquidator 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 liquidator 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 liquidation
  - (e) an order that the liquidator or the liquidator'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 specifyand 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 liquidation

Rule 8 1

**IN THE MATTER OF ACT RECRUITMENT LIMITED -- IN  
LIQUIDATION  
AND  
IN THE MATTER OF THE INSOLVENCY ACT 1986**

**Notes to help completion of  
form**

Please give full name and address for  
communication

Name of creditor/member \_\_\_\_\_  
Address \_\_\_\_\_

Please insert name of person (who  
must be 18 or over) or the "chairman  
of the meeting" (see note below) If  
you provide for alternative proxy-  
holders in the circumstances that your  
first choice is unable to attend please  
state name(s) of the alternatives as  
well

Name of proxy-holder

1

2

3

Please delete words in brackets if the  
proxy-holder is only to vote as  
directed i.e. he has no discretion

I appoint the above person to be my/the creditor's/member's proxy-holder at  
the meeting of creditors/members to be held on 11 May 2016 or at any  
adjournment of that meeting The proxy-holder is to propose or vote as  
instructed below [and in respect of any resolution for which no specific  
instruction is given, may vote or abstain at his/her discretion]

Any resolutions which the proxy-  
holder is to propose or vote in favour  
of or against should be set out in  
numbered paragraphs in the space  
provided If more room is required  
please use the other side of this form

**Voting instructions for resolutions**

'That the basis of the joint liquidators' remuneration be agreed by  
reference to the time properly given by the joint liquidators and their  
staff in attending to matters arising in the liquidation'

\*Delete as applicable

**\*FOR/AGAINST**

**This form must be signed**

Signature \_\_\_\_\_

Date \_\_\_\_\_

Name in CAPITAL LETTERS \_\_\_\_\_

Only to be completed if the  
creditor/member has not signed in  
person

Position with creditor/member or relationship to creditor/member of other authority  
for signature \_\_\_\_\_

**Please note that if you nominate the chairman of the meeting to be your proxy-  
holder, he will be the liquidator or his representative**

**Remember there may be resolutions on the other side of this form**

Liquidators' ref AWA/GEM/HOB/A00995/J  
Claimant's ref

**Act Recruitment Limited - In Liquidation**

**Creditor's Claim Form**

Name and address of creditor \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Amount claimed in the liquidation £ \_\_\_\_\_

Particulars of any security held \_\_\_\_\_

Value of security £ \_\_\_\_\_

Signature \_\_\_\_\_

Name and position of signatory  
(if not personally the creditor) \_\_\_\_\_

Telephone \_\_\_\_\_

E-mail \_\_\_\_\_

Date \_\_\_\_\_

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to

Gill MacNaughton  
Grant Thornton UK LLP  
No 1 Whitehall Riverside  
Leeds  
LS1 4BN