

4539232

**IN THE MATTER OF  
DITTOMAX LTD IN LIQUIDATION  
("THE COMPANY")**

**LIQUIDATOR'S PROGRESS REPORT**

**21 SEPTEMBER 2015**

**MARK WILSON  
LIQUIDATOR**

**BAKER TILLY RESTRUCTURING AND RECOVERY LLP  
25 FARRINGDON STREET  
LONDON EC4A 4AB**

**TUESDAY**



QIQ      "Q4HX8JHC"      #13  
13/10/2015  
COMPANIES HOUSE

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## **1. PURPOSE OF REPORT**

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the Company with information relating to the progress of the liquidation in the period from 13/08/2014 to 12/08/2015

This report has been prepared solely to comply with the statutory requirements of Rule 4 49B of the Insolvency Rules 1986 (as amended) The purpose of the report is to provide creditors and members with information relating to the progress of the Winding Up in the period from 13/08/2014 to 12/08/2015 It has not been prepared for use in respect of any purpose, or to inform any investment decision in relation to any debt or financial interest in the company Any estimated outcomes for creditors are illustrative and may be subject to significant change

Neither the Liquidator nor Baker Tilly Restructuring and Recovery LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

## **2. LIQUIDATOR'S APPOINTMENT**

Mark Wilson of Baker Tilly Restructuring and Recovery LLP, 25 Farringdon Street, London EC4A 4AB was appointed Liquidator of Dittomax Ltd on 13 August 2014 by The Secretary of State.

## **3. COMPANY DETAILS**

I attach as Appendix A an extract of information from the Company's file held at Companies House.

## **4. RECEIPTS AND PAYMENTS SUMMARY**

I attach as Appendix B a summary of my receipts and payments for the period from 13 August 2014 to 12 August 2015

### **VAT Basis**

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately

## **5. CREDITORS' CLAIMS**

Creditors' claims as advised, totalled £1,005,891

I am yet to adjudicate on creditors claims and will do so once sufficient realisations have been made in the case

## **6. PRESCRIBED PART**

The “Prescribed Part” is a statutory amount of the company’s assets subject to a floating charge to be set aside for the benefit of the Company’s non-preferential creditors.

There are no creditors secured by charges over the assets and undertakings of the Company. There is therefore no requirement to estimate the amount of the prescribed part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

## **7. DIVIDEND PROSPECTS FOR CREDITORS**

I will have a clearer idea regarding dividend prospects once sufficient realisations in the case have been made.

## **8. CONDUCT OF THE WINDING UP IN THE PREVIOUS TWELVE MONTHS**

As you are aware, the Company held an account at the First Curacao International Bank (“FCIB”) with funds totalling £9,623 therein. The required documents have been submitted to the bank and the amount of £7,682.39 has been released by the FCIB Administrators under a global settlement agreement.

## **9. ASSETS REMAINING TO BE REALISED**

Investigations into any remaining assets or claims are continuing.

## **10. ADMINISTRATION AND PLANNING**

Administration and planning matters have included compliance with my statutory obligations and the submission of Corporation Tax returns as necessary.

## **11. LIQUIDATOR’S REMUNERATION AND DISBURSEMENTS**

### **11.1. Basis of Remuneration**

The basis of the Liquidator’s remuneration was approved by creditors on 26 September 2014, when the following resolution was passed:

The Liquidator shall be authorised to draw their remuneration based upon their time costs by reference to the time properly given by the Liquidator and their staff, in attending to matters arising in the liquidation at Baker Tilly Restructuring and Recovery LLP standard hourly rates, at the rates prevailing at the time the work is done.

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix D.

## **11.2. Remuneration and Disbursements incurred in the period from 13/08/2014 to 12/08/2015**

In accordance with insolvency legislation the Liquidator's are required to report remuneration 'charged'. This reflects the time charged to the case and is the maximum that can be taken in fees by the Liquidator. It does not necessarily reflect the amount of remuneration that will ultimately be taken by the Liquidator in remuneration. If there are insufficient realisations to allow the Liquidator remuneration to be recovered in full, any balance will be written off. Details of any write off will be set out in the final report.

### **11.2.1. Liquidator's remuneration**

Liquidator has incurred time costs of £11,086 10 in respect of work done in the current period (a summary of which is set out in Appendix G). Details of the sums drawn in respect of remuneration for the period covered by this report are set out in the receipts and payments account (Appendix B).

Attached are the following

- Appendix C Baker Tilly Restructuring and Recovery LLP's Charging, Expenses and Disbursements Policy Statement
- Appendix D Liquidator's Charge Out and Disbursement Rates,
- Appendix E Category 2 Disbursements Table;
- Appendix G: Liquidator's Time Cost Analysis for the period set out above,

### **11.2.2. Liquidator's disbursements**

The basis of the Liquidator's drawing disbursements was approved by creditors on 26 September 2015 when the following resolution was passed

The Liquidator be authorised to draw 'category 2' disbursements out of the assets as an expense of the Winding Up, at the rates prevailing when the cost is incurred

Disbursements incurred in the period in accordance with the resolution above are detailed on Appendix F (Statement of Expenses).

## **11.3. Total remuneration incurred and paid to date since appointment**

The Liquidator has incurred time costs of £11,086 10 since the date of our appointment in accordance with the resolution set out above. Of this, a total of £Nil (plus VAT) has been paid and £11,086 10 remains outstanding.

Should you require any further information please do not hesitate to contact me at [rrlondon.sl@bakertilly.co.uk](mailto:rrlondon.sl@bakertilly.co.uk)

## **12. LIQUIDATOR'S STATEMENT OF EXPENSES**

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period.

## **13. CREDITORS' RIGHT TO INFORMATION AND ABILITY TO CHALLENGE REMUNERATION AND EXPENSES**

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.


A request for further information must be made in writing within 21 days of receipt of this report.

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 court that the remuneration charged, the basis fixed or expenses incurred by the Liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Creditors Guide to Fees Charged by Liquidators, can be accessed at the website of the Insolvency Practitioners Association ([www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk)) - "Regulation and Guidance > Creditors Guides to Fees", or the Institute of Chartered Accountants in England & Wales ([www.icaew.com](http://www.icaew.com)) - "Technical Resources > Insolvency > Creditors' guides". Alternatively I can provide you with a copy on written request to my office.

Should you have any further queries please do not hesitate to contact me.



**M J Wilson**

**Baker Tilly Restructuring and Recovery LLP**  
**Liquidator**

Mark Wilson is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales.

## **APPENDIX A**

### **STATUTORY INFORMATION**

COURT & REFERENCE:	In the High Court of Justice No 1874 of 2012
COMPANY NAME.	Dittomax Ltd
PREVIOUS COMPANY NAMES.	Nil
COMPANY NUMBER	04539232
DATE OF INCORPORATION	
TRADING NAME.	Dittomax Ltd
TRADING ADDRESS.	
PRINCIPAL ACTIVITY:	Other Community, Social & Personal Service Activities
REGISTERED OFFICE:	Baker Tilly Restructuring and Recovery LLP 25 Farringdon Street London EC4A 4AB

## Appendix B

### Receipts and Payments Abstract: - Dittomax Ltd In Liquidation

Bank, Cash and Cash Investment Accounts From 13/08/2014 To 12/08/2015

SOA Value £		£	13/08/2014 to 12/08/2015 £	£	Total to 12/08/2015 £
	ASSET REALISATIONS				
0 00	Cash at Bank	7,682 39		7,682 39	
			7,682 39		7,682 39
	COST OF REALISATIONS				
0 00	ISA Quarterly Charges	(88 00)		(88 00)	
0 00	Official Receivers Debit Balance	(1,091 12)		(1,091 12)	
		)			
0 00	Secretary of State Fees	(3,122 36)		(3,122 36)	
		)			
			(4,301 48)		(4,301 48)
	UNSECURED CREDITORS				
(642,070 70)	HM Revenue and Customs	0 00		0 00	
			0 00		0 00
	EQUITY				
(100 00)	Ordinary	0 00		0 00	
			0 00		0 00
(642,170 70)			3,380 91		3,380 91
	REPRESENTED BY				
	ISA - LQD3561113			3,380 91	
					3,380 91
					3,380 91



**BAKER TILLY RESTRUCTURING AND RECOVERY LLP**

**CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT**

**Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for Baker Tilly Restructuring and Recovery LLP London (SI) are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically.

**Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "category 1" disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "category 2" disbursements
- A resolution to consider approving "category 2" disbursements at the rates prevailing at the time the cost is incurred to Baker Tilly Restructuring and Recovery LLP London (SI) will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate

## APPENDIX D

### BAKER TILLY RESTRUCTURING AND RECOVERY LLP LIQUIDATOR'S CURRENT CHARGE OUT AND DISBURSEMENT RATES

HOURLY CHARGE OUT RATES		
	Rates at commencement £	Current rates £
Partner	485	485
Directors / Associate Directors	300-410	300-410
Manager	250-265	250-265
Assistant Managers	200-220	200-220
Administrators	145-180	145-180
Support staff	105	105

"CATEGORY 2" DISBURSEMENT RATES	
Internal room hire	100-250
Subsistence	£25 per night (from 3 <sup>rd</sup> September 2013) £23 per night (up to 2 <sup>nd</sup> September 2013)
Travel (car)	38p per mile (up to and including 31 March 2010) 40p per mile (from 1 April 2010) 42.5p per mile (from 1 April 2011)
"Tracker" searches	£10 per case

**APPENDIX E****BAKER TILLY RESTRUCTURING AND RECOVERY LLP****LIQUIDATOR'S CATEGORY 2 DISBURSEMENTS TABLE**

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, Type and Purpose	Paid	Unpaid
	£	£
<b>Total</b>		

## APPENDIX F

**STATEMENT OF EXPENSES INCURRED BY THE LIQUIDATOR IN THE PERIOD  
FROM 13/08/2014 TO 12/08/2015**

[illegible]

## APPENDIX G

### LIQUIDATOR'S TIME COST ANALYSIS

FOR THE PERIOD FROM 13/08/2014 TO 12/08/2015

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rate
<b>Administration and Planning</b>									
Appointment	00	00	01	17	00	00	18	£ 366 50	203 6
Background information	01	00	00	16	00	00	17	£ 368 50	216 7
Case Management	02	12	24	48	06	02	94	£ 2,118 30	225 2
Director(s)/debtor/bankrupt	00	01	15	30	00	00	46	£ 894 50	194 4
Pension Scheme	00	00	00	02	00	00	02	£ 40 00	200 0
Post-appointment - general	02	01	00	08	00	00	11	£ 300 00	272 7
Pre-appointment matters	00	00	00	15	00	00	15	£ 300 00	200 0
Receipts and Payments	00	00	01	03	41	00	45	£ 715 80	159 0
Tax Matters	00	01	00	06	00	00	07	£ 155 00	221 4
<b>Total</b>	<b>05</b>	<b>15</b>	<b>41</b>	<b>145</b>	<b>47</b>	<b>02</b>	<b>255</b>	<b>£ 5,258 60</b>	<b>206 2</b>
<b>Investigations</b>									
DTI/Official Receiver	00	00	00	02	00	00	02	£ 40 00	200 0
Investigations/CDDA	08	22	00	61	03	00	94	£ 2,423 50	257 8
<b>Total</b>	<b>08</b>	<b>22</b>	<b>00</b>	<b>63</b>	<b>03</b>	<b>00</b>	<b>96</b>	<b>£ 2,463 50</b>	<b>256 6</b>
<b>Realisation of Assets</b>									
Assets - general/other	00	02	06	23	00	00	31	£ 651 00	210 0
<b>Total</b>	<b>00</b>	<b>02</b>	<b>06</b>	<b>23</b>	<b>00</b>	<b>00</b>	<b>31</b>	<b>£ 651 00</b>	<b>210 0</b>
<b>Creditors</b>									
First creditors/shareholders meetings and reports	00	03	00	21	00	00	24	£ 525 00	218 7
Other Creditor Meetings and Reports	01	00	00	02	00	00	03	£ 88 50	295 0
Insecured Creditors	00	02	00	10	04	00	16	£ 342 00	213 7
<b>Total</b>	<b>01</b>	<b>05</b>	<b>00</b>	<b>33</b>	<b>04</b>	<b>00</b>	<b>43</b>	<b>£ 955 50</b>	<b>222 2</b>
<b>Case Specific Matters - Legal Matters</b>									
Legal Matters	02	06	00	70	03	00	81	£ 1,757 50	216 9
<b>Total</b>	<b>02</b>	<b>06</b>	<b>00</b>	<b>70</b>	<b>03</b>	<b>00</b>	<b>81</b>	<b>£ 1,757 50</b>	<b>216 9</b>
<b>Total Hours (From Jan 2003)</b>	<b>16</b>	<b>50</b>	<b>47</b>	<b>334</b>	<b>57</b>	<b>02</b>	<b>506</b>	<b>11,086 10</b>	<b>219 0</b>
<b>Total Time Cost (From Jan 2003)</b>	<b>£ 777 00</b>	<b>£ 1,760 00</b>	<b>£ 914 30</b>	<b>6,730 00</b>	<b>£ 887 00</b>	<b>£ 17 80</b>	<b>11,086 10</b>		
<b>Total Hours</b>	<b>16</b>	<b>50</b>	<b>47</b>	<b>334</b>	<b>57</b>	<b>02</b>	<b>506</b>	<b>11,086 10</b>	<b>219 0</b>
<b>Total Time Cost</b>	<b>£ 777 00</b>	<b>£ 1,760 00</b>	<b>£ 914 30</b>	<b>6,730 00</b>	<b>£ 887 00</b>	<b>£ 17 80</b>	<b>11,086 10</b>		
<b>Average Rates</b>	<b>485 63</b>	<b>352 00</b>	<b>194 53</b>	<b>201 50</b>	<b>155 61</b>	<b>89 00</b>	<b>219 09</b>		

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.

## NOTES TO APPENDIX G

### LIQUIDATOR'S TIME COST ANALYSIS

#### a) **Administration and Planning**

This includes dealing with the commencement of the case administration, statutory filing of appointment documents with Companies' House, requesting the submission of the Statement of Affairs and filing it at Companies' House, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to handling receipts and payments, VAT and corporation tax issues such as the monthly VAT returns, pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, obtaining company searches, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, statutory receipts and payments accounts, dealing with (including the winding up of) company pension schemes where applicable.

#### b) **Investigations**

Where appropriate this will include such matters as investigation of pre-appointment transactions in accordance with the relevant Statement of Insolvency Practice (SIP 2), preparing reports / returns in accordance with the Company Directors' Disqualification Acts and the investigation of any potential antecedent transactions such as transactions at under value and preferences which may result in legal action resulting in a recoverable asset.

#### c) **Realisation of Assets**

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

#### d) **Trading**

Where the company has continued trading following the Liquidator's appointment our staff will have had to set up accounts with suppliers in order to trade on an ongoing basis. Payments to suppliers and general correspondence with these have been undertaken. Where trading has ceased, accounts will have been closed and final bills paid. Other matters will also have been dealt with in accordance with the usual trading obligations such as dealing with employees and payroll.

#### e) **Creditors**

Queries from and correspondence with creditors and employees have been necessary aspects of the case administration process. The preparation of the Liquidator's proposals has been undertaken including the attendant aspects of providing and obtaining the required information, convening the creditors' meeting etc. A brief report on the outcome of the creditors' meeting and the report on the first six months of the administration period have both been prepared.

#### f) **Case Specific Matters**

Any case specific matters will generally be set out in the body of the report but will commonly include meetings, correspondence and telephone calls relating to specific issues in the case which do not fall into any of the categories set out above and are specific to the case in question. This may include work done in relation to litigation, general advice or other major issues.