

**Return of Final Meeting in a  
Creditors' Voluntary Winding Up****S.106****Pursuant to Section 106 of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

**04592566**

Name of Company

(a) Insert full name of  
company(a)  
**3 NET MEDIA GROUP LIMITED**(b) Insert full name(s)  
and address(es)I/We (b) P D Masters and A Poxon  
of Leonard Curtis, Bamfords Trust House, 85-89 Colmore Row, Birmingham B3 2BB(c) Delete as applicable  
(d) Insert date  
(e) The copy account  
must be authenticated  
by the written  
signature(s) of the  
liquidator(s)

1 give notice that a general meeting of the company was duly (c) summoned for (d) 19 July 2012 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) (e) laid before it showing how the winding up of the company has been concluded, and the property of the company has been disposed of and (c) no quorum was present at the meeting

2 give notice that a general meeting of the creditors was duly (c) summoned for (d) 19 July 2012 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up of the company has been concluded, and the property of the company has been disposed of and (c) no quorum was present at the meeting

(f) Insert venue of the  
meeting

The meeting was held at (f) Bamfords Trust House 85-89 Colmore Row Birmingham B3 2BB

The report covers the period from (d) 25 May 2011 to (d) 19 July 2012 (close of winding up)

The outcome of the meeting (including any resolutions passed at the meeting) was as follows

No quorum was present and no resolutions were passed

Signed



Date 19 July 2012

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

Leonard Curtis, Bamfords Trust House, 85-89 Colmore Row,  
Birmingham, B3 2BB  
GW/24

TUESDAY



\*A1DV267S\*

A29

24/07/2012

#88

COMPANIES HOUSE



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

**3 NET MEDIA GROUP LIMITED**  
**(In Creditors' Voluntary Liquidation)**

Registered Number: 04592566

**Joint Liquidators' final progress report**  
**prepared in accordance with s106 of the Insolvency Act 1986**  
**and Rules 4.49D and 4.126 of the Insolvency Rules 1986 (as amended)**

**19 July 2012**

Leonard Curtis  
Bamfords Trust House, 85-89 Colmore Row,  
Birmingham B3 2BB  
Tel 0121 200 2111 Fax. 0121 200 2122  
recovery@leonardcurtis.co.uk  
Ref B/22/GW/ST575C/1010

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- 4 Investigations
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**APPENDICES**

- A Final Account of Joint Liquidators' Receipts and Payments for the period from 25 May 2011 to 22 May 2012, 23 May 2012 to 19 July 2012 and cumulative
- B Account of Joint Liquidators' receipts and payments for the period from 25 May 2011 to 23 December 2011, the period of A R Clifton's appointment as Joint Liquidator
- C Summary of Joint Liquidators' Time Costs for the period from 25 May 2011 to 22 May 2012 and 23 May 2012 to 19 July 2012
- D Leonard Curtis Charge Out Rates and Policy regarding Staff Allocation, Support Staff, the use of Subcontractors and the Recharge of Disbursements

**TO: ALL MEMBERS  
ALL CREDITORS  
ALL DIRECTORS  
THE REGISTRAR OF COMPANIES**

**1 INTRODUCTION**

- 1 1 A R Clifton and I were appointed as Joint Liquidators of the Company at meetings of members and creditors held on 25 May 2011. A R Clifton is licensed in the UK by the Insolvency Practitioners Association and I am licensed in the UK by the Institute of Chartered Accountants in England and Wales.
- 1 2 Mr Clifton left employment with Leonard Curtis and, in accordance with Rule 7 10A-D of the Insolvency Rules 1986 (as amended), was party to an application to Court for a Block Transfer Order to transfer all of the cases in which he held office to another appointment taker within Leonard Curtis, including this matter.
- 1 3 On 23 December 2011, A Poxon was appointed Joint Liquidator of the Company by Order of the Court, A R Clifton ceased to act on this date. A Poxon is licensed in the UK by the Institute of Chartered Accountants in England and Wales.
- 1 4 The liquidation is now complete and this is the Joint Liquidators' final progress report, as required by Section 106 of the Insolvency Act 1986 and Rules 4 49D and 4 126 of the Insolvency Rules 1986 (as amended). It shows how the liquidation has been conducted and the Company's property disposed of, the outcome for creditors and other information that the Joint Liquidators are required to disclose.
- 1 5 This report covers the period of the liquidation and incorporates any report required under Rule 4 108(3), that being a report of the conduct of the liquidation to the date that A R Clifton ceased to act, as required by the Block Transfer Order.
- 1 6 Final meetings of members and creditors were held on 19 July 2012 at the offices of Leonard Curtis, 85-89 Colmore Row, Birmingham B3 2BB at 10 00am and 10 15am, respectively. Neither of these meetings were quorate and no resolutions were passed.

**2 CONDUCT OF THE LIQUIDATION**

- 2 1 The Company's registered office was changed from c/o M Lawrence and Co, 213 Station Road, Stechford, Birmingham, West Midlands, B33 8BB to Bamfords Trust House, 85-89 Colmore Row, Birmingham B3 2BB on 13 May 2011. The Company's registered number is 04592566.

**Book Debts**

- 2 2 As previously reported to creditors, on the date of the Joint Liquidators' appointment, the only remaining asset was considered to be the Company's debtor ledger. This asset had a book value of over £70,000 but was not considered realisable in light of the age of the debts and the limited information available.
- 2 3 Additionally, the majority of debts related to service contracts for the provision of IT services, which had been terminated upon the Company's ceasing to trade.
- 2 4 Following my appointment, I contacted the director in an attempt to gain further information in order to pursue the remaining debtors, however, no further information was forthcoming.

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2 5 As a result of the above, the debtor realisations in the matter have been nominal, with only one payment of £10 having been received

2 6 In light of the age and nature of the debtors and the lack of supporting documentation available, all remaining debts were written off

#### **Servers**

2 7 Following my appointment, I was advised by the director that he held a number of servers which belonged to the Company. The value of the servers was, however, unclear due to their age and large size

2 8 Following advice from a valuation agent from MGR Appraisals Limited, it was concluded, having regard to the costs of sale and the associated costs of removal, that there would be no benefit to creditors in attempting to sell this asset

#### **Director's Contribution**

2 9 Prior to the appointment of Joint Liquidators, the director of the Company agreed to personally meet the costs of the liquidation, up to a maximum of £5,000 + VAT

2 10 Unfortunately, although a number of requests for payment have been made in relation to this agreement, no response has been received and no payment has been forthcoming

2 11 The Joint Liquidators had minimal funds available to them with which to pursue this matter and, in any event, a recovery would not have been of benefit to the Company's creditors

2 12 As a result of the above, the Joint Liquidators did not consider it beneficial to pursue the matter further

#### **Conclusion**

2 13 The Joint Liquidators have now concluded asset realisations

### **3 RECEIPTS AND PAYMENTS ACCOUNT AND OUTCOME FOR CREDITORS**

#### **Receipts and Payments Account**

3 1 Attached at Appendix A is a summary of the Joint Liquidators' receipts and payments for period from 25 May 2011 to 22 May 2012, 23 May 2012 to 19 July 2012 and cumulative

3 2 Attached at Appendix B is a summary of the Joint Liquidators' receipts and payments for the period from 25 May 2011 to 23 December 2011, the period of A R Clifton's appointment as Joint Liquidator

3 3 As outlined above, the only receipt has been debtors totalling £10. In addition, VAT receivable of £1.67 was not reclaimed as it would not have been cost effective to do so

#### **Outcome for Creditors**

3 4 As outlined above, there were minimal realisations in this matter and the costs of the liquidation, including the Joint Liquidators' remuneration, remain unpaid. There was no distribution to any class or creditor. No monies were paid to unsecured creditors by virtue of the application of Section 176(A) of the Insolvency Act 1986 ("the prescribed part"). Notice of no dividend was given to creditors on 16 May 2012

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- 3 5 No monies have been paid to National Westminster Bank Plc ("Nat West") under the terms of its security and, as a result, I expect that Nat West will enforce the terms of the personal guarantee provided to it by the director of the Company

#### 4 INVESTIGATIONS

- 4 1 Following their appointment, the Joint Liquidators considered the information acquired in the course of appraising and realising the assets of the Company, together with information provided by the Company's director and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate
- 4 2 No specific issues were brought to the attention of the Joint Liquidators by the creditors of the Company
- 4 3 Additionally, the Joint Liquidators did not identify any recovery actions which could have been pursued in this matter for the benefit of the Company's creditors
- 4 4 Regardless of the above, the Joint Liquidators complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report was submitted to the relevant authority

#### 5 JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS AND CREDITORS' RIGHTS

##### Remuneration

- 5 1 At a meeting of creditors held on 25 May 2011 it was resolved that the Joint Liquidators' remuneration be payable by reference to time properly given by the Joint Liquidators and their staff in attending to matters arising in the liquidation
- 5 2 The time charged by the Joint Liquidators and their staff for the period from 25 May 2011 to 19 July 2012 totals £3,343 50 This represents 17 2 hours at an average rate of £194 4 per hour Attached at Appendix C are time analyses which provide details of the activity costs incurred by staff grade during this period
- 5 3 No fees were drawn in relation to the Joint Liquidators' time costs and all time costs have been written-off

##### Statement of Affairs Fee

- 5 4 In addition to the above, creditors resolved that a fee of £3,500 plus VAT and disbursements be paid to Leonard Curtis in relation to the costs incurred in calling the meeting of creditors held on 25 May 2011 and assisting the director in preparing the statement of affairs for that meeting
- 5 5 No funds were available to pay these costs and, accordingly, this amount was also written-off

##### Category 2 disbursements

- 5 6 Creditors also approved the basis for recharging disbursements that include an element of allocated cost or payments to outside parties in which the Joint Liquidators or Leonard Curtis have an interest These are known as Category 2 disbursements
- 5 7 No disbursements of this kind were incurred in this case

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#### Other disbursements and expenses

- 5 8 The Joint Liquidators have also incurred other disbursements and expenses during the period of this report. These expenses are detailed in the table below, which also indicates whether these expenses were paid from case funds.

Nature of expenses	By whom provided	25/05/11-24/05/12 £	25/05/12-19/07/12 £	Amount reimbursed £	Amount written-off £
Statutory advertising	Courts Advertising Ltd	229 50	76 50	8 33	297 67
Company searches	Companies House	3 00	Nil	Nil	3 00
Bordereau fee	AUA Insolvency Risk	10 00	Nil	Nil	10 00
Software licence fee	Pelstar Computing Ltd	75 00	Nil	Nil	75 00
Client ID checks	Business Tax Centre Ltd	19 90	Nil	Nil	19 90
Total		337 40	76 50	8 33	405 57

- 5 9 As outlined above, the funds held have been used to discharge, in part, the above costs and the remainder has been written-off.
- 5 10 Attached at Appendix D is additional information in relation to Leonard Curtis' policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.
- 5 11 The only professional advisor consulted during the liquidation was from MGR Appraisals Limited, however, no fee was charged in relation to this advice.

#### Creditors' Rights

- 5 12 Any secured creditor, unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the Court, may within 21 days of the receipt of this report make a request in writing to the Joint Liquidators for further information about the remuneration or expenses incurred in the period since appointment.
- 5 13 In addition to the above, any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) or any unsecured creditor with the permission of the Court, may within 8 weeks of receipt of this report make an application to Court on the grounds that the basis fixed for the Joint Liquidators' remuneration is inappropriate, or the remuneration charged or the expenses incurred by the Joint Liquidators since the date of appointment.
- 5 14 The Joint Liquidators were not informed of any applications having been made to Court in this regard, and no requests for further information were received.

**6 FINAL MEETINGS OF MEMBERS AND CREDITORS**

- 6.1 A general meeting of the Company was duly summoned for 19 July 2012 at 10.00am pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account laid before it showing how the winding up of the Company has been conducted and the property of the Company has been disposed of. No quorum was present at the meeting.
- 6.2 A meeting of the creditors of the Company was duly summoned for 19 July 2012 at 10.05am pursuant to section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up of the Company has been conducted and the property of the Company has been disposed of. No quorum was present at the meeting.

I trust that above is self-explanatory, however, if you require any further assistance please contact this office in writing.

Yours faithfully  
For and on behalf of  
**3 NET MEDIA GROUP LIMITED**



**P D MASTERS**  
Joint Liquidator

Licensed in the UK by the Institute of Chartered Accountants in England and Wales



APPENDIX A

FINAL ACCOUNT OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FOR THE PERIOD FROM  
25 MAY 2011 TO 22 MAY 2012, 23 MAY 2012 TO 19 JULY 2012 AND CUMULATIVE

	Per Statement of Affairs £	25/05/11- 22/05/12 £	23/05/12- 19/07/12 £	Total
<b>RECEIPTS</b>				
Book Debts	-	10 00	-	10 00
	-	10 00	-	10 00
<b>PAYMENTS</b>				
Joint Liquidators' Disbursements		-	(8 33)	(8 33)
Unrecovered VAT		-	(1 67)	(1 67)
		-	(10 00)	(10 00)
<b>Net in/(out) flow</b>		10 00	(10 00)	
<b>Balance brought forward</b>		-	10 00	
<b>Balance carried forward</b>		10 00	-	

The funds were held in a non interest-bearing account

APPENDIX B

ACCOUNT OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS  
FOR THE PERIOD FROM 25 MAY 2011 TO 23 DECEMBER 2011,  
THE PERIOD OF A R CLIFTON'S APPOINTMENT AS JOINT LIQUIDATOR

	Per Statement of Affairs	25/05/11- 23/12/12
	£	£
<b>RECEIPTS</b>		
Book Debts	-	10 00
	-	10 00
<b>PAYMENTS</b>		
None		-
		-
<b>Net in/(out) flow</b>		10 00
<b>Balance brought forward</b>		-
<b>Balance carried forward</b>		10 00

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#### APPENDIX C

#### SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD FROM 25 MAY 2011 TO 22 MAY 2012

	Director		Senior Manager		Administrator 1		Administrator 2		Administrator 3		Administrator 4		Total		Average	
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £	Hourly Rate £
Statutory & Review	2	79.00	5	175.00	-	-	-	-	39	669.00	-	-	46	923.00	200.65	200.65
Receipts & Payments	-	-	2	70.00	-	-	-	-	4	68.00	-	-	6	138.00	230.00	230.00
Assets	-	-	3	108.50	-	-	3	63.00	4	68.00	1	12.00	11	251.50	228.64	228.64
Liabilities	-	-	2	70.00	-	-	-	-	39	667.00	-	-	41	737.00	179.76	179.76
General Administration	-	-	-	-	-	-	-	-	19	323.00	-	-	19	323.00	170.00	170.00
Appointment	-	-	-	-	-	-	-	-	16	278.00	-	-	16	278.00	173.75	173.75
Investigations	-	-	2	70.00	21	441.00	-	-	8	136.00	-	-	31	647.00	208.71	208.71
<b>Total</b>	<b>2</b>	<b>79.00</b>	<b>14</b>	<b>493.50</b>	<b>21</b>	<b>441.00</b>	<b>3</b>	<b>63.00</b>	<b>129</b>	<b>2,209.00</b>	<b>1</b>	<b>12.00</b>	<b>170</b>	<b>3,297.50</b>		
<b>Average Hourly Rate (£)</b>		<b>395.00</b>		<b>352.50</b>		<b>210.00</b>		<b>210.00</b>		<b>171.24</b>		<b>120.00</b>		<b>193.97</b>		
All Units are 6 minutes																

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD FROM 23 MAY 2012 TO 19 JULY 2013

	Administrator 1		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	
Statutory & Review	1	23 00	1	23 00	230 00
Liabilities	1	23 00	1	23 00	230 00
<hr/>					
Total	2	46 00	2	46 00	
<hr/>					
Average Hourly Rate (£)		<u>230 00</u>		<u>230 00</u>	
All Units are 6 minutes					

## APPENDIX D

### LEONARD CURTIS CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

#### Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following charge out rates have been applied in this case

	From 01/01/12 £	From 01/01/10 £
Director	425	395
Senior Manager	385	350
Manager 1	330	300
Manager 2	285	260
Administrator 1	230	210
Administrator 2	210	190
Administrator 3	190	170
Administrator 4	135	120
Support	0	0

#### Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

#### Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

#### Disbursements

- a) Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£66.09 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.