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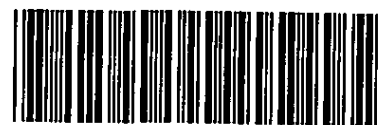
POLLECOFF SOLICITORS LIMITED (IN COMPULSORY LIQUIDATION)

**LIQUIDATOR'S PROGRESS REPORT PURSUANT TO
RULE 4.49B OF THE INSOLVENCY RULES 1986**

FOR THE PERIOD 30 JANUARY 2013 TO 29 JANUARY 2014

28 MARCH 2014

FRIDAY



QIQ *Q352VIZ5* #91
04/04/2014
COMPANIES HOUSE

POLLECOFF SOLICITORS LTD (IN COMPULSORY LIQUIDATION) ("the Company")

CONTENTS

- 1 Introduction
- 2 Asset realisations
- 3 Creditors' claims
- 4 Unsecured Non-Preferential Dividend Prospects
- 5 Investigation
- 6 Liquidator's Remuneration, Disbursements and Expenses
- 7 Concluding remarks

APPENDICES

- 1 Receipts and payments account
- 2 Analysis of time costs

SUMMARY INFORMATION

Type of insolvency procedure	Compulsory Liquidation
Court Reference	High Court of Justice No 10068 of 2011
Registered office	Lynton House 7-12 Tavistock Square London WC1H 9LT
Registered number	04650833
Former trading address	41 Tabernacle Street London EC2A 4AA
Principal activity	Solicitors
Liquidator's name and address	Simon James Underwood Menzies Business Recovery LLP Lynton House 7-12 Tavistock Square London WC1H 9LT
Date of Liquidator's appointment	30 January 2012
Date of liquidation	30 January 2012
Details of any changes in office holder.	None
Contact details	020 7387 5868 vchawda@menziesbr.co.uk

1 *Introduction*

- 1 1 I was appointed Liquidator of the Company on 30 January 2012. I now present my progress report for the second year of the liquidation, pursuant to Rule 4.49b of the Insolvency Rules 1986 ('the Rules')
- 1 2 I attach at Appendix I a receipts and payments account for the period ended 29 January 2014. Details of progress during the period are set out in sections 2 to 4 below
- 1 3 This report should be read in conjunction with my previous report issued to creditors on 27 March 2013

2 *Asset realisations*

Company Cases

- 2 1 As previously reported the Company undertook legal work financed by the Legal Aid Agency ("LAA") (formerly the Legal Services Commission). The value in the work in progress ("WIP") at the date of liquidation represents the Company's major asset
- 2 2 The cases undertaken by the Company have been separated into two categories as follows
 - 1 Legal Aid Agency funded cases
 - 2 Transferred cases

LAA funded cases

- 2 3 T M Costings Limited ("TMC") continue to assist me with the recovery of monies due on completed cases. At the time of my appointment the gross amount due from these cases was estimated to be £320k and the sums advanced by the LAA to the company totalled £210k. The latter figure represents the payments made by the LAA for disbursements (counsel, translator fees etc) and on account payments made to the Company for work undertaken, approved and then paid, prior to the liquidation
- 2 4 TMC have reduced the sum owed to the LAA from £210k to £106k by assessing the WIP incurred by the company and submitting the necessary claims to the LAA. There are a further 15 cases, which total the £106k, where TMC are assessing the WIP incurred by the Company and seeking recovery from either the losing party or from the LAA
- 2 5 TMC have been successful in realising £26k which has been paid to the liquidation account. These funds are in respect of cases where the Company was successful in its litigation and the costs incurred were recoverable direct from the losing party
- 2 6 I still anticipate a further £20-40k will be recovered once TMC have finalised the remaining claims

Transferred Cases

- 2 7 A number of cases were transferred to the Company's former solicitors who left and found alternative employment. Those firms now have conduct of the cases and the LAA funding certificate has been transferred accordingly.
- 2 8 Despite making requests, I have received no update from the firms now employing these solicitors in respect of the payment of WIP incurred by the Company. Due to the lack of response, I am now making enquires with the LAA and with their assistance will ascertain what costs have been claimed and paid, and will take the necessary steps to secure payment to the Company.
- 2 9 The above cases include criminal and extradition matters. The costs associated with these matters have to be assessed by the Court once the matter is concluded. The estimated recoveries are between £7k - £15k. I am still waiting for an update on the progress of these cases as the matters are ongoing.

Summary of Realisations

- 2 10 To date I have recovered the sum of £133k.
- 2 11 Bank interest of £ 2k has been received during the period.

3 Creditors' claims

Secured creditor

- 3 1 The Company granted Barclays Bank PLC ("Barclays") a debenture on 21 January 2004. This debenture provided both fixed and floating charges over the assets of the Company.
- 3 2 The amount due to Barclays was £104.5k. A distribution of £30k has been paid in the period covered by this report from floating charge realisations.
- 3 3 Further distributions will be dependent on future realisations.

Unsecured Preferential creditors

- 3 4 Unsecured preferential creditor claims totalled £8.3k. A dividend of 100 pence in the pound was declared and paid to this class of creditor on 10 December 2012.

Unsecured non-preferential creditors

- 3 5 Unsecured non-preferential creditor claims received total c£450k.
- 3 6 No creditor claim received has been adjudicated or agreed for dividend purposes. This task will be undertaken once I am in a position to declare and pay a first dividend to creditors.

4 *Unsecured Non-Preferential Dividend Prospects*

- 4 1 Pursuant to section 176A of the Insolvency Act 1986, where a floating charge is created after 15 September 2003 a prescribed part of the Company's net property shall be made available to the unsecured creditors. The ring fenced proportion of funds is known as the "prescribed part"

The prescribed part is calculated as a percentage of net property, as follows

Net property less than £10k	50%
Net property over £10k	20% up to a maximum of £600k

- 4 2 Based on current anticipated recoveries the net property is estimated to be c£30k which will provide a prescribed part of £9k
- 4 3 If a dividend is to be declared, creditors will be invited to submit their claims, if they have not already done so

5 *Investigations*

- 5 1 The duty to investigate the affairs of the Company and the conduct of its Director remains with the Official Receiver and any concerns in this regard should be addressed to the Insolvency Service direct

6 *Liquidator's remuneration, disbursements and expenses*

Liquidator's remuneration

- 6 1 No resolution for remuneration has been passed by the unsecured preferential/non-preferential creditors
- 6 2 Given the size and technical nature of the liquidation, much of the work described in the sections above was undertaken by me and senior administrators. Additional assistance was provided by cashiers dealing with banking and statutory duties, and administrators offering various support services. All time spent on administering various duties was charged directly to the case in 6 minute units
- 6 3 In addition to the work described in sections 2 to 4 above, the following was also undertaken
- i Preparation and circulation of reports to creditors
 - ii Filing of forms and returns with the Registrar of Companies
 - iii Maintenance of bank accounts, sundry administrative matters and compliance generally with Insolvency legislation
 - iv Preparation and submission of tax returns
- 6 4 I attach at Appendix II a breakdown of my time costs by work category. The remuneration charged during the period was £35k (plus VAT). My remuneration has been drawn with the approval and authority of Barclays

6 5 Full details of the charge out rates are as follows

	Up to 31 8 12 <i>Rate per hour</i> £	from 1 9 12 <i>Rate per hour</i> £
Partner/Director	300-350	315-370
Manager	195-250	200
Other Senior Professional	120	125
Administrator	50-100	50-105

Liquidator's disbursements

6 6 In relation to disbursements, where my firm has incurred a cost that is directly referable to this matter and payment was made to a third party, these costs have been reimbursed. These disbursements are shown at Appendix II

6 7 No disbursements have or will be claimed which, while directly referable to this matter, did not involve a payment to a third party Neither will any cost be reimbursed which included an element of shared or allocated cost (e g photocopying).

Professionals, sub-contractors and other expenses

6 8 Where appropriate, I have employed professionals to advise me in relation to certain specialist matters

6 9 TMC were instructed to assist with the realisation of the Company's WIP and were chosen on the basis of their experience and knowledge of the areas on which they were advising, taking into account the complexity of the assignment They are to be remunerated on a percentage basis (5%) of the gross WIP recovered To date no fees have been paid to TMC

Liquidation expenses

6 10 During the period I have paid £8 4k in storage costs relating to the client files These records are now being stored by the former director and no further charges will be incurred in relation to these specific records Future storage charges incurred will relate to the financial records of the Company that I have stored with JG Collections

6 11 I have paid £ 3k to discharge a disbursement payable to the LAA

6 12 Secretary of State fees incurred in the period amount to £4 9k

Creditors' right to request information

- 6 13 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with Rule 4.49E of the Rules, such a request or application for leave must be made within 21 days of receipt of this report.

Creditors' right to challenge remuneration and/or expenses

- 6 14 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 4.131(4) of the Rules. In accordance with Rule 4.131, such applications must be made within eight weeks of receipt of this report.

7 Concluding remarks

- 7 1 I shall be continuing my administration of Pollecoff Solicitors Limited and shall report to you further in due course.
- 7 2 Please do not hesitate to contact Vandana Chawda of this office should you require any further information.



Simon J Underwood
Liquidator

**Pollecoff Solicitors Limited
(In Liquidation)**

Liquidator's Abstract of Receipts & Payments

	Statement of Affairs (£)	From 30/01/2012 To 29/01/2013 (£)	30/01/2013 To 29/01/2014 (£)	Total (£)
RECEIPTS				
Work in Progress	150,000 00	106,782 74	26,001 30	132,784 04
Cash at Bank	2,000 00	0 00	0 00	0 00
Bank Interest Gross	-	105 56	252 97	358 53
Deposit on Petition	-	1,165 00	0 00	1,165 00
		<u>108,053 30</u>	<u>26,254.27</u>	<u>134,307 57</u>
PAYMENTS				
DTI Treasury Bill Fees		0 00	0 60	0 60
DTI Cheque Fees		16 10	2 35	18 45
Sec of State Fees		20,763 16	4,964 38	25,727 54
Specific Bond		96 00	0 00	96 00
Liquidator's Remuneration		0 00	35,000 00	35,000 00
Tax on Interest		21 11	50 59	71 70
Court Fees		290 00	0 00	290 00
Accountancy/Bookkeeping Costs		1,500 00	0 00	1,500 00
Agents Fees		225 00	0 00	225 00
Legal Fees (1)		973 35	0 00	973 35
LSC Disbursements		0 00	362 00	362 00
Storage Costs		977 50	8,406 92	9,384 42
Re-Direction of Mail		123 28	0 00	123 28
Statutory Advertising		76 50	0 00	76 50
DE Arrears & Holiday Pay		4,681 39	0 00	4,681 39
Employee Arrears/Hol Pay		3,668 63	0 00	3,668 63
Floating Charge Creditor		0 00	30,000 00	30,000 00
		<u>33,412.02</u>	<u>78,786.84</u>	<u>112,198.86</u>
Net Receipts/(Payments)		<u><u>74,641 28</u></u>	<u><u>(52,532.57)</u></u>	<u><u>22,108 71</u></u>
MADE UP AS FOLLOWS				
VAT Receivable		750.47	8,681.38	9,431 85
ISA NIB		76,877 96	(54,908.48)	21,969 48
VAT Payable		(2,987 15)	0.00	(2,987 15)
VAT Control Account		0.00	(6,305.47)	(6,305 47)
		<u>74,641.28</u>	<u>(52,532 57)</u>	<u>22,108.71</u>

P080 POLLECOFF SOLICITORS LIMITED

Complusory Liquidation

30/01/2013 to 29/01/2014

	4 20	23 30	22 50	18 35	7 80	76 15	10,886 50	142 96
Administration and planning	4 20	23 30	22 50	18 35	7 80	76 15	10,886 50	142 96
Creditors	0 00	3 50	1 10	0 00	0 00	4 60	837 50	182 07
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	NaN
Realisation of assets	0 00	8 10	10 50	0 70	0 00	19 30	3,006 00	155 75
Special Projects	0 00	0 00	0 00	0 00	0 00	0 00	0 00	NaN
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	NaN
Hours	4 20	34 90	34 10	19 05	7 80	100 05		
Charge	1,543 00	6,590 50	4,262 50	1,914 25	419 75		14,730 00	

P080 POLLECOFF SOLICITORS LIMITED
Compulsory Liquidation

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Hours	42 10	428 85	112 10	22 25	60 75	666 05
Charge	14,796 00	83,855 50	13,781 00	2,326 75	4,581 50	119,340 75