

Clarity IT Limited – In Liquidation
Liquidators' Annual Report to Members and Creditors
For the Period Ending 21 May 2015

STATUTORY INFORMATION

Company name Clarity IT Limited

Registered office 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP

Former registered office 28 Wilton Road, Bexhill-On-Sea, East Sussex, TN40 1EZ

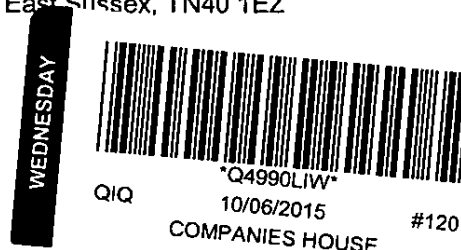
Registered number 04766541

Date of liquidation 17 December 2012

Joint Liquidators Gary S Pettit

Liquidators' address 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP

Date of appointment 22 May 2014



RECEIPTS AND PAYMENTS ACCOUNT

I attach my receipts and payments account for the period from 22 May 2014 to 21 May 2015

Nature of Asset	Estimated to Realise £	Actually Realised £
Cash at Bank	NIL	79
Bank Interest Net of Tax	NIL	53
Official Receiver's Credit Balance	NIL	1,777
Directors Loans & Void Transactions	36,128	50,000
Furniture & Equipment	NIL	213
Total	36,128	52,122

Cash at Bank

The Official Receiver realised £5,588 prior to my appointment as liquidator from funds held in the company's bank accounts. During my appointment I realised a further £79 in this respect.

Bank Interest Net of Tax

I have received £53 in respect of bank interest net of tax

Official Receiver's Credit Balance

I received £1,777 in respect of the Official Receiver's credit balance at the date of my appointment. This represents the amount realised by the Official Receiver in respect of cash at bank less their costs.

Director's Loans and Void Transactions

As previously reported, my investigations revealed the following amounts due from the director:

- An adverse loan account of £37,627, and
- Payments of £16,559 made to him between the presentation of the winding up petition and the making of the order which are void pursuant to Section 127 of the Insolvency Act 1986.

The director confirmed these amounts were due and owing and repaid a total of £50,000 in full and final settlement.

Furniture & Equipment

My investigations into the affairs of the company revealed the company had chattel assets with a book value of approximately £6,000. I instructed the director to deliver up all known assets to my agents for sale and I realised £213 in this respect. The company's fixed asset register detailed assets which were not delivered up by the director but, given the value, the costs of pursuing these assets and the sale of the same would outweigh any benefit to creditors.

LIABILITIES

Secured Liabilities

An examination of the company's mortgage register held by the Registrar of Companies, showed that the company has not granted any debentures.

Preferential Creditors

The company's records anticipated no preferential creditors and no claims have been received.

Crown Creditors

The company's records indicated £21,019 was owed to HM Revenue & Customs ("HMRC"). I have

received HMRC's final claim of 17,654

Unsecured Creditors

The Official Receiver's report included 1 unsecured creditor with an estimated liability of £72,873

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

Within six months of the liquidation, the Official Receiver was required to submit a confidential report to the Secretary of State to include any matters which have come to their attention which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company

In addition, I have investigated the company's affairs to ascertain whether there are any further assets available for creditors. My findings to date are detailed above

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by creditors at a meeting held on 14 November 2013 to be drawn on a time cost basis. My total time costs to date amount to £25,771 and is inclusive of £11,717 charged in the period 22 May 2014 to 21 May 2015. I have drawn £24,605 in this respect

A schedule of my time costs incurred to date is attached to this report. A description of the routine work undertaken in the liquidation to date is as follows

- 1 Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment
 - Statutory notifications and advertising
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details
 - Review and storage
 - Case bordereau
 - Case planning and administration
 - Preparing reports to members and creditors
 - Convening and holding meetings of members and creditors
- 2 Cashiering
 - Maintaining and managing the liquidator's cashbook and bank account
 - Ensuring statutory lodgements and tax lodgement obligations are met
- 3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information
- Reviewing and adjudicating on proofs of debt received from creditors

4 Investigations

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors

5 Realisation of Assets

- Liaising with agents regarding the chattel assets
- Collection of the director's loan

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals together with an explanatory note which shows the PBC fee policy are enclosed Further copies are available upon request

LIQUIDATOR'S EXPENSES

My expenses to date amount to £527 and is inclusive of £306 incurred in the period 22 May 2014 to 21 May 2015

The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Fee Arrangement
T-Mec Limited	Asset Search	Fixed Fee
WH Peacock	Valuer/Auctioneer	Percentage of realisations
Mills & Reeve LLP	Solicitors	To be agreed

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report Any secured creditor may request the same details in the same time limit

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.


DIVIDEND PROSPECTS

A dividend to unsecured creditors will be issued in due course.

SUMMARY

There are no other exceptional points to note and I will proceed to close my administration when the first and final dividend has been paid and all cheques banked.

Should you have any queries regarding this matter please contact Nicole Anderson at the office for which the details are on the front page of this report.


GARY S PETTIT
Liquidator

Clarity IT Limited - In Compulsory Liquidation
Liquidator's Abstract of Receipts & Payments

From 22 May 2014 To 21 May 2015

S of A £	As Previously Reported	22/05/14 to 21/05/15	Total £
RECEIPTS			
NIL Cash at Bank	79 31	NIL	79 31
NIL Bank Interest Net of Tax	3 68	49 30	52 98
NIL OR Credit Balance	1,777 21	NIL	1,777 21
36,128 Directors Loans	6,000 00	44,000 00	50,000 00
NIL Furniture & Equipment	213 00	NIL	213 00
<u>36,128</u>	<u>8,073 20</u>	<u>44,049 30</u>	<u>52,122 50</u>
PAYMENTS			
Agents/Valuers Fees	137 00	NIL	137 00
BIS Bank Charges	71 50	94 40	165 90
Petitioners Costs	1,100 00	3,707 75	4,807 75
Office Holders Fees	NIL	24,604 94	24,604 94
Office Holders Expenses	NIL	526 85	526 85
Legal Fees	NIL	2,409 00	2,409 00
Corporation Tax	NIL	2 60	2 60
Statutory Advertising	144 00	73 00	217 00
Vat Receivable	13 60	123 94	137 54
Sec of State Fees	1,009 94	1,488 52	2,498 46
Specific Bond	184 00	136 00	320 00
	<u>2,660 04</u>	<u>33,167 00</u>	<u>35,827 04</u>
CASH IN HAND	<u>5,413 16</u>	<u>10,882 30</u>	<u>16,295 46</u>

Liquidator's Remuneration Schedule
Clarity IT Limited
Between 22 May 2014 and 21 May 2015

Classification of work function	Partner/Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	7 20	4 90	15 30	14 20	41 60	6,533 68	157 06
Investigations	0 60	0 70	9 80	0 00	11 10	1,577 06	142 08
Realisations	1 10	0 20	4 00	0 00	5 30	942 45	177 82
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 20	1 60	3 50	3 30	8 60	1,096 70	127 52
Case Specific Matters	0 00	0 50	9 30	2 80	12 60	1,566 62	124 34
Total hours	9 10	7 90	41 90	20 30	79 20		
Time costs	3,425 97	2,136 16	5,097 14	1,057 23	11,716 50		
Average hourly rate	376 48	270 40	121 65	52 08	147 94		

Description	Total Incurred £	Total Recovered £
Mileage	2 25	2 25
Postage/Stamps/Copying/Stationery	3 25	3 25
Companies House Services	1 00	1 00
Global Transfer	300 00	300 00
Totals	306 50	306 50

Summary of Fees

Time spent in administering the Assignment	Hours	79 20
Total value of time spent to 21 May 2015	£	11,716 50
Total Liquidator's fees charged to 21 May 2015	£	24,604.94

Liquidator's Remuneration Schedule
Clarity IT Limited
Between 11 September 2013 and 21 May 2015

Classification of work function	Partner/Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	14 50	7 50	23 70	24 70	70 40	11,551 83	164 09
Investigations	4 00	1 00	12 10	0 30	17 40	3,164 30	181 86
Realisations	11 60	0 60	4 90	0 30	17 40	5,165 67	296 88
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	1 50	1 60	3 70	5 20	12 00	1,686 15	140 51
Case Specific Matters	3 20	1 00	15 30	7 10	26 60	4,202 74	158 00
Total hours	34 80	11 70	59 70	37 60	143 80		
Time costs	13,101 50	3,163 68	7,329 19	2,176 32	25,770 70		
Average hourly rate	376 48	270 40	122 77	57 88	179 21		

Description	Total Incurred £	Total Recovered £
Mileage	4 45	4 45
Cheque fee	14 00	14 00
Postage/Stamps/Copying/Stationery	9 85	9 85
Companies House Services	4 00	4 00
Insolv Case Administration Fee	110 00	110 00
Agents Fees	85 00	85 00
Global Transfer	300 00	300 00
Totals	527.30	527.30

Summary of Fees

Time spent in administering the Assignment	Hours	143 80
Total value of time spent to 21 May 2015	£	25,770 70
Total Liquidator's fees charged to 21 May 2015	£	24,604 94