

The Insolvency Act 1986

**Liquidators' Progress
Report****S.192**Pursuant to Sections 92A and 104A of the
Insolvency Act 1986

To the Registrar of Companies

For official use

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Company Number

04977890

Name of Company

(a) Insert full name
of company

(a) ASSOCIATED LEGALS LIMITED

Limited

(b) Insert full
name(s) and
address(es)

We (b) J M Tittley and M Maloney

of Leonard Curtis, Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

Signed



Date 5/7/11

Presenter's name,
address and
reference (if any)Leonard Curtis,
Hollins Mount,
Hollins Lane,
Bury,
Lancashire
BL9 8DG
Ref K/19/SJ/NA476Q/115

For Official Use

Liquidation Section

Post Room

WEDNESDAY



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A48

06/07/2011

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COMPANIES HOUSE



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**Associated Legals Limited
(In Creditors' Voluntary Liquidation)**

Company Registration Number 04977890

Former Registered Office and Trading Address

785 Rochdale Road, Harpurhey, Manchester M9 5XD

**Joint Liquidators' First Progress Report
prepared pursuant to Section 104A of the Insolvency Act 1986
(as amended) and Rule 4.49C of the Insolvency Rules 1986 (as amended)**

5 July 2011

Leonard Curtis

Hollins Mount, Hollins Lane, Bury BL9 8DG

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Ref SJ/A476Q/1050

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TO ALL MEMBERS, CREDITORS, DIRECTORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1 1 Martin Maloney and I were appointed joint liquidators of Associated Legals Limited ("the Company") at meetings of members and creditors held on 10 May 2010
- 1 2 Both Martin Maloney and I are licensed in the UK by the Institute of Chartered Accountants in England and Wales
- 1 3 I can confirm that there has been no change in office-holder since the date of liquidation
- 1 4 This report provides an update on the conduct of the liquidation for the period from 10 May 2010 to 9 May 2011, as required by Section 104A of the Insolvency Act 1986 (as amended). It contains details of the progress made, the expected outcome for creditors and other information that the joint liquidators are required to disclose

2 CONDUCT OF THE LIQUIDATION

Assets Realised

- 2 1 The Company had no tangible assets at the date of liquidation. Accordingly the liquidation has focussed on realising the book debts which were estimated to realise £10,141.00. There has been no sale of assets to any connected party.

Bank Interest

- 2 2 Bank interest in the sum of £0.04 has been received.

Debtors

- 2 3 The director's statement of affairs noted book debts with an estimated to realise value of £10,141.00. I continue to pursue the outstanding amounts although no collections have been made to date.

Contribution to Costs

- 2 4 Since it has not been possible to make any physical asset recoveries and no debtor collections have been received to date, it was necessary to request a contribution to the costs of the liquidation from the director.
- 2 5 Funds in the sum of £1,000.00 have been received in this respect during the year to 9 May 2011.

Assets Still to be Realised

- 2 6 The following assets are still to be realised

Description	£
Debtors	<u>Uncertain</u> <u>Uncertain</u>

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3 1 A summary of the joint liquidators' receipts and payments in the liquidation from 10 May 2010 to 9 May 2011 is attached at Appendix A

4 OUTCOME FOR CREDITORS

Secured Creditors

- 4 1 A debenture incorporating a fixed & floating charge in favour of National Westminster Bank Plc ("Natwest") was created on 21 September 2005 and registered on 23 September 2005
- 4 2 No claim has yet been received from Natwest. Should a claim be received then this may give rise to additional claims in the insolvent estate. However, the value of the security is estimated at £nil after the costs and expenses of the insolvent liquidation.

Preferential Creditors

- 4 3 According to the statement of affairs, preferential creditors were estimated to amount to £1,000.00 in respect of arrears of wages and holiday pay due to the Company's former employees.
- 4 4 No preferential claim has been received to date.

Ordinary Unsecured Creditors

- 4 5 Estimated unsecured creditor claims, according to the Company's books and records, as at the date that the Company entered into liquidation, amounted to £377,345.00. Claims totalling £266,366.54 have been received to date.
- 4 6 The funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation. Pursuant to rule 11.7 of the Insolvency Rules 1986, I therefore give notice that there will be no ordinary unsecured dividend in the liquidation.
- 4 7 I have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, I have not formally agreed any unsecured claims.
- 4 8 No monies were paid to ordinary unsecured creditors by virtue of the application of Section 176(A) of the Insolvency Act 1986 (as amended) ("the prescribed part").

5 INVESTIGATIONS

- 5 1 The joint liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

6 JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS AND CREDITORS' RIGHTS

Remuneration

- 6.1 A fee of £6,000.00 plus VAT in respect of the preparation of the statement of affairs was approved by creditors at the meeting of creditors held on 10 May 2010. To date, no funds have been drawn in this respect.
- 6.2 At the same meeting, it was resolved that the joint liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation. The joint liquidators' time costs from 10 May 2010 to 9 May 2011 are £8,572.50, which represents 37.6 hours at an average hourly rate of £227.99. I attach at Appendix B a time analysis which provides details of the activity costs incurred by staff grade during the liquidation.
- 6.3 To date, there have been insufficient realisations in the liquidation with which to pay the joint liquidators' remuneration.

Disbursements

- 6.4 Category 1 disbursements (payments to independent third parties that do not require creditors' consent) are as follows:

Description	Total amount incurred to date £	Amount incurred in this period £	Amount reimbursed £	Amount still to be reimbursed £
Client ID Checks	9.95	9.95	Nil	9.95
Companies House Searches	8.00	8.00	Nil	8.00
Bordereau Fee	40.00	40.00	Nil	40.00
Statutory Advertising	226.80	226.80	Nil	226.80
Software Support	75.00	75.00	Nil	75.00
Total	359.75	359.75	Nil	359.75


- 6.5 Creditors also approved the basis for recharging disbursements that include payments to outside parties in which the joint liquidators or Leonard Curtis have an interest, also known as Category 2 disbursements. In this case, no costs falling into this category have been incurred.
- 6.6 Attached at Appendix C is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.
- 6.7 No professional advisors, including subcontractors, have been used during the liquidation.

Creditors' Rights

- 6.8 Within 21 days of receipt of this report, a creditor may request the joint liquidators to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least five per cent in value of the creditors (including that creditor), or the permission of the court.

- 6 9 Any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the joint liquidators' remuneration is inappropriate, or the remuneration or expenses charged by the joint liquidators is excessive
- 6 10 The application must, subject to any order of the court under paragraph 6 9 above, be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question
- 6 11 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

Yours faithfully
for and on behalf of
ASSOCIATED LEGALS LIMITED



J M TITLEY
JOINT LIQUIDATOR

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

APPENDIX A

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM 10 MAY 2010 TO 9 MAY 2011

	Estimated to Realise	Movements in the period
	£	£
RECEIPTS		
Bank Interest	Nil	0 04
Contribution to Cost	Nil	1,000 00
Debtors	Nil	Nil
Debtors	10,141 00	Nil
	<u>10,141 00</u>	<u>1,000 04</u>
PAYMENTS		
		<u>Nil</u>
		<u>Nil</u>
Balance at Bank		<u>1,000 04</u>
Represented by		
Balance at Bank		<u>1,000 04</u>
		<u>1,000 04</u>

APPENDIX B

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 10 MAY 2010 TO 9 MAY 2011

	Director		Senior Manager		Administrator 1		Administrator 3		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	-	-	-	-	50	1,250 00	2	34 00	52	1,284 00	208 71
Assets	-	-	2	70 00	77	1,517 00	27	459 00	106	2,146 00	202 45
Liabilities	-	-	4	140 00	84	1,764 00	-	-	88	1,904 00	216 36
General Administration	-	-	6	210 00	9	168 00	-	-	14	378 00	270 00
Appointment	5	197 50	-	-	-	-	-	-	5	197 50	395 00
Planning & Strategy	-	-	-	-	53	1,323 00	-	-	53	1,323 00	210 00
Post Appointment Creds Mtgs	-	-	35	1,225 00	-	-	-	-	35	1,225 00	350 00
Investigations	-	-	3	105 00	-	-	-	-	3	105 00	350 00

Total	5	197 50	50	1,750 00	232	6,132 00	29	493 00	376	8,572 50
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Average Hourly Rate (£)

	395 00	350 00	210 00	173 00	227 99
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All Units are 6 minutes

APPENDIX C

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, Support Staff and the Use of Subcontractors

We take an objective and practical approach to each assignment which includes active partner 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.

With effect from 1 January 2010 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Standard £	Complex £
Partner	395	494
Senior Manager	350	438
Manager 1	300	375
Manager 2	260	325
Administrator 1	210	263
Administrator 2	190	238
Administrator 3	170	213
Administrator 4	120	150
Support	0	0

Details of any subcontractor(s) used will be given in subsequent reports to creditors.

Professional Advisors

Details of any professional advisor(s) used are given in the report which accompanies this Guide. 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

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses, including car mileage at 40p a mile, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the administrator's remuneration. Such expenditure is referred to as a "category 2 disbursement". 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 (six years)	£66.09 per box