

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

05551460

Name of Company

Diamond Recruitment Limited

I / ~~We~~

Nicholas Andrew Hancock, St James Building, 79 Oxford Street, Manchester, M1 6HT

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

The Progress Report covers the period from 28/03/2013 to 27/03/2014

Signed



Date

21 05 14

UHY Hacker Young turnaround and recovery
St James Building
79 Oxford Street
Manchester
M1 6HT

Ref PD54/NAH/DMR/IB/DBR

THURSDAY



A39 *A38FQ1SP* #260
22/05/2014
COMPANIES HOUSE

Diamond Recruitment Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

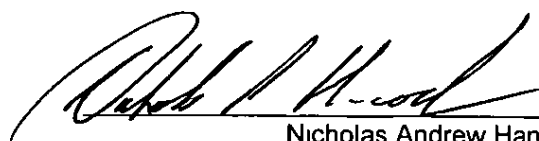
Statement of Affairs		From 28/03/2013 To 27/03/2014	From 28/03/2011 To 27/03/2014
	ASSET REALISATIONS		
89,158 00	Book Debts	NIL	86,754 00
15,000 00	Customer List	NIL	15,000 00
500 00	Computer Equipment & Software	NIL	500 00
1,500 00	Fixtures & Fittings	NIL	1,500 00
4,500 00	Goodwill	NIL	4,500 00
	Bank Interest Gross	25 75	228 05
		<u>25 75</u>	<u>108,482 05</u>
	COST OF REALISATIONS		
	Petitioners Costs	NIL	800 00
	Specific Bond	52 00	312 00
	Preparation of S of A	NIL	9,750 00
	Office Holders Fees	10,000 00	75,000 00
	Company Search	NIL	4 00
	Agents/Valuers Fees (1)	NIL	3,000 00
	Legal Fees (1)	NIL	6,117 20
	Corporation Tax	18 74	43 35
	Stationery & Postage	12 75	51 18
	Fee for collection of records	NIL	220 00
	Storage Costs	25 20	126 88
	Statutory Advertising	NIL	125 00
	Accountancy fees	NIL	7,000 00
		<u>(10,108 69)</u>	<u>(102,549 61)</u>
	UNSECURED CREDITORS		
(717 00)	Trade & Expense Creditors	NIL	NIL
(7,211 00)	Directors Loan Account	NIL	NIL
(171,794 00)	H M Revenue & Customs (VAT)	NIL	NIL
(166,584 00)	H M Revenue & Customs (PAYE and	NIL	NIL
(29,252 00)	HM Revenue & Customs (Corporation	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(52 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(264,952 00)</u>		<u>(10,082 94)</u>	<u>5,932 44</u>

REPRESENTED BY

Bank 1 Current

5,932 44

5,932 44


Nicholas Andrew Hancock
Liquidator

19 May 2014

PRIVATE AND CONFIDENTIAL

TO ALL KNOWN CREDITORS OF THE COMPANY

St James Building
79 Oxford Street
Manchester M1 6HT

Phone +44 161 236 6936
Fax +44 161 228 0117
Email i.buckley@uhy-uk.com
DDI +44 161 234 8954
Web www.uhy-uk.com

Our ref PD54/IB/NAH/6/AGM
Your ref
Doc id 571340

Dear Sirs

**DIAMOND RECRUITMENT LIMITED
IN CREDITORS VOLUNTARY LIQUIDATION
COMPANY NUMBER 05551460**

**REGISTERED OFFICE & TRADING ADDRESS THE LODGE, CRANK ROAD, ST
HELENS, MERSEYSIDE, WA11 7RN**

I N A Hancock of this office was appointed liquidator to the above company on 28 March 2011 and enclose my third annual progress report on the administration of the case

This report should be read in conjunction with my previous progress reports issued on 8 May 2012 and 24 May 2013

RECEIPTS AND PAYMENTS

My receipts and payments account for the twelve month period 28 March 2013 to 27 March 2014 is attached

ASSETS REALISATIONS

I would refer you to my first annual progress report dated 8 May 2012 for details of asset realisations, no further assets remained

\\\\cxc\\isot\\apps\\data\\clients\\p\\pd54\\correspondence\\notices\\annual reports\\2014 05 15 document agm report to creditors & members.doc
M D Wasinski FCA S J Berry C Gawthorpe FCA CTA N A Hancock FIPA FABRP M J Hodgson CTA
S J Lawson FCA B J Leyland D M Richardson MIPA MA3RP M D C Robertson CA E Stanton CTA D Symonds FCA

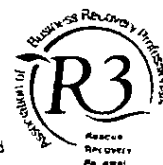
N A Hancock and D M Richardson are licensed as Insolvency Practitioners by the Insolvency Practitioners Association

UHY Hacker Young turnaround and recovery Chartered Accountants is the trading name of UHY Hacker Young Manchester LLP a limited liability partnership registered in England and Wales with Registered Number OC332437

Registered to carry out audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales

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ASSET REALISATIONS DURING THE TWELVE MONTH PERIOD 28 MARCH 2013 TO 27 MARCH 2014

Interest

The sum of £25 has been received during the period of this report

CREDITORS

Secured creditors & Prescribed Part

The Company had two secured creditors, RBS Invoice Finance Limited and Aldermore Invoice Finance Limited. However, no funds were outstanding under the charges, therefore, the calculation of the company's net property is not applicable.

Preferential creditors

The company's employees have all been transferred to Diamond Rec Limited under TUPE regulations. Therefore, there will be no preferential claims.

Unsecured Creditors

According to the director's statement of affairs there are 5 unsecured creditors with an estimated liability of £375,559. Claims received to date amount to £940,841 in respect of 5 creditor claims. Creditor claims have been agreed, although there are insufficient funds available at present to enable a dividend to be paid to unsecured creditors.

INVESTIGATION

Following my review into the company's affairs, I have identified several transactions which will require further investigation. I can advise that an update will be provided to company's creditors in due course. All relevant matters have been reported to the appropriate authorities who are conducting their own enquiries.

COSTS OF THE LIQUIDATION

Petitioning Creditor's Costs

H M Revenue & Customs had presented a winding-up petition prior to my appointment as liquidator. It was agreed that the petitioning costs, which amounted to £800, would be paid as an expense of the liquidation. The petition was subsequently dismissed.

Legal Fees

Legal costs of £6,117 have been incurred in dealing with the sale of the company's business and assets and completing the assignment of the lease. Freeth Cartwright LLP were retained due to their involvement prior to my appointment.

Agent's Fees

Agent's fees in the sum of £3,000 have been incurred in obtaining a valuation of the Company's assets. Landwood Group were appointed due to their knowledge of the industry.

Accountancy Fees

The sum of £7,000 plus VAT has been paid to Bridgeman Accountants for their assistance with the investigation into the company's affairs.

Collection Fee

The sum of £220 plus VAT has been paid to Quay Security Company Limited for the collection of the company's books and records.

Corporation Tax

The sum of £43 has been paid to H M Revenue & Customs.

LIQUIDATORS COSTS

Statement of Affairs fee

The sum of £9,750 has been paid to UHY Hacker Young turnaround and recovery for their work in respect of the preparation of the statement of affairs and convening the meeting of creditors, as agreed at the meeting of creditors held on 28 March 2011.

Liquidator's fees

My total time costs in dealing with the administration of this case during the period from 28 March 2011 to 27 March 2014 are £84,259 in respect of 338 hours.

Details of my time costs during the twelve month period covered by this report 28 March 2013 to 27 March 2014 are £17,269 in respect of 58 hours, a breakdown of which is attached at Appendix II.

Time costs for the period prior to this report are detailed in my previous progress reports.

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My total remuneration to date is £75,000 drawn on account, in accordance with time properly spent by myself and my staff in attending to matters arising in the liquidation as agreed at the meeting of creditors held on 28 March 2011

A schedule detailing the current charge out rates is attached

A copy of the extract from the Statement of Insolvency Practice 9, A Creditors' Guide to Liquidators' Fees, will be supplied to you on request or alternatively may be viewed at <http://turnaround-recovery.uhy-uk.com/home/creditors-guide-to-fees>

Liquidator's disbursements

Liquidator's disbursements are shown below,

Disbursement	Previous period 28/03/2011 to 27/03/2012 £	Previous period 28/03/2012 to 27/03/2013 £	Current period 28/03/2013 to 27/03/2014 £	Total period 28 March 2011 to 27 March 2014 £
Category 1				
Statutory advertising – London Gazette	125 00			125 00
Bonding	260 00		52 00	312 00
Postage (actual – dependent on weight)	25 57	12 86	12 75	51 18
Storage Costs (actual)	49 48	52 20	25 20	126 88
Company Search	4 00	-	-	4 00
Category 2	-	-	-	
Total disbursement incurred	464 05	65 06	89 95	567 06
Disbursement drawn	(464.05)	(65.06)	(89 95)	(619.06)
Disbursement outstanding	-	-	-	-

Category 2 disbursements were agreed by creditors at the meeting of creditors held on 28 March 2011, however, no Category 2 disbursements have accrued

CREDITORS RIGHTS TO REQUEST FURTHER INFORMATION

Creditors are reminded of their rights under Rule 4.49E of the Insolvency Rules 1986. Within 21 days of receipt of a progress report a secured creditor or an unsecured creditor with concurrence of 5% in value of the company's unsecured creditors or permission of the court may request further information about remuneration and expenses set out in the report. Such a request must be made in writing.

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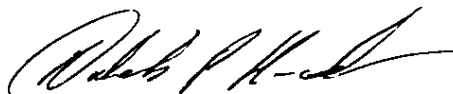
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The Liquidator must provide the information requested within 14 days of receipt of the request or alternatively his reasons for non-provision of the information

Should a creditor believe that the Liquidators remuneration or expenses are excessive, any secured creditor or any unsecured creditor with the concurrence of 10% in value of the company's creditors or permission of the court, may apply to court to challenge the Liquidators remuneration under Rule 4.131 of the Insolvency Rules 1986. Any such application must be made within a period of 8 weeks following the receipt of the progress report in which the remuneration is first reported

Yours faithfully



N A Hancock
Liquidator

DIAMOND RECRUITMENT LIMITED
IN CREDITORS VOLUNTARY LIQUIDATION
LIQUIDATORS RECEIPTS AND PAYMENTS ACCOUNT
FOR THE PERIOD 28 MARCH 2011 TO 27 MARCH 2014

Appendix I

	Per Statement of affairs	For 12 month period 28 March 2011 to 27 March 2012	For 12 month period 28 March 2012 to 27 March 2013	For 12 month period 28 March 2013 to 27 March 2014	Total period 28 March 2011 to 27 March 2014
	£	£	£	£	£
ASSETS NOT SPECIFICALLY PLEDGED					
Receipts					
Book debts	89,158 00	86,754 00	-	-	86,754 00
Customer List	15,000 00	15,000 00	-	-	15,000 00
Computer Equipment & Software	500 00	500 00	-	-	500 00
Fixtures & fittings	1,500 00	1,500 00	-	-	1,500 00
Goodwill	4,500 00	4,500 00	-	-	4,500 00
Bank Interest Gross	-	123 45	78 85	25 75	228 05
	<u>110,658 00</u>	<u>108,377 45</u>	<u>78 85</u>	<u>25 75</u>	<u>108,482 05</u>
Payments					
Liquidator's Fees		41,000 00	24,000 00	10,000 00	75,000 00
Statement of affairs fee		9,750 00	-	-	9,750 00
Accountancy Fee		7,000 00	-	-	7,000 00
Legal Fees		6,117 20	-	-	6,117 20
Agent's Fee		3,000 00	-	-	3,000 00
Petitioning Creditor Costs		800 00	-	-	800 00
Agent's Costs		220 00	-	-	220 00
Statutory Advertising		125 00	-	-	125 00
Specific Bond		260 00	-	52 00	312 00
Liquidator's disbursements		79 05	65 06	37 95	182 06
Corporation Tax		-	24 61	18 74	43 35
		<u>68,351 25</u>	<u>24,089 67</u>	<u>10,108 69</u>	<u>102,549 61</u>
Balance in hand		<u>40,026 20</u>	<u>(24,010 82)</u>	<u>(10,082 94)</u>	<u>5,932 44</u>
		<u>108,377 45</u>	<u>78 85</u>	<u>25 75</u>	<u>108,482 05</u>
Funds held					
Current account		38,020 98	(24,010 82)	(9,077 90)	5,932 44
VAT Receivable		2,005 22	(1,000 18)	(1,005 04)	-
		<u>40 026 20</u>	<u>(24,010 82)</u>	<u>(10,082 94)</u>	<u>5,932 44</u>
Liquidator's disbursements charged on following basis,					
Category 1					
Postage (actual - dependant on weight)		25 57	12 86	12 75	38 43
Storage Costs (actual)		49 48	52 20	25 20	101 68
Company Search (actual)		4 00	-	-	4 00
Category 2					
Photocopying (10p/sheet)		-	-	-	-
		<u>79 05</u>	<u>65 06</u>	<u>37 95</u>	<u>144 11</u>

The receipts and payments account is shown net of VAT

**DIAMOND RECRUITMENT LIMITED
IN CREDITORS VOLUNTARY LIQUIDATION**

ANALYSIS OF TIME COSTS INCURRED

FOR THE TWELVE MONTH PERIOD 28 MARCH 2013 TO 27 MARCH 2014

Category	Partner		Senior Manager		Manager		Administrator		Total hours	Time cost £
	Hours	Cost £	Hours	Cost £	Hours	Cost £	Hours	Cost £		
Administration, planning & reviews			1 30	448 50			3 70	576 50	5 00	1,025 00
Statutory notices & annual reports			1 00	345 00			3 90	660 50	4 90	1,005 50
Investigation	5 00	1,975 00	2 20	759 00			5 20	892 50	12 40	3,626 50
Realisation of assets	12 50	4,937 50					6 90	1,207 50	19 40	6,145 00
Debt collection	11 00	4,345 00					0 80	140 00	11 80	4,485 00
Creditors claims & correspondence							0 40	56 00	0 40	56 00
Legal advice			1 10	379 50					1 10	379 50
Post-app tax/vat returns & correspondence							3 70	547 00	3 70	547 00
	28 50	11,257 50	5 60	1,932 00	-	-	24 60	4,080 00	58 70	17,269 50

Average hourly cost (£)

395 00

345 00

-

165 85

294 20

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UHY HACKER YOUNG
turnaround and recovery
Manchester office

CHARGE-OUT RATES

The table shown details the charge-out rates utilised by UHY Hacker Young turnaround and recovery, Manchester for charging staff time. The rates shown include the current rates and those previously in force.

Grade	1 4 2013 to date	1 3 2011 – 31 3 2013	1 2 2010 – 28 2 2011
Partner / Director	£395 - £345 per hour	£310 - £280 per hour	£295 - £265 per hour
Senior Manager	£300 per hour	£260 per hour	£245 per hour
Manager	£250 per hour	£230 per hour	£220 per hour
Manager (Property Management)	£150 per hour	£145 - £130 per hour	£145 - £130 per hour
Senior Administrator	£175 per hour	£145 per hour	£125 per hour
Administrator	£140 - £120 per hour	£120 - £100 per hour	£115 - £90 per hour
Junior	£100 per hour	£85 per hour	£85 per hour

The rates are applied consistently across all insolvency appointments and presented for approval of creditors or a creditors' committee where appropriate.

Time spent on a case is recorded directly using an on-line time recording system. This is allocated in units of 6 minutes, with the nature of the work undertaken being recorded utilising the categories stated below.

Ethical/conflict issues	Planning and strategy
General Administration	Creditors Secured/Unsecured
Retention of title claims	Asset realisation/management
Debt Collection	Employee matters
Lease/rentals	Legal matters
Statutory work	Trading/wages/vat
Statement of Affairs	Reporting
Distribution and closure	

The firm's policy with regard to support staff is that their time is not recovered separately from the case as the cost of provision of the support services are included in the basis of the charge-out rate for the professional staff.

Disbursements and other costs

Disbursements incurred in the course of an appointment are recharged to the case in accordance with SIP9 regulations on all insolvency appointments. These fall into two categories,

Category 1 disbursements - These are specific costs referable to the case in question and paid to an independent third party. These generally include advertising, bond, postage, and travel expenses. Category 1 disbursements may be drawn without prior approval.

Category 2 disbursements - These are not specific costs which are re-charged by the firm on the following basis. These generally include stationery, photocopying, telephone calls and fax. Category 2 disbursements are required to be approved by creditors before they can be drawn.

Internal photocopying	10p per sheet
Storage of IP's working files (6 years)	£21 per box

A copy of the extract from the Statement of Insolvency Practice 9, A Creditors' Guide to Fees, is located at <http://turnaround-recovery.uhy-uk.com/home/creditors-guide-to-fees> or alternatively a paper copy will be supplied to you on request.

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