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23 December 2016

**PRIVATE AND CONFIDENTIAL**

**ALL MEMBERS AND CREDITORS**



Dear Sir/Madam

**BROOKSON (5746H) LIMITED – IN LIQUIDATION**

Previously trading from: 1 Manor Garden, Durrington, Salisbury, Wiltshire SP4 8AG

Company number: 06102682

Registered office: Lupins Business Centre, 1-3 Greenhill, Weymouth, Dorset DT4 7SP

I refer to my appointment as liquidator of the above company on 26 October 2012 and am pleased to report to creditors on my acts and dealings and the conduct of the winding up to 25 October 2016. This report should be read in conjunction with my previous reports, as it will only deal in detail with the conduct of the liquidation for the year since the last anniversary of my appointment.

I attach my receipts and payments account to 25 October 2016 incorporating an estimated outcome statement and would comment further as follows -

**1. Realisations**

**1.1 Director's loan account**

As previously advised, the Official Receiver's report to creditors showed an outstanding amount due to the director in respect of his loan account of £80,000. However, the company's management accounts revealed that there was a balance due to the company at the date of liquidation of £120,141.

Notwithstanding several requests for a reconciliation to be undertaken, the director did not respond to me or my solicitors.

My solicitors and I considered the most appropriate course of action to take to recover the loan and / or ascertain the true position, the likely cost implications and the director's ability to repay any amount due. This resulted in my solicitors recently issuing a statutory demand to the director for repayment of £120,141, being the balance on the loan account as shown in the company records.

Upon the expiry of the statutory demand, assuming I have still not received a response from the director I will consult further with the majority creditor in the liquidation, who previously opted for me to commence legal proceedings against him.

For the purposes of this report, I have shown any future recovery from this source as uncertain.

**1.2 Other receipts**

These were detailed in my previous reports or are self explanatory, and all are shown in the attached receipts and payments account.

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## 2 Payments

These were also detailed in my previous reports or are self explanatory, and again all are shown in the attached receipts and payments account

## 3. Professional advisor

The following professional advisor has been instructed in this case -

<u>Advisor</u>	<u>Nature of work</u>	<u>Fee arrangement</u>
Pengillys LLP	Legal fees in relation to assisting in determining and collecting the outstanding balance, if any, on the director's loan account	Time costs plus disbursements

They were appointed on the basis of their experience and ability to undertake the work necessary, bearing in mind the complexity and nature of the instruction

## 4. Expenses incurred

In addition to the payments set out, I incurred the following expenses during the year which had not been paid at the anniversary date -

- Legal fees of £2,500 and disbursements of £150
- Insolvency bond of £104
- Statutory advertising of £55

## 5 Liquidator's fees

As previously advised, an initial meeting of creditors convened for 5 July 2012 for the purposes of fixing my remuneration was inquorate, and therefore my fee basis defaults to the Official Receiver's scale

I have not drawn any further remuneration during the year, having previously drawn remuneration of £12,970 on this basis. The calculation of my entitlement to the fee drawn is shown in note 2 of appendix 1

Creditors may, within 21 days of receipt of this report, make a request in writing for further information about the remuneration and expenses set out in this report. Such a request may be made by either of the following -

- (a) a secured creditor, or
- (b) an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors including that creditor or with the permission of the Court

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of unsecured creditors including that creditor or the permission of the Court, may apply to Court for an order on the grounds that -

- (a) the remuneration charged by the liquidator, or
- (b) the basis fixed for the liquidator's remuneration, or
- (c) the expenses incurred by the liquidator

is or are, in all the circumstances, excessive or, in the case of an application under subparagraph (b), inappropriate

A Guide to Liquidators' Fees can be downloaded at [https://www.r3.org.uk/media/documents/publications/professional/Guide\\_to\\_Liquidators\\_Fees\\_Nov2011.pdf](https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Nov2011.pdf) and is also available free of charge on request from this office

## 6 Creditors' claims

### 6.1 Preferential creditors

There are no preferential creditors in this case

### 6.2. Unsecured creditors

I received an increased claim from HM Revenue and Customs of £203,049. This is higher than shown in the Official Receiver's report to creditors and comprises PAYE / NIC of £17,698 for the period from 2008 to liquidation, corporation tax of £74,087 for the years ended 31 March 2009 and 31 March 2010, VAT of £107,823 including a surcharge of £12,221 and accrued interest of £3,441 up to the date of the liquidation.

There remains one further creditor with an expected claim of £2,000 who has yet to submit details, in addition to any potential claim from the director as mentioned in paragraph 1.1 above. Total unsecured claims are therefore anticipated to be £205,049 excluding any claim from the director.

Should no claim be received from the director, unsecured creditors could currently expect a dividend of approximately 46p in the pound from the liquidation. This may, however, vary depending on the outcome of recovery action in respect of the director's loan account. Dividend prospects could be significantly higher should a recovery be made in this regard.

### 6.3 Prescribed part fund for unsecured creditors

Where a company has granted a floating charge after 15 September 2003 and funds are available under that floating charge, the liquidator must make part of the company's net property available for the satisfaction of unsecured debts.

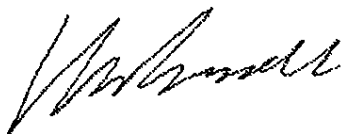
As there is no floating charge in this case, these provisions do not apply.

I shall report again following the next anniversary of my appointment or as soon as I am in a position to conclude this case.

Should you have any queries regarding this report, please do not hesitate to contact this office.

Further information about insolvency processes is available at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk)

Yours faithfully  
For and on behalf of  
Brookson (5746H) Limited



LAURENCE RUSSELL  
Liquidator

Enc

Appendix 1

**BROOKSON (5746H) LIMITED**  
**RECEIPTS AND PAYMENTS ACCOUNT INCORPORATING AN ESTIMATED OUTCOME STATEMENT**  
**AS AT 25 OCTOBER 2016**

	As per statement of affairs £	As at 25/10/2015 £	In period 26/10/2015 to 25/10/2016 £	As at 25/10/2016 £	Anticipated £	Total £
<b>Receipts</b>						
Cash at bank	123 157	144 408	-	144,408	-	144,408
Office furniture	25	-	-	-	-	-
Computer equipment	50	-	-	-	-	-
Director's loan account	-	-	-	-	uncertain	uncertain
Petitioner's deposit	-	1,165	-	1,165	-	1,165
Interest	-	1,841	537	2,379	269	2,648
	<u>123,232</u>	<u>147,414</u>	<u>537</u>	<u>147,951</u>	<u>269</u>	<u>148,220</u>
<b>Payments</b>						
Legal fees	-	-	-	-	(5,000)	(5,000)
Tracing agents' fee	-	(35)	-	(35)	-	(35)
Official Receiver's debit balance	-	(2,236)	-	(2,236)	-	(2,236)
Secretary of State fees	-	(24,241)	(64)	(24,306)	(32)	(24,338)
Liquidator's remuneration	-	(12 970)	-	(12,970)	(5,517)	(18,487)
Petitioner's costs	-	(1 995)	-	(1,995)	-	(1,995)
Insolvency bond	-	-	-	-	(104)	(104)
Statutory advertising	-	-	-	-	(134)	(134)
Insolvency Service banking fees	-	(344)	(88)	(432)	(44)	(476)
Corporation tax	-	(368)	(107)	(476)	(54)	(530)
	<u>123,232</u>	<u>105,225</u>	<u>277</u>	<u>105 502</u>	<u>(10,616)</u>	<u>94,886</u>
Less unsecured creditors	<u>(184,886)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(94,886)</u>	<u>(94 886)</u>
	<u>(61,754)</u>	<u>105,225</u>	<u>277</u>	<u>105,502</u>	<u>(105,502)</u>	<u>-</u>
<b>Estimated dividend re unsecured creditors</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>46%</b>	<b>46%</b>
<b>Represented by:</b>						
Insolvency Services interest bearing account				105,502		
Brookson (5746H) Limited				<u>105,502</u>		

**Note 1**

The figures on the receipts and payments account incorporating an estimated outcome statement are net of VAT

**Note 2**

Liquidator's remuneration is calculated based on the Official Receiver's scale on asset realisations as follows

Realisation scale	£146,788
£5,000 @ 15%	£750
£90,000 @ 10%	£9,000
£46 788 @ 5%	<u>£2,339</u>
Fee entitlement	<u>£12 089</u>
Fee drawn	<u>£12,970</u>