

WU07

Notice of progress report in a winding-up by the court



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 6 4 1 4 8 4 5

Company name in full First IT Solutions Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Mark

Surname Holborow

3 Liquidator's address

Building name/number Third Floor, One London Square

Street Cross Lanes

Post town Guildford

County/Region

Postcode G U 1 1 U N

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator


Use this section to tell us about
another liquidator.

WU07

Notice of progress report in a winding-up by the court

6	Period of progress report															
From date	^d	0	^d	2	^m	0	^m	3	^y	2	^y	0	^y	2	^y	1
To date	^d	0	^d	1	^m	0	^m	3	^y	2	^y	0	^y	2	^y	2

7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												

8	Sign and date															
Liquidator's signature	Signature															
	 X															
Signature date	^d	1		4	^m	0	^m	3	^y	2	^y	0	^y	2	^y	2

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Mark Holborow
Company name	RSM UK Restructuring Advisory LLP
Address	Highfield Court, Tollgate Chandlers Ford
Post town	Eastleigh
County/Region	
Postcode	S O 5 3 3 T Y
Country	
DX	
Telephone	023 8064 6464

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

FIRST IT SOLUTIONS LIMITED - IN LIQUIDATION

LIQUIDATOR'S PROGRESS REPORT

FOR THE TWELVE MONTH PERIOD TO 1 MARCH 2022

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING



INTRODUCTION

Contact details

The key contacts at RSM in connection with this report are:

Primary office holder	Case administrator
Mark Holborow	Amy Slee
RSM UK Restructuring Advisory LLP	RSM UK Restructuring Advisory LLP
Third Floor, One London Square, Cross	Highfield Court, Tollgate, Chandlers Ford,
Lanes, Guildford, GU1 1UN	Eastleigh SO53 3TY
Tel: 023 8064 6464	Tel: 023 8064 6434

Basis of preparation

This report has been prepared solely to comply with the statutory requirements of legislation to provide creditors with information relating to the progress of the liquidation. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to revision and additional costs. They should not be used as the basis for any bad debt provision or any other purpose. Neither the Liquidator nor RSM UK Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report. The Liquidator act as agent of the Company and without personal liability.

General guidance on the Liquidation process

You can find guidance on the different insolvency processes at the R3 website www.R3.org.uk. R3 is the trade association for the insolvency profession.

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CONDUCT OF THE LIQUIDATION

Realisation of assets

Director's loan account

No payments have received in respect of the loan account owed by the director, Mr Belmar, in the period since the last report.

The debtor is making continued payments to the IVA in accordance with the most recent variation proposal which was approved by creditors on 10 September 2021. The terms of the arrangement state that there will be a dividend of less than 10p in the £ payable to Mr Belmar's creditors, however, this is subject to a number of ongoing matters and therefore may change. Until these matters are resolved the quantum cannot be confirmed with any certainty.

Investigations

All investigative matters have previously been reported.

Case specific matters

Time incurred in this respect involves the general liaison with the Company's director on matters not elsewhere classified.

Statutory and case management matters

The following work does not usually result in a financial return to creditors but is required by legislation, best practice and to ensure case management. Key work done in the period included:

Statutory requirements

- statutory filing
- preparing, review and issuing a progress report to creditors and other prescribed parties
- taxation matters, post appointment VAT, pre-appointment VAT and tax returns, corporation and other post appointment tax returns and payments
- general taxation matters

Case management matters

- client take on evaluation, engagement, guidance
- periodic case reviews, ongoing case planning and statutory
- maintaining and updating computerised case management records

- dealing with routine correspondence not attributable to other categories of work
- maintenance of cashiering records, bank accounts, receipts and payments

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Receipts and payments

A summary of receipts and payments is attached. Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.



OUTSTANDING MATTERS

Assets remaining to be realised

The following asset remains to be realised.

Nature of asset	Book value (£)	Estimated to realise (£)	Estimated future costs (£)
Director's loan account	333,668	Uncertain	Uncertain

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects

	Owed* (£)	Paid to date (£)	Estimated future prospects
Secured creditor: Lloyds Bank Commercial Finance Limited	351,148	NIL	Uncertain
Preferential creditors	N/A	N/A	N/A
Unsecured creditors	434,194	NIL	NIL
Estimated Net Property	N/A		
Estimated 'Prescribed Part' available for creditors	N/A		

*As per the Statement of Affairs

Prescribed Part

The 'Prescribed Part' is a statutory amount set aside for unsecured creditors from funds ('Net Property') available to a Qualifying Floating Charge Holder ('QFCH'). The amount of Net Property is calculated on a sliding scale up to a maximum of £800,000 depending on when the floating charge was created and whether or not it is a first ranking floating charge.

Whilst there is a QFCH, it is estimated that they will receive no money under their floating charge and there is therefore no requirement to calculate the amount of the Prescribed Part.

Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being made to that particular class of creditor.

In this case, as there is no likelihood of a dividend being paid to any class of creditor, other than the secured creditor, no work has been done to agree creditors' claims, other than that necessary for the purposes of admitting claims for voting, where applicable.

Creditors whose debts are treated as a small debt in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a proof of debt if they wish to

vote. Rule 14.31(1) states that Office Holders may treat a debt, which is a small debt according to the accounting records or the statement of affairs of the company, as if it were proved for the purposes of paying a dividend. Small debts are defined in Rule 14.1(3) as a debt (being the total amount owed to a creditor) which does not exceed £1,000.

Dividend payments

As noted above, there is unfortunately no likelihood of a dividend being paid to any class of creditor, other than the secured creditor, based on current information.

Creditor communication

The following work was done in the period to comply with legislation, best practice and to ensure creditors were kept informed.

- dealing with communication with creditors
- maintenance of schedules of creditors' claims

Creditors only derive an indirect financial return from this work on cases where a dividend is payable.

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.

LIQUIDATOR’S FEES, COSTS AND EXPENSES

Guide to Liquidator’s fees and expenses

A Guide to Liquidator’s Fees, which provides information for creditors in relation to the fees and expenses of a Liquidator, can be accessed at [www.gov.uk](#) under ‘general information for creditors’. A hard copy can be requested from this office by telephone, email or in writing. All fees, costs and expenses are subject to VAT.

Relevant Approving Body

The unsecured creditors are the Relevant Approving Body and will be responsible for approving the Liquidator’s fee basis and, where applicable, ‘Category 2’ expenses. However, if a liquidation committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

Post-appointment fees, costs and expenses

Basis for remuneration

Insolvency legislation allows a Liquidator to charge fees on one of, or a combination of, the following bases:

- as a percentage of the value of the property the Liquidator has to deal with (percentage basis);
- to the time spent by the Liquidator or their staff on the administration of the case (time cost basis);
- as a set amount (fixed fee basis); or
- a combination of the above (mixed fee basis).

The Relevant Approving Body approved the Liquidator’s fees on a time cost basis, limited to the sum of £17,975 in accordance with the fee estimate provided to creditors on 30 March 2016. The fee estimate was prepared for the life of the appointment.

Remuneration Charged

Legislation requires that ‘remuneration charged’ is reported. Remuneration is charged when the work to which it relates is done. It does not mean the Liquidator’s fees have been paid. Amounts paid to date, if any, are shown in the attached receipts and payments account.

During the period, the time cost incurred by the Liquidator, on the basis set out above, totalled £4,096. An analysis of time incurred in the period is attached. Time costs incurred since appointment total £35,513 .

The Joint Liquidators time charged to date has exceeded the fee estimate dated 30 March 2016. The fee estimate was exceeded due to the following matter which was not anticipated at the onset of the liquidation:

- Substantial and ongoing delays in the completion of the director’s IVA and distribution of the director’s loan account as a result of the COVID-19 pandemic

This also resulted in additional case administration costs being incurred, because additional progress reports were needed.

Further fee approval

The amount of fee that can be drawn is limited to the amount approved by the Relevant Approving Body, whether calculated on the basis of time in accordance with a fee estimate, or for a fixed amount or a percentage rate. It cannot be further increased or the percentage rates changed, without their approval.

The Liquidator does not anticipate that it will be necessary to seek any further approval for additional fees due to there being insufficient assets.

Expenses and professional costs

The total costs and expenses estimated to be incurred by the Liquidator are set out below together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account. quantum of costs and expenses is in line with the estimates previously provided to creditors.

Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the Relevant Approving Body prior to being paid.

Type of expense	Total estimated (£)	Incurred in period (£)
Bond	85	0
Statutory advertising	308	0
Website fee	8	0
Total	401	0

Category 2 expenses

These are costs which are not capable of precise identification or calculation, or that may include an element of shared or allocated costs. Payments to outside parties that the Liquidator, firm, or any associate has an interest, are also treated as 'Category 2' expenses. These expenses require the specific approval of the relevant Approving Body before being paid from the insolvency estate.

The Relevant Approving Body has approved the payment of the 'Category 2' expenses, at the rates prevailing at the date they were incurred. Details of the current rates are set out below.

Type of expense	Total estimated (£)	Incurred in period (£)
Room hire (£100 per room)	0	0
Mileage (42.5p per mile)	0	0
Tracker reports (£10 per report)	0	0
Subsistence (£25 per night)	0	0
Total	0	0

Other professional costs

No professional costs have been incurred in the period.

Creditors' right to information and ability to challenge remuneration and expenses

In accordance with legislation creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

If you wish to make a request for further information, then it must be made within 21 days of receipt of this report in writing by either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court on the grounds that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive. Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.



Mark Holborow
Restructuring Advisory Director
RSM UK Restructuring Advisory LLP
Liquidator

Mark Holborow is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

APPENDICES



APPENDIX A - STATUTORY INFORMATION

Company information		Liquidation information	
Company name:	First IT Solutions Limited	Court reference:	High Court of Justice No 441 of 2015
Company number:	06414845	Liquidator:	Mark Holborow (appointed 3 June 2021) Alexander Kinninmonth (resigned 3 June 2021)
Date of incorporation:	1 November 2007	Date of appointment:	2 March 2016
Trading name:	First IT Solutions Ltd	Liquidator:	Primary office holder Mark Holborow RSM UK Restructuring Advisory LLP Third Floor, One London Square, Cross Lanes, Guildford, GU1 1UN 01892 511944 IP Number: 22834
Trading address:	206 Turners Hill, Waltham Cross, Hertfordshire, EN8 9DE		
Principal activity:	Other information technology service activities		
Registered office:	RSM UK Restructuring Advisory LLP Highfield Court, Tollgate, Chandlers Ford, Eastleigh, SO53 3TY		
Previous company names:	N/A		
Directors:	Mr Manny Belmar		
Secretary:	N/A		

APPENDIX B - RECEIPTS AND PAYMENTS SUMMARY

First IT Solutions Limited Trading As: First IT Solutions Ltd In Liquidation Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 02/03/2021 To 01/03/2022 £	From 02/03/2016 To 01/03/2022 £
	ASSET REALISATIONS	
1.00	Deposit on Creditors Petition	1,250.00
	Director's Loan Account	NIL
		1,250.00
	COST OF REALISATIONS	
	Bank Charges	528.00
	Official Receivers Remuneration	2,400.00
	Shorthand Writer Charge	15.93
		(2,943.93)
	UNSECURED CREDITORS	
(360,147.88)	Banks/Institutions	NIL
(88,955.51)	HM Revenue and Customs	NIL
(345,238.27)	Trade & Expense Creditors	NIL
		NIL
	DISTRIBUTIONS	
(1.00)	Ordinary Shareholders	NIL
		NIL
(794,341.66)		(1,693.93)
	REPRESENTED BY	
	Insolvency Service Account (ISA)	(1,693.93)
		(1,693.93)

Note:

1. The company is VAT registered.
2. Funds are held in an interest bearing account with The Insolvency Service.

APPENDIX C - POST-APPOINTMENT TIME ANALYSIS

Liquidator's post appointment time cost analysis for the period 2 March 2021 to 1 March 2022

Period	Hours Spent	Partners	Directors - Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From Jan 2003	Statutory Requirements									
	Appointment & SoA	0.0	0.0	0.2	0.0	0.1	0.0	0.3	£ 84.50	281.67
	Creditors/shareholders decisions, meetings & reports	0.0	0.5	0.7	0.0	7.0	0.0	8.2	£ 1,840.00	224.39
	Taxation	0.0	0.2	0.1	0.7	0.0	0.0	1.0	£ 324.00	324.00
	Total	0.0	0.7	1.0	0.7	7.1	0.0	9.5	£ 2,248.50	236.68
	Realisation of Assets									
	Debtors & sales finance	0.0	0.0	0.1	0.0	0.0	0.0	0.1	£ 32.50	325.00
	Total	0.0	0.0	0.1	0.0	0.0	0.0	0.1	£ 32.50	325.00
	Creditors									
	Unsecured Creditors	0.0	0.0	0.1	0.0	1.1	0.0	1.2	£ 247.00	205.83
	Total	0.0	0.0	0.1	0.0	1.1	0.0	1.2	£ 247.00	205.83
	Administration and Planning									
	Case Management	0.0	0.3	0.9	0.0	6.0	0.0	7.2	£ 1,451.00	201.53
	Cashiering	0.0	0.0	0.0	0.0	0.6	0.0	0.6	£ 117.00	195.00
	Total	0.0	0.3	0.9	0.0	6.6	0.0	7.8	£ 1,568.00	201.03
	Total Hours (From Jan 2003)	0.0	1.0	2.1	0.7	14.8	0.0	18.6	£ 4,096.00	220.22
	Total Time Cost (From Jan 2003)	£ 0.00	£ 495.00	£ 682.50	£ 192.50	£ 2,726.00	£ 0.00	£ 4,096.00		
Total Hours		0.0	1.0	2.1	0.7	14.8	0.0	18.6	£ 4,096.00	220.22
Total Time Cost		£ 0.00	£ 495.00	£ 682.50	£ 192.50	£ 2,726.00	£ 0.00	£ 4,096.00		
Average Rates		0.00	495.00	325.00	275.00	184.19	0.00	220.22		