

Statement of Company's AffairsPursuant to Section 95/99 of the
Insolvency Act 1986**S.95/99**

To the Registrar of Companies

For Official Use

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Company Number

06526649

Name of Company

(a) Insert full name of
company

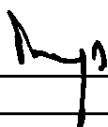
(a) 121 Accident Management Ltd

(b) Insert full name and address I/We ^(b) David N Kayeof Crawfords Accountants LLP, Stanton House
41 Blackfriars Road
Salford
Manchester, M3 7DB

(c) Insert date

the Liquidator(s) of the above named company attach a statement of the company's
affairs as at ^(c) 23 January 2014

Signed



Date 23 January 2014

The presenter's name,
address and referenceCrawfords Accountants LLP
Stanton House
41 Blackfriars Road
Salford
Manchester M3 7DB
C566/5/DNK/KLB

For Official Use

Liquidation Section

Post Room

THURSDAY



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30/01/2014

#220

COMPANIES HOUSE

Statement Of Affairs

IN THE MATTER OF 121 Accident Management Ltd

and

IN THE MATTER OF THE INSOLVENCY ACT 1986

Statement as to the affairs of 121 Accident Management Ltd
on the 23 January 2014 the date of the resolution for winding up

Statement of Truth

We Mr Glenn Thwaites
 6 Glenside Gardens, Failsworth, Manchester M35 9JY

 Mr Mark Jenkins
 1 Hambledon Close, Atherton, Manchester, M46 9TU

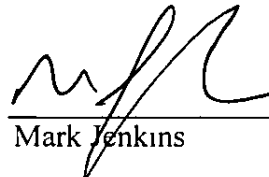
 Mr Constantine Nicholas
 14 Beccles Road, Sale, Manchester, M33 3RP

Make a Statement of Truth and say that the several pages exhibited hereto and marked "GT1" are to the best of our knowledge and belief a full, true and complete statement as to the affairs of the above named company as at 23 January 2014 the date of the resolution for winding up and that the said company carried on business as Claims Management

Signature



Glenn Thwaites



Mark Jenkins



Constantine Nicholas

Date

23 January 2014

IN THE MATTER OF
121 Accident Management Ltd

This is the exhibit marked “GT1” referred to in the Statement of Truth of Mr Glenn Thwaites, Mr Mark Jenkins and Mr Constantine Nicholas

IN THE MATTER OF
121 Accident Management Ltd

This is the exhibit marked "GT1" referred to in the Statement of Truth of Mr Glenn Thwaites

A – Summary of Assets

Signature

Date _____

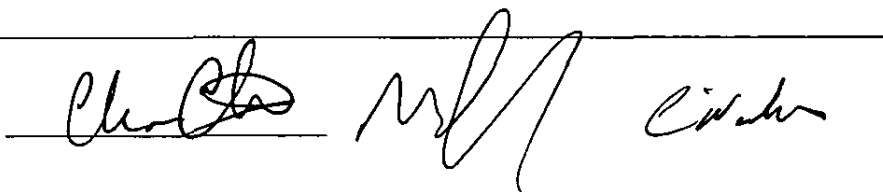
Summary of Assets (7/98)

**THIS STATEMENT MUST BE READ IN CONJUNCTION WITH THE NOTES,
PARTICULARLY NOTE 3 RELATING TO WORK IN PROGRESS**

A1 – Summary of Liabilities

		Estimated to Realise
Estimated total assets available for preferential creditors (from Summary of Assets)		7,000
Liabilities		
Preferential Creditors:-		
		Nil
Estimated surplus as preferential creditors		7,000
Debts secured by a floating charge:-		
National Westminster Bank Plc	Note 5	46,808
		46,808
Estimated surplus of assets available for non-preferential creditors		39,808
Non-preferential claims:-		
	£	
Trade creditors per schedule	41,115	
Finance Creditors (Est)	12,780	
Crown creditors per schedule	623,598	
		677,493
Estimated deficiency as regards creditors		717,301
	£	
Issued and called-up capital:-	100	
		100
Estimated deficiency as regards members		717,401

Signature



Date

23-1-14

Summary of Liabilities (7/98)

121 Accident Management Ltd
Estimated Deficiency Account
For the Period 1 April 2013 to 23 January 2014

	£
Accumulated loss as at 31 March 2013	183,460
Amounts written off in Statement of Affairs	16,942
Balance being estimated trading loss for the period from 1 April 2013 to 23 January 2014 [Note A]	<u>516,899</u>
Total Estimated Deficiency	<u>717,301</u>

Note A – The Deficiency Account shows an estimated final trading loss of £516,899 but this is subject to realisations of company's work-in-progress in the Liquidation. Accordingly, the book value of the work-in-progress in the liquidation will proportionately reduce the estimated trading loss. This is computed at note 3 below of £188,000.

Notes to the Statement of Affairs

- 1 The company's physical assets comprising fixtures and fittings, 6 computers, and various mobile handsets, have been independently valued by Robson Kay and Company Limited. They advise that certain fixtures and fittings are bulky and of low values, so these items have been abandoned at the company's premises as the costs of uplifting these items far exceed any potential realisable value. However, they have uplifted the smaller and higher value items though the realisable value of these items is uncertain at this stage. The company's 6 remaining computers and mobile handsets have been valued at £1,000 plus VAT and it is understood that the directors have expressed an interest in acquiring some, if not all, of these items and such offer will be considered by the liquidator.
- 2 The 2013 accounts reported the company's land and building to have a net book value of £6,500 but it is understood that this relates to leasehold improvements, which have no realisable value in Liquidation and has therefore been written off in full.
- 3 **Work in Progress ("WIP")**
 - 3.1 The company's WIP is made up approximately 470 live PPI claims of which 180 have been approved by the Financial Ombudsman Service ("FOS") and 290 are awaiting a decision by FOS.
 - 3.2 Working to an average fee income per case of £400, this would generate a gross fee income of £188,000 before costs if all of the cases were successfully completed. It is impossible at this stage to prejudge the outcome of the 290 cases which await an FOS decision.
 - 3.3 In the case of approved cases, there is still a great deal of work to do to monitor those cases and to recover fees from the clients. It is believed that this can only be done with the continued assistance of the directors which they have offered in exchange for a commission at a rate to be agreed. This will be discussed and resolved at the meeting of creditors.
 - 3.4 Meanwhile, as the value of WIP is so uncertain, it has been omitted from the face of the Statement of Affairs in order to avoid misleading creditors.

- 4 A sum of £6,000 has been received from the company prior to the Liquidation and this is shown as cash in hands of accountants on the Statement of Affairs
- 5 Account Number 49620266 is a client deposit account which contains trust monies and is not available for offset against overdrawn accounts
- 6 Claims of creditors are subject to agreement in due course. The amounts stated will not prejudice creditors' claims which will be agreed, if appropriate, by the Liquidator in due course
- 7 No provision has been made in respect of claims by employees under the terms of the Employment Rights Act 1996. It is understood from the directors that all former employees have been paid up to 24 December 2013. There are likely to be preferential claims in respect of arrears of wages and holiday pay and these claims will be quantified in due course
- 8 Section 176A of the Insolvency Act 1986 (as amended) requires the Liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. A Liquidator has to set aside -

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

There is a Qualifying Floating Charge created and registered on or after this date in favour of National Westminster Bank Plc

Based on the current information available, one of the following scenarios will arise -

- a sufficient recoveries will be made from WIP and debtors to pay the Bank in full in which case the prescribed part will not apply, or
- b there will be partial recovery in which case the prescribed part will apply, or
- c the recoveries will be less than £10,000 in which case the prescribed part will not apply.

It is too early at this stage to speculate which of the above will apply

- 9 The company vacated the company's leasehold premises at First Floor, 22 Exchange Quay, Salford Quays, Salford, Manchester, M5 3EQ, on 30 November 2013. The rent was circa £22,000 per annum and this was paid quarterly in advance at the rate of £5,500 per quarter. It is understood from the directors that rent was paid up to 30 November 2013 and that there are rent arrears of c£2,000 at the date of liquidation. The landlord, GBR Phoenix Beard, may have a contingent claim of c£75,000 in respect of future rent covering the remaining term of the lease but the landlord has a duty to mitigate this future claim. For the purpose of the Statement of Affairs, the director has admitted the liquidated claim of £2,000
- 10 Subject to the costs and expenses of the winding up
- 11 Subject to the verbal explanations to be given at the meeting of creditors 23 January 2014

121 Accident Management Ltd

Schedule of Creditors

Secured Creditor

£

National Westminster Bank Plc, 1 Market Place, Atherton, Manchester, M46 9TU Account Ref 60-01-29 / 49620266 (Client Account) (Note 5) 49557130 (Business Current Account) £14,921 13 49589679 (EFG Loan) £8,953 90 49632272 (EFG Loan) £22,933 39 49557149 (Reserve Account) £NIL	46,808 42
Total Amount:	46,808.42

Trade Creditors

£

Aim Legal Expenses, Office 300, 3rd Floor Broadstone Mill, Broadstone Road, Reddish, Stockport, SK5 7DL Ref 121ACCID	8,790 00
Amanda Cunliffe Solicitors, St Georges Chambers, St Georges Place, Macclesfield, Cheshire, SK11 8BT	14,000 00
Apogee, The Old Town Hall, Wimbledon, SW19 8YA Ref: 14963	200 00
Brightoffice Ltd, 14 The Parks, Haydock, Merseyside, WA12 0JQ Ref 121 Accident Management	294 00
Daisy Communications, Daisy House, Lindred Rd Business Park, Nelson, Lancs, BB9 5SR Ref. XHG52638	3 00
GBR Phoenix Beard, The Exchange, 19 Newhall Street, Birmingham, B3 3PJ [Note 9] Ref E8312L77	2,000 00
Google, 1st & 2nd Floors, Gordon House, Barrow St, Dublin 4, Ireland Ref 89502509694	7,605 03
Octagon Communications, Octagon House, 2 Astley Court, Lockett Road, Ashton in Makerfield, WN4 8DE Ref 121001	906 61
Peninsula, The Peninsula, 2 Cheetham Hill Road, Manchester, M4 4FB	4,406 40

Ref: 081/157066	
PHS Datashred, Western Ind Estate, Caerphilly, CF83 1XH	48.00
Ref 4562053	
Salford City Council, Unity House, Salford Civic Centre, Chorley Road, Swinton, M27 5AW	2,862 00
Ref: 70040532	
Total Amount:	41,115.04

Finance Creditors

£

Chevington Finance, Linden House, Looms Lane, Bury St Edmunds, Suffolk, IP33 1HE	77 00
Ref 203052	
De Lage Landen, PO Box 430, Watford, WD18 8EZ	10,000 00
Ref 95340333434	
Orange, PO Box 52, Sheffield, S98 1DX	240.00
Ref. 72785050	
Ricoh UK Ltd, PO Box 1363, 800 Pavillion Drive, Northampton, NN4 4FG	1,890 00
Ref: 100000011245	
Total Amount:	12,780.00

Crown Creditors

£

H M Revenue & Customs, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	200 00
Ref.	
H M Revenue & Customs, NI Contributions Office, Insolvency Longbenton, Newcastle upon Tyne, NE98 1ZZ PAYE/NIC	506,900 12
Ref 709 PQ 00196113	
HM Revenue & Customs, National Insolvency Unit, 5th Floor Regian House, James Street, Liverpool, L75 1AD	116,497 64
Ref 932 0578 32	
Total Amount:	623,597.76

Total Amount	677,492.80
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