

LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



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17/01/2019

#82

COMPANIES HOUSE

1 Company details

Company number 06605631

Company name in full GZero Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Christopher

Surname Brown

3 Liquidator's address

Building name/number Europa Link

Street Sheffield Business Park

Post town Sheffield

County/Region

Postcode S91XU

Country

4 Liquidator's name

Full forename(s) Emma

Surname Legdon

Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number Europa Link

Street Sheffield Business Park

Post town Sheffield

County/Region

Postcode S91XU

Country

Other liquidator
Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 1	^d 4	^m 1	^m 2	^y 2	^y 0	^y 1	^y 7
To date	^d 1	^d 3	^m 1	^m 2	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 5	^m 0	^m 1	^y 2	^y 0	^y 1	^y 9
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LIQ03

Notice of progress report in voluntary winding up

**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 wharin**Company name **Hart Shaw LLP**Address **Europa Link****Sheffield Business Park**Post town **Sheffield**

County/Region

Postcode

S**9****1****X****U**

Country

DX

Telephone **0114 251 8850****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

GZero Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs ALL		From 14/12/2017 To 13/12/2018 ALL	From 14/12/2016 To 13/12/2018 ALL
	ASSET REALISATIONS		
Uncertain	Plant & Machinery	NIL	NIL
	Debtors	23,970.46	23,970.46
	Book Debts	9,194.76	9,194.76
1,145.96	Cash at Bank	1,146.06	1,146.06
11,000.00	Cheque held by Hart Shaw	NIL	11,000.00
	Bank Interest Gross	12.34	12.99
		<u>34,323.62</u>	<u>45,324.27</u>
	COST OF REALISATIONS		
	Specific Bond	66.00	147.00
	Preparation of S. of A.	NIL	7,000.00
	Office Holders Fees - pre 7/7/17	10,668.90	10,668.90
	Office Holders Fees - post 7/7/17	8,900.00	8,900.00
	Statutory Advertising	NIL	173.88
	Bank Charges	48.17	48.17
		<u>(19,683.07)</u>	<u>(26,937.95)</u>
	PREFERENTIAL CREDITORS		
(2,582.90)	Employees Holiday Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(51,337.71)	Trade & Expense Creditors	9,433.62	9,433.62
(19,654.91)	Employee - Notice & Redundancy Pay	NIL	NIL
(19,388.74)	HM Revenue & Customs - PAYE/NIC	NIL	NIL
(175,825.36)	Double A Kebab Limited	NIL	NIL
(35,000.00)	Osborne Clarke LLP	NIL	NIL
		<u>(9,433.62)</u>	<u>(9,433.62)</u>
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(292,643.66)		5,206.93	8,952.70
	REPRESENTED BY		
	Bank 2 - Current		8,952.70
			8,952.70


 Christopher Brown
 Joint Liquidator

GZERO LIMITED - IN LIQUIDATION
("THE COMPANY")
LIQUIDATORS' SECOND ANNUAL REPORT TO MEMBERS AND CREDITORS
FOR THE YEAR ENDING 13 DECEMBER 2018

STATUTORY INFORMATION

Company Name: GZero Limited.

Company Registration Number: 06605631.

Registered Office: The Hart Shaw Building, Europa Link Sheffield Business Park, Sheffield, S9 1XU.

Former Registered Office: Enterprise Road, Millenium Business Park, Mansfield, NG19 7JX.

Former Trading Address: Enterprise Road, Millenium Business Park, Mansfield, NG19 7JX.

Liquidators' Names: Christopher John Brown and Emma Louise Legdon ("the Liquidators").

Liquidators' Office Holder No's: 8973 and 10754 respectively.

Liquidators' Address: Hart Shaw LLP, Europa Link, Sheffield Business Park, Sheffield, S9 1XU.

Liquidators' Contact Details: Tel: 0114 2518850, Email: advice@hartshaw.co.uk.

Liquidators' Date of Appointment: 14 December 2016 in respect of both appointees.

INTRODUCTION

At meetings of members and creditors held on 14 December 2016 it was resolved that Christopher John Brown and Emma Louise Legdon ("the Liquidators") of Hart Shaw LLP, Chartered Accountants, be appointed joint liquidators of GZero Limited.

The Liquidators are licensed Insolvency Practitioners and are bound by the Insolvency Code of Ethics.

RECEIPTS AND PAYMENTS ACCOUNT

A Receipts & Payments Account for the period from 14 December 2016 to 13 December 2018, showing transactions in the period since the Liquidators' last report, being 14 December 2017 to 13 December 2018, is attached at Appendix 1.

LIQUIDATORS' ACTIONS SINCE APPOINTMENT

The nature of the assignment was to realise and distribute the assets of the Company. The Liquidators' strategy was to seek to realise the best value for the creditors with minimum costs. The assets comprised of plant and machinery, cash at bank and a cheque held by Hart Shaw LLP.

The Liquidators' actions to 13 December 2017 have been fully detailed in the previous report.

In the period commencing 14 December 2017, the Liquidators have prepared and distributed the first progress report to creditors, submitted a statutory receipts and payments account to the Registrar of Companies and have prepared and submitted the first year's Corporation Tax return to H M Revenue and Customs ("HMRC").

The Liquidations continued to pursue payment of the book debt and have corresponded with Lloyds Bank plc ("Lloyds") regarding the transfer of the credit balance held in the Company's bank account.

ASSETS

UNCHARGED ASSETS

Plant & Machinery

As previously reported, the director's statement of affairs included plant and machinery with a book value of £18,927.00 and an uncertain estimated to realise value. Ellis Wills & Beckett ("EWB"), a professional firm of valuers and auctioneers were instructed pre-appointment to value by the plant and machinery. However, despite numerous attempts to locate and recover the assets, the exact location of the assets is unknown. The director failed to assist the Liquidators in the recovery of the assets and due to the nature of the assets by the time of the last report it was no longer considered cost effective to continue to pursue this asset source. Accordingly, as you are already aware, no realisations have been made from this asset source.

Cash at Bank

Included in the director's statement of affairs was cash at bank with a book and estimated to realise value of £1,145.96. The account remained open in order to receive debtor monies. The Liquidators corresponded with Lloyds regarding the credit balance held and queried monies which had been paid out of the account post-liquidation. The Liquidators issued a complaint in respect of monies in the sum of £7,840.50 which were paid out of the account post-appointment but Lloyds gave its final decision that these monies would not be refunded.

In the period commencing 14 December 2017, the Liquidators continued to correspond with Lloyds and on 26 June 2018 the bank account was closed and funds in the sum of £15,634.73 were received. This balance is comprised of:

£ 1,146.06 – Balance as at date of liquidation.
-£ 1,512.35 – Pre-liquidation charge card spend settled from the account post-liquidation (set-off).
-£ 80.77 – Creditor paid post-liquidation (note 1).
-£ 7,840.50 – Creditor paid post-liquidation (note 2).
£23,970.46 – Debtor monies received post-liquidation.
-£ 48.17 – Bank charges incurred and paid post-liquidation
£15,634.73 - Balance at Bank as at 26 June 2018

(Note 1) This direct debit was paid by Lloyds on 19 December 2016, which is before Lloyds claims it was notified of the liquidation. It is not cost effective to pursue this matter.

(Note 2) This payment was made by Lloyds on 25 January 2017 but refers to a pre-liquidation direct debit which the Company disputed. Lloyds transferred the monies back to the Company, pre-liquidation, whilst the matter was investigated. The monies were taken back by Lloyds as outlined above. This is the sum which the Liquidators complained to Lloyds about as detailed earlier in this section. The Liquidators have referred the matter to the Financial Ombudsman Service but were advised that Lloyds' decision was correct. The Liquidators have appealed the decision and are still awaiting the Ombudsman's final decision.

Cheque held by Hart Shaw LLP

As previously reported, included in the director's statement of affairs was a cheque held by Hart Shaw LLP with a book and estimated to realise value of £11,000.00. Accordingly, as anticipated £11,000.00 was realised from this asset source.

Other Assets

Book Debts

Although not included in the director's statement of affairs, following the Liquidators' appointment three possible book debts in the total sum of £19,200.77 were identified.

The Liquidators corresponded with the director in respect of obtaining the details of the outstanding book debts to enable the receipts to be reconciled and for the remaining debts to be pursued. However, no assistance was provided by the director in this matter.

Following further investigations by the Liquidators it appears that £9,358.46 had been paid into the Company bank account by two debtors pre-appointment. The balance on two accounts in the total sum of £647.55 was written off by the Liquidators as it was no longer cost effective to pursue due to the debtors being offshore and the likelihood of currency exchange losses on the payments received.

A final demand was issued by the Liquidators in respect of the one remaining debt in the sum of £9,194.76.

In the period commencing 14 December 2017, the Liquidators continued to pursue the debt and on 26 January 2018 £9,194.76 was received. No further realisations will be achieved from this asset source.

Interest

All monies received have been held in an interest bearing account and total gross interest of £12.99 has been received, of which £12.34 was received in the period since the last report.

LIABILITIES

Secured Liabilities

An examination of the Company's mortgage register, held by the Registrar of Companies, showed that the Company has not granted any debentures, as confirmed by the directors' statement of affairs.

Preferential Creditors

The director's statement of affairs anticipated preferential creditors in the sum of £2,582.90 in respect of holiday pay due to the former employees of the Company. A preferential claim of £236.08 was received from Redundancy Payments at the Insolvency Service in respect of holiday pay paid to a former employee from the National Insurance Fund.

Crown Creditors

The director's statement of affairs included the total sum of £19,388.74 owed to H M Revenue & Customs ("HMRC") in respect of PAYE/NIC.

The final claim of HMRC, dated 26 January 2017, in the sum of £21,282.16 was received, comprising £20,318.16 in respect of PAYE/NIC and £964.00 in respect of VAT.

Unsecured Creditors

A number of unsecured creditors with an estimated total liability of £301,206.72 were included in the director's statement of affairs. This sum comprised trade and expense creditors in the sum of £51,337.71, debts due to HMRC of £19,388.74 as detailed above, £175,825.36 owed to Double A Kebab Limited in respect of a loan to the Company, £35,000.00 owed to Osborne Clarke LLP and £19,654.91 owed to former employees in respect of redundancy pay and pay in lieu of notice.

The Liquidators have received four claims (including HMRC's claims) in the total sum of £216,318.04. These claims have not been agreed for dividend purposes. Seven unsecured creditors, with total estimated claims as included in the statement of affairs in the sum of £86,337.71, have not yet submitted a claim.

PRE-APPOINTMENT REMUNERATION

At the meetings held on 14 December 2016, the members and creditors authorised the payment of a fee of £7,000 plus VAT plus disbursements plus VAT to Hart Shaw LLP for assistance with the statement of affairs and producing and circulating the notices for the meetings of members and creditors prior to the Liquidators' appointment.

Following the appointment of the Liquidators, a fee of £7,000 plus VAT for the statement of affairs and meetings was paid to Hart Shaw LLP. This payment was made from first realisations of the Company's assets and is shown in the enclosed receipts and payments account.

LIQUIDATORS' REMUNERATION

The Liquidators' post-appointment remuneration was approved by creditors by correspondence on 2 August 2017, to be drawn on a time cost basis in the sum of £10,668.90 in respect of time already incurred to 7 July 2017 and for their anticipated further post-appointment remuneration, to closure of the liquidation, to be drawn on a time cost basis restricted to the fee estimate of £15,077.91 plus VAT. The fee estimate was issued to creditors on 10 July 2017, was based upon information available to the Liquidators at that time and is summarised below:

Category of Work	Est Number of Hrs	Average Blended Charge Out Rate	Estimated Cost £
Administration (inc statutory compliance & reporting)	41.00	224.56	9,206.96
Investigation	7.00	187.00	1,309.00
Realisation of Assets	18.00	198.65	3,575.70
Creditors (liaison, claims & distributions)	5.00	197.25	986.25
Total Estimated Fees	71.00	212.36	15,077.91

To 13 December 2018, time costs of £21,054.40, amounting to 98.55 hours of chargeable time, have been incurred. Of the total time costs, £6,903.80 has been incurred in the period since the Liquidators' last report, being the period 14 December 2017 to 13 December 2018. As at 13 December 2018, the total sum of £19,568.90 has been drawn in remuneration, of which £10,668.90 is in respect of remuneration for the period 14 December 2016 to 7 July 2017 and £8,900.00 has been drawn on account in respect of the period post 7 July 2017.

Below is a summary of the time spent by the Liquidators and their staff in dealing with this case since the date of appointment.

From 14 December 2016 to 13 December 2018

Classification Of Work Function	Hours				Total Time Costs £	Average Hourly Rate £
	Partner	Manager / Senior	Semi-Senior/Junior / Support	Total Hours		
Administration & Planning	5.05	17.50	33.35	55.90	11,835.00	211.72
Investigations	-	-	8.10	8.10	1,514.70	187.00
Realisation of Assets	0.65	12.00	9.70	22.35	5,340.30	238.94
Trading	-	-	-	-	-	-
Creditors	-	1.00	11.20	12.20	2,364.40	193.80
Total	5.70	30.50	62.35	98.55	21,054.40	213.64

From 14 December 2017 to 13 December 2018 (the period since the Liquidators' last report).

Classification Of Work Function	Hours				Total Time Costs £	Average Hourly Rate £
	Partner	Manager / Senior	Semi-Senior/Junior / Support	Total Hours		
Administration & Planning	0.90	9.90	12.30	23.10	4,667.70	202.06
Investigations	-	-	-	-	-	-
Realisation of Assets	0.30	6.70	-	7.00	1,918.20	274.03
Trading	-	-	-	-	-	-
Creditors	-	-	1.70	1.70	317.90	187.00
Total	1.20	16.60	14.00	31.80	6,903.80	217.10

At the date of this report, the Liquidators confirm that the initial fee estimate for the liquidation remains unchanged because it is considered that the estimate is sufficient overall.

It is the policy of the Liquidators to delegate routine work to more junior grades of staff in order to maximise the cost effectiveness of the work performed, such staff being supervised by senior staff and the Liquidators, with any complex or significant matters to be dealt with by senior staff or the Liquidators. Consideration is given to the skills and experience of staff to meet the specific requirements and the anticipated size and complexity of the case.

In common with all professional firms, scale rates increase from time to time over the period of the administration of each insolvency case and full details of current charge out rates and disbursements are enclosed with this report.

A description of the routine work undertaken in the liquidation is as follows:

Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on IPS.
- Review and storage.
- Case bordereau.
- Case planning and administration.
- Preparing reports to members and creditors.
- Convening and holding meetings of members and creditors.

Cashiering

- Maintaining and managing the Liquidator's cashbook and bank account.
- Ensuring statutory lodgements and tax lodgement obligations are met.

Creditors

- Dealing with creditor correspondence and telephone conversations.
- Preparing reports to creditors.
- Maintaining creditor information on IPS.
- Reviewing and recording proofs of debt received from creditors.

Investigations

Review and storage of books and records.

Prepare a return pursuant to the Company Directors Disqualification Act.

Conduct investigations into suspicious transactions.

Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors.

Realisation of Assets

Correspondence and telephone calls with the agents dealing with the valuation of the physical assets.

Corresponding with Lloyds Bank plc regarding the transfer of the credit balance of the Company's bank account as at the date of liquidation and post appointment credits.

Reconciling and pursuing collection of the outstanding book debts.

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals can be found in the download section of our website at www.hartshaw-bri.co.uk.

LIQUIDATORS' EXPENSES

An estimate of expenses and disbursements which were anticipated was included with the fee estimate that was issued to creditors on 10 July 2017 and is summarised below:

Expense	Estimated Cost £
Statutory Advertising	3 Adverts at total cost of £173.88 plus VAT. This amount has been paid.
Specific Penalty Bond	A Specific Bond has been taken out with Willis Group Limited and at the current level of known assets (£12,145.96) the cost was £81 and this has been paid.
Postage	51p first class To 7 July 2017 - £17.34 incurred but not paid Post 7 July 2017 – £55.20 (estimated)
Category 2 disbursements	
Business Mileage	Up to 45 pence per mile.
Photocopying	10 pence per sheet for circulars and other bulk copying. To 7 July 2017 - £6.70 incurred but not paid Post 7 July 2017 – £48.96 (estimated)
Meeting Room Hire	£120 for the initial creditors meeting, £60 for subsequent meetings.
Document Storage	£5 per bankers box per year.

The Liquidators' disbursements to 13 December 2018 amount to £148.13, of which £15.25 was incurred in the period since the Liquidators' last report, being 14 December 2017 to 13 December 2018. To date, the Liquidators have drawn £57.96 in respect of statutory advertising fees. The Liquidators' anticipate drawing the balance in the sum of £90.17 in due course.

Summary of Category 1 Disbursements Incurred by Hart Shaw LLP:

Classification of Expenses.	Description.	Total £	Period 14.12.17 to 13.12.18
Postage	In respect of circulars to members and creditors.	54.57	12.75
Advertising	Fees for placing the advertisement of the meeting of creditors in the London Gazette.	57.96	Nil
Total £		112.53	12.75

Summary of Category 2 Disbursements Incurred for services provided by Hart Shaw LLP:

Classification of Expenses.	Rate.	Total £	Period 14.12.17 to 13.12.18
Photocopying	10 pence per sheet for circulars and other bulk copying.	35.60	2.50
Mileage	Up to 40 pence per mile.	Nil	Nil
Document Storage	£5 per bankers box per year.	Nil	Nil
Total £		35.60	2.50

Category 1 disbursements do not require approval by creditors and are the costs of external suppliers for services specifically identifiable to the case. Category 2 disbursements do require approval from creditors and the details of the Category 2 disbursements charged by Hart Shaw LLP were provided at the time the Liquidators' fees were approved by creditors.

In addition to the above expenses and as previously reported, the Liquidators have paid £115.92 plus VAT to Stationery Office Limited in respect of advertising costs for advertising the winding up of the Company and the Liquidators' appointment in the London Gazette and £81.00 to Willis Limited in respect of the specific penalty bond premium.

In the period commencing 14 December 2017, the Liquidators have paid a further £66.00 to Willis Limited in respect of a specific penalty bond increase.

As mentioned earlier in this report, bank charges of £48.17 have been paid to Lloyds in respect of the Company bank account being kept open to allow book debts to be received and payments totalling £9,433.62 were paid to creditors direct from the Company's bank account.

No other costs have been incurred as at 13 December 2018, however further costs will be incurred in due course in relation to the Liquidators' time costs and disbursements.

It has not yet been necessary for the Joint Liquidators' to instruct any agents or professional advisors in this matter.

At the date of this report, the Liquidators' initial estimate of expenses and disbursements for the liquidation has been exceeded due to a specific bond increase due to the level of assets realised being more than anticipated. Therefore, the Liquidators consider that the initial estimate of expenses and disbursements is insufficient to complete their duties and, as a result, the revised estimate of expenses and disbursements is set out below.

Expense	Estimated Cost £
Statutory Advertising	3 Adverts at total cost of £173.88 plus VAT. This amount has been paid.
Specific Penalty Bond	A Specific Bond has been taken out with Willis Group Limited and at the current level of known assets (£45,324.27) the cost was £147 and this has been paid.
Postage	51p first class To 7 July 2017 - £17.34 incurred but not paid Post 7 July 2017 – £55.20 (estimated)
Category 2 disbursements	
Business Mileage	Up to 45 pence per mile.
Photocopying	10 pence per sheet for circulars and other bulk copying. To 7 July 2017 - £6.70 incurred but not paid Post 7 July 2017 – £48.96 (estimated)
Meeting Room Hire	£120 for the initial creditors meeting, £60 for subsequent meetings.
Document Storage	£5 per bankers box per year.

FURTHER INFORMATION

Pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, an unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

Pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, an unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

DIVIDENDS

Preferential Creditors

The assets of the Company are sufficient to allow preferential creditors to be paid in full and the Liquidators intend to declare a first and final dividend to preferential creditors in the period shortly following this report.

Unsecured Creditors

The assets of the Company may be sufficient to allow a distribution to be made to the unsecured creditors. The level of dividend is however dependent on the decision from the Financial Ombudsman Service and the final value of claims received from unsecured creditors.

As the Company did not create a floating charge on or after 15 September 2003, it will not be necessary for the Liquidators to consider whether, by virtue of Section 176A of the Insolvency Act 1986, as amended, the prescribed part shall be applied in this case. That is, where a floating charge, created on or after 15 September 2003, relates to property of a company that has gone into liquidation, the liquidator shall make a prescribed part of that company's net property available for the satisfaction of unsecured creditors. However, this shall not apply if the company's net property is less than the prescribed minimum of £10,000 and the liquidator thinks that the cost of making a distribution to unsecured creditors would be disproportionate to the benefits.

SUMMARY AND MATTERS STILL TO BE DEALT WITH

As mentioned earlier in this report, the Liquidators are awaiting a decision regarding the disputed amount of £7,840.50 from the Financial Ombudsman Service following Lloyds's refusal to refund the monies.

If the Liquidators are unable to finalise all matters prior to the next anniversary of the liquidation on 14 December 2019, then the Liquidators will provide a further progress report to creditors within 2 months of the anniversary.

Once the Liquidators are in a position to conclude the administration of this liquidation a final account will be prepared and sent to creditors.

Due to the ongoing matters, the Liquidators are uncertain at this time as to when the liquidation will be closed.

Should you have any queries regarding this matter please contact Mark Wharin on 0114 251 8850 or by email advice@hartshaw.co.uk.



Christopher J Brown
Joint Liquidator
15 January 2019

GZERO LIMITED - IN LIQUIDATION**RECEIPTS AND PAYMENTS ACCOUNT TO 13TH DECEMBER 2018**

	£	£	£
	Statement of	Period	Total as at
	Affairs as at	14.12.2017	13.12.2018
	14.12.2016	to 13.12.2018	
Receipts			
Plant & Machinery	Uncertain	Nil	Nil
Cash at Bank	1,145.96	1,146.06	1,146.06
Cheque held by Hart Shaw	11,000.00	0.00	11,000.00
Book Debts	N/A	9,194.76	9,194.76
Book Debts paid into Company Account	N/A	23,970.46	23,970.46
Bank Interest Gross of Tax	N/A	12.34	12.99
	<u>12,145.96</u>	<u>34,323.62</u>	<u>45,324.27</u>
Payments			
Specific Bond		66.00	147.00
Preparation of Statement of Affairs - Hart Shaw LLP		0.00	7,000.00
Liquidators Fee pre 7/07/17 - Hart Shaw LLP		10,668.90	10,668.90
Liquidators Fee post 7/07/17 - Hart Shaw LLP		8,900.00	8,900.00
Statutory Advertising - London Gazette		0.00	173.88
Bank Charges		48.17	48.17
Creditors paid from Company Bank Account		9,433.62	9,433.62
		<u>29,116.69</u>	<u>36,371.57</u>
VAT Receivable		-11.59	0.00
Balance at Bank		5,218.52	8,952.70
		<u>34,323.62</u>	<u>45,324.27</u>

Notes.

The basis of the office holder's remuneration is disclosed in the main body of the report.

The Company was registered for VAT. Receipts & Payments have been shown net of VAT and the relevant amount of VAT payable or receivable has either been accounted for or is shown above and will be accounted for in due course.

**HART SHAW CHARTERED ACCOUNTANTS.
BUSINESS RECOVERY & INSOLVENCY.**

Disclosure Of Charge Out Rates And Disbursements In Accordance With Statement Of Insolvency Practice 9 (SIP9).

From 1 June 2016.

Charge Out Rates For Staff Who May Be Involved With This Case.

Grade Of Staff.	Current Hourly Rate (excluding VAT)	Previous Hourly Rate (from 01/06/2015) (excluding VAT)
Partner.	£364 per hour.	£296 per hour.
Senior Administrator.	£270 per hour.	£240 per hour.
Semi-Senior Administrator	£187 per hour.	£165 per hour.
Junior Administrator.	£140 per hour.	£140 per hour.
Support Staff.	£88 per hour.	£85 per hour.

Time costs are calculated using 6 minute units.

Time spent by support and secretarial staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead of the firm. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Hart Shaw LLP; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and company search fees.

Category 2 expenses are incurred by Hart Shaw LLP and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered by Hart Shaw LLP:

Type.	Rate (excluding VAT)
Woskow Brown LLP, solicitors	Should this firm of solicitors be instructed then since Christopher Brown, a member in Hart Shaw LLP, is a close relative of members in Woskow Brown LLP then the payment of any fees to Woskow Brown will constitute a category 2 expense for which approval is required. Woskow Brown will apply their normal charge out basis and rates charged to their clients.
Photocopying.	10 pence per sheet, but only charged for circulars and other bulk copying.
Mileage.	Up to 45 pence per mile depending upon engine capacity.
Meeting Room Hire	£120 for the initial creditors meeting, £60 for subsequent meetings.
Document Storage.	£5 per bankers box per month.

**STATEMENT OF INSOLVENCY PRACTICE 9
(ENGLAND AND WALES)**

PAYMENTS TO INSOLVENCY OFFICE HOLDERS AND THEIR ASSOCIATES

INTRODUCTION

1. The particular nature of an insolvency office holder's position renders transparency and fairness of *primary importance in all their dealings*. Creditors and other interested parties¹ with a financial interest in the level of payments from an insolvent estate should be confident that the rules relating to approval and disclosure of fees and expenses have been properly complied with.
2. This statement applies to all forms of proceedings under the Insolvency Act 1986. Nothing within this SIP obligates a practitioner to provide a fee estimate where one is not required by statute.

PRINCIPLES

3. Payments to an office holder or their associates, and expenses incurred by an office holder, should be fair and reasonable reflections of the work necessarily and properly undertaken.
4. Those responsible for approving payments to an office holder or their associates should be provided with sufficient information to make an informed judgement about the reasonableness of the office holder's requests.
5. Information provided by an office holder should be presented in a manner which is transparent, consistent throughout the life of the case and useful to creditors and other interested parties, whilst being proportionate to the circumstances of the case.

KEY COMPLIANCE STANDARDS

PROVISIONS OF GENERAL APPLICATION

6. An office holder should disclose:
 - a) payments, remuneration and expenses arising from an insolvency appointment to the office holder or his or her associates;
 - b) any business or personal relationships with parties responsible for approving his or her remuneration or who provide services to the office holder in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.
7. An office holder should inform creditors and other interested parties of their rights under insolvency legislation. Creditors should be advised how they may access suitable information setting out their rights within the first communication with them and in each subsequent report. An insolvency practitioner is not precluded from providing information, including a fee estimate, within pre-appointment communications (such as when assisting directors in commencing an insolvency process).
8. Where an office holder sub-contracts out work that could otherwise be carried out by the office holder or his or her staff, this should be drawn to the attention of creditors with an explanation of why it is being done.
9. The key issues of concern to those who have a financial interest in the level of payments from the insolvency estate will commonly be:

¹ "other interested parties" means those parties with rights pursuant to the prevailing insolvency legislation to information about the office holder's receipts and payments. This may include a creditors' committee, the members (shareholders) of a company, or in personal insolvency, the debtor.

- a) the work the office holder anticipates will be done and why that work is necessary;
- b) the anticipated cost of that work, including any expenses expected to be incurred in connection with it;
- c) whether it is anticipated that the work will provide a financial benefit to creditors, and if so what anticipated benefit (or if the work provides no direct financial benefit, but is required by statute);
- d) the work actually done and why that work was necessary;
- e) the actual costs of the work, including any expenses incurred in connection with it, as against any estimate provided;
- f) whether the work has provided a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute);

When providing information about payments, fees and expenses to those with a financial interest in the level of payments from an insolvent estate, the office holder should do so in a way which facilitates clarity of understanding of these key issues. Narrative explanations should be provided to support any numerical information supplied. Such an approach allows creditors and other interested parties to better recognise the nature of an office holder's role and the work they intend to undertake, or have undertaken, in accordance with the key issues. Where it is practical to do so, the office holder should provide an indication of the likely return to creditors when seeking approval for the basis of their remuneration.

10. When approval for a fixed amount or a percentage basis is sought, the office holder should explain why the basis requested is expected to produce a fair and reasonable reflection of the work that the office holder anticipates will be undertaken.
11. When providing a fee estimate the office holder should supply that information in sufficient time to facilitate that body making an informed judgement about the reasonableness of the office holder's requests. Fee estimates should be based on all of the information available to the office holder at the time that the estimate is provided and may not be presented on the basis of alternative scenarios and/or provide a range of estimated charges.
12. Each part of an office holder's activities will require different levels of expertise, and therefore related cost. It will generally assist the understanding of creditors and other interested parties to divide the office holder's narrative explanations and any fee estimate provided into areas such as:
 - a) Administration (including statutory reporting);
 - b) Realisation of assets;
 - c) Creditors (claims and distribution);
 - d) Investigations;
 - e) Trading (where applicable);
 - f) Case specific matters (where applicable)

These are examples of common activities and not an exhaustive list. Alternative or further sub-divisions may be appropriate, depending on the nature and complexity of the case and the bases of remuneration sought and/or approved. It is unlikely that the same divisions will be appropriate in all cases and an office holder should consider what divisions are likely to be appropriate and proportionate in the circumstances of each case.

13. When providing a fee estimate of time to be spent, creditors and other interested parties may find a blended rate² (or rates) and total hours anticipated to be spent on each part of the anticipated work more easily understandable and comparable than detail covering each grade or person working on the case. The estimate should also clearly describe what activities are anticipated to be conducted in respect of the estimated fee. When subsequently reporting to creditors, the actual hours and average rate (or rates) of the costs charged for each part should be provided for comparison purposes.
14. Where remuneration is sought on more than one basis, it should be clearly stated to which part of the office holder's activities the basis relates. In all cases, an office holder should endeavour to use consistent divisions throughout the duration of the case. The use of additional categories or further division may become necessary where a task was not foreseen at the commencement of the appointment.

REPORTS TO CREDITORS AND OTHER INTERESTED PARTIES

15. Any disclosure by an office holder of payments, remuneration and expenses should be of assistance to those who have a financial interest in the level of payments from an insolvent estate in understanding what was done, why it was done, and how much it costs.
16. Irrespective of the basis or bases of remuneration approved, reports to creditors and interested parties should include a narrative update in respect of the office holder's activity during the period being reported upon, using consistent divisions for each part of the work reported upon, as far as possible.
17. When reporting the amount of remuneration charged or expenses incurred during a period, the office holder should use a consistent format throughout the life of the case and provide figures for both the period being reported upon and on a cumulative basis.
18. Requests for additional information about payments to an office holder or their associates, or about expenses incurred by an office holder, should be treated by an office holder in a fair and reasonable way. The provision of additional information should be proportionate to the circumstances of the case.

EXPENSES

19. Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or creditors. These may include, but are not limited to, legal and agents' fees, trading expenses and tax liabilities. When providing details of the expenses an office holder anticipates will, or are likely to be, incurred it is acceptable to provide a range, or repeat a range quoted by a third party (for instance for legal costs in litigation).

DISBURSEMENTS

20. Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and will fall into two categories; Category 1 and Category 2.
21. **Category 1 disbursements:** These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.
22. **Category 2 disbursements:** These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of cost, the basis on which the charge is being made. If an office holder has obtained approval for the basis of Category 2 disbursements, that basis may continue to be used in a sequential appointment where further approval of the basis of remuneration is not required, or where the office holder is replaced.

² "A blended rate" is calculated as the prospective average cost per hour for the case (or category of work in the case), based upon the estimated time to be expended by each grade of staff at their specific charge out rate.

23. The following are not permissible as disbursements:

- a) a charge calculated as a percentage of remuneration;
- b) an administration fee or charge additional to an office holder's remuneration;
- c) recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

PRE-APPOINTMENT COSTS

25. Where recovery of pre-appointment cost is expressly permitted and approval is sought for the payment of outstanding costs from the estate, disclosure should follow the principles and standards contained in this statement. Disclosure should also be made of amounts already paid to the office holder in respect of pre-appointment costs, giving the amounts paid, the name of the payor and its relationship to the estate and the nature of the payment.

PAYMENTS TO ASSOCIATES

- 26. Where services are provided from within the practice or by a party with whom the practice, or an individual within the practice, has a business or personal relationship, an office holder should take particular care to ensure that the best value and service is being provided. An office holder should also have regard to relationships where the practice is held out to be part of a national or international network.
- 27. Payments that could reasonably be perceived as presenting a threat to the office holder's objectivity by virtue of a professional or personal relationship should not be made unless disclosed and approved in the same manner as an office holder's remuneration or category 2 disbursements.

PROVISION OF INFORMATION TO SUCCESSIVE OFFICE HOLDERS

- 28. When an office holder's appointment is followed by the appointment of another insolvency practitioner, whether or not in the same proceedings, the prior office holder should provide the successor with information in accordance with the principles and standards contained in this statement.

PROVISION OF INFORMATION

- 29. In order to facilitate information requests under statute or to support the reporting of remuneration, time recording systems used by insolvency practitioners should record time units of not greater than 6 minutes for each grade of staff used.
- 30. Where realisations are sufficient for payment of creditors in full with interest, the creditors will not have the principal financial interest in the level of remuneration. An office holder should provide the beneficiaries of the anticipated surplus, on request, with information in accordance with the principles and standards contained in this statement.

Effective Date: 01 December 2015