

LIQ03

Notice of progress report in voluntary
winding up



Companies House

FRIDAY



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22/03/2019

#97

COMPANIES HOUSE

1 Company details

Company number 0 6 7 0 9 3 9 3

Company name in full UNITY PLUS LIMITED

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

2 Liquidator's name

Full forename(s) TINA

Surname BULLOCK

3 Liquidator's address

Building name/number 85/87

Street HIGH STREET WEST

Post town GLOSSOP

County/Region DERBYSHIRE

Postcode S K 1 3 8 A Z

Country UK

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.

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6 Period of progress report

From date	^d 0	^d 6	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8
To date	^d 0	^d 5	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9

7 Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature

Signature

X *J Bullard*

X

Signature date

^d 2	^d 0	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9
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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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



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

CVL511A

Liquidator's Annual Progress Report to Creditors & Members

UNITY PLUS LIMITED - In Liquidation

20TH MARCH 2019

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UNITY PLUS LIMITED - IN LIQUIDATION

1. Introduction and Statutory Information

- 1.1 I, Tina Bullock of Crossfields, 85/87 High Street West, Glossop, Derbyshire, SK13 8AZ, was appointed as Liquidator of Unity Plus Limited (the **Company**) on 6th March 2017. This progress report covers the period from 6th March 2018 to 5th March 2019 (**the Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 Information about the way that we will use and store personal data on insolvency appointments, can be found in the attached Privacy Notice.
- 1.3 The Company ceased to trade in November 2011.
- 1.4 The registered office of the Company has been changed to 85/87 High Street West, Glossop, Derbyshire, SK13 8AZ and its registered number is 6709393.

2. Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Liquidator and her staff.
- 2.2 At Appendix A is my Receipts and Payments Account for the Period and a cumulative Receipts and Payments Account for the period from the date of my appointment as Liquidator to the end of the Period

Administration (including statutory compliance & reporting)

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees estimate/information.
- 2.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations or , in this case, disputed creditors' claims, which have in turn placed a further statutory reporting requirement on the Liquidator.
- 2.5 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

2.6 Financial Investment

- 2.7 You may recall that the Statement of Affairs showed an estimated value of the Financial Investment to be £304,000. However, this did not take into account withdrawals, totalling £90,000 being made from the investment, by the directors before liquidation. The true value of the investment at the time of liquidation was circa £214,000, which was confirmed by the Investment Managers on 3 May 2017 as £213,940.29
- 2.8 In December 2017, the Investment Managers arranged for a sum of £10,000.29 to be transferred out of the investment into the liquidation bank account, for the purpose of paying liquidation costs. The current value of the investment (as at 31 December 2018) amounts to £202,439.37
- 2.9 **Cash at Bank**
- 2.10 Per the Statement of Affairs, the balance in the Company's NatWest Bank was estimated to be £15,500. The total actual monies realised amounts to £15,359.38

UNITY PLUS LIMITED - IN LIQUIDATION

- 2.11 It is considered that the work the Liquidator and her staff have undertaken to date, and the assets realisable in the liquidation, will bring a financial benefit to creditors

Creditors (claims and distributions)

- 2.12 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors, but also those of any secured and preferential creditors of the Company.

- 2.13 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims

- 2.14 I consider the following matters worth noting in my report to creditors at this stage:

- Per the directors' statement of affairs, there were six unsecured creditor claims in this case with a value of £1,382,481.42, which included a claim from HMRC of £1,021,689.56 in respect of Accelerated Payment Notices (APNs).
- During the course of the liquidation, HMRC have issued a further claim of £152,063.26 in relation to interest on the APNs up to the date of liquidation.
- Discussions are currently underway with HMRC to finalise all liabilities the Company may have with HMRC to include but not limited to any liability incurred in relation to previous EBT/EFRB planning schemes.
- Once agreement has been reached with HMRC as to their claim, this should then enable a dividend to be made to the body of the creditors of the liquidation.

Investigations

- 2.15 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.

- 2.16 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.

- 2.17 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account any information provided by creditors. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors

Matters still to be dealt with

- 2.18 It should be noted that the HMRC's total claim of £1,173,752.82 has not been formally agreed, due to the questionable nature of the claim. Accordingly, no dividend has yet been declared, as this would prejudice the other creditors.

- 2.19 As noted above, discussions are currently underway with HMRC to finalise all liabilities the Company may have with HMRC to include but not limited to any liability incurred in relation to previous EBT/EFRB planning schemes.

UNITY PLUS LIMITED - IN LIQUIDATION

- 2.20 Once agreement has been reached with HMRC as to their claim, this should then enable a dividend to be made to the body of the creditors of the liquidation
- 2.21 In the meantime, the case is being kept open and will be reviewed periodically as further information becomes available.

3. Creditors

3.1 Unsecured Creditors

- 3.2 I have received claims totalling £1,534,004.82 from five creditors to date. I have yet to receive a formal claim from one creditor whose debt totals £541.92 as per the Company's statement of affairs.
- 3.3 The Company has sufficient realisable assets to enable a dividend to be paid to unsecured creditors but, for the reasons outlined above, no dividend will be declared until the HMRC's claim is properly determined.

4. Liquidator's Remuneration

- 4.1 The Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to time properly spent by me and my staff in managing the liquidation, for the first 12 months of the liquidation. My fees estimate/information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.
- 4.2 On the first anniversary of the liquidation, the Creditors approved a revision to the original estimate. The revised estimate was based on the time already spent on the case and a provision for general administration of the case for a further 12 month period.
- 4.3 A copy of that estimate is reproduced below

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	38.25	189.59	7,251.82
Realisation of assets	0.50	245.00	122.50
Creditors (claims & distributions)	8.84	222.99	1,971.24
Investigations	4.75	284.74	1,352.50
Case specific matters – dealing with HMRC	7.00	260.00	1,820.00
Total estimated fees			£12,518.06

- 4.4 My time costs for the Period are £13,277.71. This represents 39.82 hours at an average rate of £333.44 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period.
- 4.5 Also attached at Appendix B is a cumulative Time Analysis for the period from 6 March 2017 to 5 March 2019 which provides details of my time costs since my appointment. The cumulative time costs incurred to date are £20,828.27. This represents 75.66 hours at an average rate of £275.29 per hour. To date, £5,000 has been drawn on account.
- 4.6 I now consider that the revised fee estimate I provided on the first anniversary for the liquidation, which included a provision for general administration of the case for a further 12 month period, is insufficient to complete my duties, as a result of the following:
- The liquidation is to continue beyond the second year, due to outstanding matters with regard to the claim from HMRC in the liquidation yet to be concluded;

UNITY PLUS LIMITED - IN LIQUIDATION

- The additional time that has been incurred during the Period and not originally foreseen or budgeted for, in dealing with the Directors' Accountants and their Tax Consultant, who approached me with regard to reaching a potential settlement with HMRC regarding HMRC's claim in the liquidation.
- Liaising at length with the Accountants, the Tax Consultant, the Directors and the other creditors, and reviewing and assessing the implications to all parties in dealing with HMRC with a view to a settlement;
- Reviewing the position at length and seeking legal advice of the implications for the liquidator and seeking how best to achieve a favourable outcome for the body of creditors in the liquidation,
- Liaising further with the Tax Consultant and Accountants, who are advising the Directors, and, ultimately, agreeing terms of business restricting the engagement of the Tax Consultant to approach HMRC for the purpose of agreeing a finalised liability only
- Accordingly, my obligations in relation to the administration of this case will continue until the outstanding matters have been resolved and a distribution can be made in the liquidation to the creditors generally.

4.7 As a result of this additional work required, which was not previously budgeted for, my revised fees estimate is set out below and I am seeking approval by correspondence from the creditors to increase this estimate. Further details can be found on the letter issued to creditors with this report.

4.8 Liquidator's Revised Fee Estimate

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	58.99	204.41	12,057.87
Realisation of assets	2.00	332.50	665.00
Creditors (claims & distributions)	11.84	245.04	2,901.24
Investigations	4.75	284.74	1,352.50
Case specific matters – dealing with HMRC	33.08	381.25	12,611.66
Total estimated fees			£29,588.27

4.9 The revised estimate is based on the time already spent on the case and a provision for administration of the case for a further 12 month period, as set out on Appendix C.

4.10 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Oct_2015.pdf

4.11 Attached at Appendix D is additional information in relation to the Liquidator's fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5. Creditors' Rights

5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about her remuneration or expenses which have been itemised in this progress report.

UNITY PLUS LIMITED - IN LIQUIDATION

- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

6. Next Report

- 6.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.
- 6.2 If you have any queries in relation to the content of this report, I can be contacted by telephone on 01457 868927 or by email at tina@crossfieldsltd.co.uk.

Yours faithfully



Tina Bullock
Liquidator

UNITY PLUS LIMITED - IN LIQUIDATION

Appendix A

Receipts and Payments Account for the Period from 6th March 2017 to 5th March 2019

	<u>Estimated to realise per SOA</u>	<u>For the Period</u>	<u>TO DATE</u>
<u>Income:-</u>	£	£	£
Cash at Bank	15,500	0	15,359
(see note 1 below) Investment Monies	304,000	0	10,000
Gross Bank Interest		4	7
	-----	-----	-----
	319,500	4	25,366
	=====	-----	
<u>Expenditure:-</u>			
Pre-liquidation costs (£5,000 + VAT)		0	6,000
Bond fees		0	1,040
Statutory Adverts		0	396
Disbursements		0	359
Professional fees re tax advice		7,428	7,428
Liquidator's fees		5,000	5,000
VAT on Liquidator's fees		1,000	1,000
Online access fee		12	12
		-----	-----
		13,440	21,235
		-----	-----
Balance		(13,436)	4,131
		=====	=====
<u>Balance is made up as follows:-</u>			
Balance at bank			4,131
			=====

Note 1

Investment Funds, yet to be realised, are currently valued at £202,439. The SOA amount of £304,000 was erroneously overstated by £90,000, as these funds were realised pre-liquidation

UNITY PLUS LIMITED - IN LIQUIDATION

Appendix B

Time Analysis for the period 6th March 2018 to 5th March 2019

	Partner	Manager	Admin Staff	Cashier	Total
Administration & Planning	2.25	3.08	6.50	0.91	12.74
Realisation of assets					
Creditors					
Investigations					
Special matters re HMRC	27.08				27.08
	-----	-----	-----	-----	-----
Total hours	29.33	3.08	6.50	0.91	39.82
Total costs £	11,549.83	786.66	844.55	96.67	13,277.71
	-----	-----	-----	-----	-----
Average rate £ per hour	393.79	255.41	129.93	106.23	333.44

Cumulative Time Analysis for the period 6th March 2017 to 5th March 2019

	Partner	Manager	Admin Staff	Cashier	Total
Administration & Planning	9.41	8.00	21.50	2.08	40.99
Realisation of assets					
Creditors	1.50	0.67	0.67		2.84
Investigations	3.83		0.92		4.75
Special matters re HMRC	27.08				27.08
	-----	-----	-----	-----	-----
Total hours	41.82	8.67	23.09	2.08	75.66
Total costs £	15,786.24	2,060.82	2,777.04	204.17	20,828.27
	-----	-----	-----	-----	-----
Average rate £ per hour	379.48	237.70	120.27	98.16	275.29

UNITY PLUS LIMITED - IN LIQUIDATION

Appendix D

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

1. Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case

2. Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Moore Stephens (company's accountants)	Hourly rate and disbursements
Mitten Clarke (directors' accountants)	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3. Liquidator's Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Expense	Estimated cost
Statutory advertising	500
Specific penalty bond	1,040
Category 2 disbursements charged by the firm:	
Postage, Stationary etc	228
Business mileage	53

Current position of Liquidator's expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below

3.3

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Professional fees		7,428		7,428
Specific penalty bond	1,040			1,040
Statutory advertising	396			396
Courier fee	78			78
Online access fee		12		12
Category 2 disbursements				
Postage, printing etc	228			228
Business mileage	53			53

3.4 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

3.5 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4. Charge-Out Rates

4.1 Crossfields' current charge-out rates effective from 30 July 2018 are detailed below. Please note this firm records its time in minimum units of 5 minutes

	(Per hour) £
Partner	£395 per hour
Manager	£270 per hour
Administrator	£135 per hour
Cashier	£110 per hour
Secretarial	£ 85 per hour
Support Staff	£ 85 per hour
Specialised Services	£230 per hour