

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

TUESDAY



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07/04/2020

#130

COMPANIES HOUSE

### 1 Company details

Company number 0 6 7 5 1 2 9 8

Company name in full Adviser Breakthrough Marketing Solutions Ltd

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

### 2 Liquidator's name

Full forename(s) Jonathan David

Surname Bass

### 3 Liquidator's address

Building name/number Lynton House

Street 7-12 Tavistock Square

Post town

County/Region London

Postcode WC 1 H 9 L T

Country

### 4 Liquidator's name ●

Full forename(s) Freddy

Surname Khalastchi

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

### 5 Liquidator's address ●

Building name/number Lynton House

Street 7-12 Tavistock Square

Post town

County/Region London

Postcode WC 1 H 9 L T

Country

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

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**6** Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
To date	<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup> 3	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
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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 **Gareth Cummings**

Company name **Menzies LLP**

Address  
**2 Sovereign Quay**  
**Havannah Street**

Post town **Cardiff**

County/Region

Postcode 

C	F	1	0	5	S	F
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Country

DX

Telephone **029 2049 5444**



**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

**Adviser Breakthrough Marketing Solutions Ltd  
(In Liquidation)  
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 28/02/2019 To 27/02/2020 £	From 28/02/2019 To 27/02/2020 £
	<b>ASSET REALISATIONS</b>	
	Bank Interest Gross	0.36
8,100.00	Book Debts	1,620.00
4,056.60	Cash at Bank	4,051.10
Uncertain	Furniture, Fittings & Equipment	NIL
Uncertain	Goodwill	NIL
		<u>5,671.46</u>
	<b>COST OF REALISATIONS</b>	
	Preparation of S. of A.	3,918.33
		<u>(3,918.33)</u>
	<b>PREFERENTIAL CREDITORS</b>	
(16,246.78)	Employee Arrears/Hol Pay	NIL
		<u>NIL</u>
	<b>UNSECURED CREDITORS</b>	
(93,191.68)	Employees - RED & PILN	NIL
(75,073.89)	HM Revenue & Customs (CT, VAT &	NIL
(67,361.83)	Trade & Expense Creditors	NIL
		<u>NIL</u>
	<b>DISTRIBUTIONS</b>	
(1,000.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<b>(240,717.58)</b>		<u><b>1,753.13</b></u>
	<b>REPRESENTED BY</b>	
	Barclays Bank (IB)	1,636.13
	Vat Control Account	117.00
		<u><b>1,753.13</b></u>

**Note:**

All items detailed on the receipts and payments account are shown net of VAT as the Company was VAT registered and VAT has therefore been recovered for the benefit of the liquidation estate.

**ADVISER BREAKTHROUGH MARKETING SOLUTIONS LTD - IN CREDITORS' VOLUNTARY  
LIQUIDATION**

**JOINT LIQUIDATORS' PROGRESS REPORT PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT  
1986 AND RULE 18.2 OF THE INSOLVENCY (ENGLAND & WALES) RULES 2016**

**FOR THE PERIOD 28 FEBRUARY 2019 TO 27 FEBRUARY 2020**

**DATED 30 MARCH 2020**

## **ADVISER BREAKTHROUGH MARKETING SOLUTIONS LTD - IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")**

### **ANNUAL PROGRESS REPORT**

#### **CONTENTS**

1. Introduction and executive summary
2. Asset realisations
3. Investigations
4. Pre-appointment fees
5. Joint Liquidators' remuneration
6. Joint Liquidators' expenses and disbursements
7. Creditors' claims and outcome for creditors
8. Creditors' rights to further information and to challenge liquidators' remuneration and expenses
9. Data protection notice
10. Concluding remarks

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1. Statutory information
2. Joint Liquidators' receipts and payments account
3. Joint Liquidators' analysis of time costs
- 3a. Joint Liquidators' narrative to time costs incurred
- 3b. Joint Liquidators' comparison of original fee estimate and actual time costs incurred
4. Menzies LLP disbursements recovery policy

## 1. INTRODUCTION AND EXECUTIVE SUMMARY

I was appointed Joint Liquidator of the Company on 28 February 2019. I now present my progress report for the first year of the liquidation, pursuant to Section 104A of the Insolvency Act 1986 ("the Act") and Rule 18.2 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

The Company's statutory information is attached at Appendix 1 of this report.

### *Executive summary*

At the date of my appointment the company had ceased trading and accordingly I took steps to realise the remaining assets with a view to distributing the funds to creditors, after costs, in the prescribed order of priority.

To date, realisations total £5,671.46 from cash at bank, book debts and bank interest. The Company's goodwill, furniture, fittings and equipment have proved to be unrealisable for the reasons specified below in section 2.

As Liquidator, I was also obliged to investigate the Company's affairs and I have complied with my obligations to submit a report to the Insolvency Service on the conduct of the directors. No matters have come to light warranting further investigation.

At the outset it was anticipated I would not be in a position to declare a dividend to any class of creditor and this continues to be the case.

I attach at Appendix 2 a receipts and payments account for the period ended 27 February 2020. Details of progress during the period are set out in sections 2 and 3 below.

## 2. ASSET REALISATIONS

The statement of affairs of the Company detailed the assets as goodwill and furniture, fittings and equipment with an estimated to realise figure of uncertain and estimated to realise figures for book debts of £8,100 and cash at bank of £4,056.60.

### *Goodwill*

The Company's accounts as at year ending 30 September 2017 included goodwill of £47,909. The goodwill built up in the business was predominantly the Company's order book and the relationship with their clients. As the Company could not continue to trade, and the change in legislation, any goodwill became obsolete. Furthermore, due to the GDPR regulations, the order book could not be sold. Therefore, there will be no realisations in respect of goodwill.

### *Furniture, fittings and equipment*

The director has provided full details of the IT equipment and specifications of the printers. From these details my agents, Williams & Partners provided a desktop valuation of the assets and due to the age of the equipment, no realisable value was attributed to them and the data was cleansed from the IT equipment and they were disposed of. There will be no realisations in respect of furniture, fittings and equipment.

### *Book debts*

As advised, the statement of affairs details book debts with a book value of £11,394 and an estimated to realise figure of £8,100. During the reporting period, I have received a debtor totalling £1,620 which was held by the former director pending my appointment. I am reviewing the Company records to establish what further book debt recoveries can be made.

### *Cash at bank*

The Company held a current account with HSBC Bank Plc ("the Bank"). As at the date of liquidation, it was estimated that there was a balance of £4,056.60.

Following my appointment, I requested these funds and eventually, on 18 June 2019 the amount of £4,051.10 was received via electronic transfer.

## *Bank interest gross*

The only other asset realisation in the reporting period has been gross bank interest in the sum of 0.36p which had accrued on the account held for the purposes of the liquidation.

### **3. INVESTIGATIONS**

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking into account potential recoveries and potential costs involved.

The Company's books and records were recovered, listed and analysed and initial enquiries were made in order to ascertain whether there were any potential asset recoveries that required further action.

There were no matters that justified further investigation in the circumstances of this appointment.

I have complied with my obligations pursuant to the Company Directors Disqualification Act 1986, to submit a report to the Insolvency Service on the conduct of the directors. The contents of this report remain confidential.

### **4. PRE-APPOINTMENT FEES**

The creditors previously authorised the payment of a fixed fee of £5,000 plus VAT to Menzies LLP for assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a Liquidator.

The fee for preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator were part paid by the Company, in the value of £1,081.67.

The remaining balance was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

### **5. JOINT LIQUIDATORS' REMUNERATION**

At a virtual meeting of creditors held on 28 February 2019, it was resolved that my remuneration be fixed by reference to time properly spent by myself and my staff in attending to matters arising in the liquidation as set out in the fees estimate of £16,215. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.

My total time costs for the period amount to £18,781.50, made up of 85.10 hours at an average charge out rate of £220.70 per hour. I attach at Appendix 3 a breakdown of these time costs by work category and staff grade. I have not drawn any remuneration during this period.

Given the size and technical nature of the liquidation, much of the work described in the sections above was undertaken by a manager and an administrator. Additional assistance was provided by cashiers dealing with banking and statutory duties, and administrators offering various support services. All time spent on administering various duties was charged directly to the case in 6 minute units.

A narrative explanation of work done during the period since my last progress report is set out at Appendix 3a.

As at 27 February 2020, the total time costs that I have incurred in the liquidation have exceeded the total estimated remuneration which was set out in my fees estimate, when my remuneration was authorised by the creditors. Please see Appendix 3b which details the actual time costs incurred as



compared to the fee estimate provided to creditors in my report dated 25 February 2019. As you will see, the time costs incurred was exceeded by an amount of £2,566.50.

The reasons for exceeding the fee estimate have been dealing with the general administration of the case and also dealing with creditor related matters such as dealing with former employee queries and assisting them in the process of claiming statutory payments from The Redundancy Payments Service ("RPS") and corresponding with the Company's pension provider in respect of unpaid pension contributions.

Currently I do not intend to draw remuneration in excess of the fees estimate and so will not be seeking a decision to increase my fees estimate.

An explanatory note "A Creditors' Guide to Liquidators' Fees" can be found on the following link - <https://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>. Alternatively, it is available free of charge by contacting Menzies LLP. Please note that there are different versions and you should refer to the version for appointments after September 2015.

## 6. JOINT LIQUIDATORS' EXPENSES

Expenses are amounts payable by the officeholder from the liquidation estate, which are not the officeholder's remuneration or a distribution to creditors. These include disbursements, which are met by and recharged to an officeholder in connection with an appointment.

Please see the receipts and payments account detailed at Appendix 2, which shows the payments made from the estate during the liquidation.

I have incurred total expenses of £279.07 during this period, as detailed in the table below. I have not been able to draw any expenses in the matter.

The total expenses incurred and paid to 27 February 2020 is therefore £279.07.

Type of expense	Original estimate (£)	Incurred in the period (£)	Total incurred (£)	Paid in Period (£)	Total Paid (£)	Remains outstanding (£)
Agents/valuers fees	1,000.00	Nil	Nil	Nil	Nil	Nil
<b>Joint Liquidators' disbursements</b>						
Statutory advertising	166.00	249.07	249.07	249.07	249.07	Nil
Specific penalty bond	20.00	30.00	30.00	30.00	30.00	Nil
Storage costs	500.00	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>1,686.00</b>	<b>279.07</b>	<b>279.07</b>	<b>279.07</b>	<b>279.07</b>	<b>Nil</b>

### Professional advisors

I have used the following agents or professional advisors in the reporting period:

Professional advisor	Nature of work	Basis of fees
Williams & Partners Ltd	Valuers	No fee
Courts Advertising Ltd	Statutory advertising	Fixed fee
Marsh Ltd	Specific penalty bond	Fixed fee

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

Williams & Partners Ltd were instructed to assist in providing a valuation of the Company's assets. Due to the nature of the assets, the original agents cost envisaged was not incurred.

## *Joint Liquidators' disbursements*

In relation to disbursements, where my firm has incurred a cost that is directly referable to this matter and the payment was made to a third party, these costs have been or will be reimbursed, subject to sufficient funds being available in the estate. I have incurred disbursements totalling £279.07 during this period (included in the expenses table above), which have been paid by my firm.

An amount of £30 was paid in respect of the specific penalty bond required by the Insolvency legislation, based on the level of assets in the estate.

An amount of £249.07 was incurred in respect of statutory advertising requirements.

No storage costs have been incurred as no physical files are held as I am in possession of the Company's sage records.

No disbursements have or will be claimed which, while directly referable to this matter, did not involve a payment to a third party. Neither will any cost be reimbursed which included an element of shared or allocated cost (e.g. photocopying).

A statement with regard to my disbursements recovery policy is attached at Appendix 4.

Please see table above showing the actual expenses incurred as compared to the expenses previously estimated.

As at 27 February 2020 I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

## **7. CREDITORS' CLAIMS AND OUTCOME FOR CREDITORS**

### *Secured creditor*

There are no charges registered against the Company. Accordingly, there are no known secured creditors.

The legislation requires that if the Company has created a floating charge on or after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

### *Preferential creditors*

The statement of affairs anticipated £16,246.78 in respect of preferential creditors. There are currently insufficient funds to enable a dividend to be paid to the preferential creditors.

I am also aware that there are unpaid pension contributions and I am liaising with the Company's former pension provider to enable them to claim the unpaid contributions from the RPS.

### *Unsecured (ie non-preferential) creditors*

The statement of affairs included 93 unsecured creditors, which included trade and expense creditors, HMRC and former employees, with an estimated total liability of £235,627.40. I have received claims from 11 creditors at a total of £28,026.06. I have not received claims from 54 creditors with a statement of affairs value of £135,520.29.

There are currently insufficient funds to enable a dividend to be paid to the unsecured creditors.

## 8. CREDITORS' RIGHTS TO FURTHER INFORMATION AND TO CHALLENGE LIQUIDATORS' REMUNERATION AND EXPENSES

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at:

<http://www.creditorinsolvencyguide.co.uk/>.

A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, is available at the link <http://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>. Please refer to the version for appointments after September 2015.

### *Creditors' right to request information*

Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with rule 18.9(2) of the Rules, such a request or application for leave must be made within 21 days of receipt of this report.

### *Creditors' right to challenge remuneration and/or expenses*

Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 18.36(4) or 18.37(4) of the Rules. In accordance with rule 18.34(3) such applications must be made within eight weeks of receipt of this report.

## 9. DATA PROTECTION NOTICE


The Joint Liquidators are data controllers of personal data as defined by the relevant provisions of the applicable data protection legislation. Menzies LLP will act as a data processor on their instructions. Personal data will be kept secure and processed only for matters relating to the insolvency appointment. Full details of our privacy notice is at the following link: <https://www.menzies.co.uk/legal/>.

## 10. CONCLUDING REMARKS

The liquidation will remain open until I have resolved the unpaid pension contributions matter and finalised the book debt collections. I estimate that this will take approximately three to six months and once resolved, I will be in a position to conclude the liquidation.

I will report again on the progress of the liquidation after the next anniversary of the liquidation or in the draft final account, whichever is earlier.

Should you require further information, or if you want hard copies of any of the documents made available on-line, please contact my colleague Gareth Cummings by email at [GCummings@menzies.co.uk](mailto:GCummings@menzies.co.uk), or by phone on +44 (0)29 2067 4995.



Jonathan David Bass  
Joint Liquidator

## APPENDIX 1

### STATUTORY INFORMATION

Company name:	Adviser Breakthrough Marketing Solutions Ltd
Company number:	06751298
Registered office:	Lynton House 7-12 Tavistock Square London WC1H 9LT
Former registered office:	5 Chevron Business Park Limekiln Lane Holbury Southampton SO45 2QL
Former trading address:	5 Chevron Business Park Limekiln Lane Holbury Southampton SO45 2QL
Principal trading activity:	Business consultancy
Joint Liquidators' names:	Jonathan David Bass and Freddy Khalastchi
Joint Liquidators' address:	Lynton House 7-12 Tavistock Square London WC1H 9LT
Date of appointment:	28 February 2019
Contact details of Joint Liquidators:	Gareth Cummings on +44 (0)29 2067 4995 or at GCummings@menzies.co.uk
Details of any changes of Liquidator:	There have been no changes of Liquidator during the winding up.

**Appendix 2**  
**Adviser Breakthrough Marketing Solutions Ltd**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

<b>Statement of Affairs</b>		<b>From 28/02/2019 To 27/02/2020</b>	<b>From 28/02/2019 To 27/02/2020</b>
	<b>ASSET REALISATIONS</b>		
Uncertain	Goodwill	NIL	NIL
Uncertain	Furniture, Fittings & Equipment	NIL	NIL
8,100.00	Book Debts	1,620.00	1,620.00
4,056.60	Cash at Bank	4,051.10	4,051.10
	Bank Interest Gross	0.36	0.36
		<u>5,671.46</u>	<u>5,671.46</u>
	<b>COST OF REALISATIONS</b>		
	Preparation of S. of A.	3,918.33	3,918.33
		<u>(3,918.33)</u>	<u>(3,918.33)</u>
	<b>PREFERENTIAL CREDITORS</b>		
(16,246.78)	Employee Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>UNSECURED CREDITORS</b>		
(67,361.83)	Trade & Expense Creditors	NIL	NIL
(93,191.68)	Employees - RED & PILN	NIL	NIL
(75,073.89)	HM Revenue & Customs (CT, VAT &	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(240,717.58)</b>		<b><u>1,753.13</u></b>	<b><u>1,753.13</u></b>
	<b>REPRESENTED BY</b>		
	Barclays Bank (IB)		1,636.13
	Vat Control Account		117.00
			<u><b>1,753.13</b></u>

**Note:**

All items detailed on the receipts and payments account are shown net of VAT as the Company was VAT registered and VAT has therefore been recovered for the benefit of the liquidation estate.

# Adviser Breakthrough Marketing Solutions Ltd - In Creditors' Voluntary Liquidation

## Appendix 3

Time charge out summary for the period from 28 February 2019 to 27 February 2020

### HOURS

Classification of work function	Partner/Director	Manager	Senior	Administrator	Support	Total Hours	Time Costs	Average Hourly Rate
							£	£
Admin and Planning	4.80	5.80	4.20	16.00	2.90	33.70	7,803.00	231.54
Investigations	0.10	0.00	0.00	8.30	0.50	8.90	1,758.00	197.53
Realisation of Assets	0.50	0.00	2.20	4.80	0.00	7.50	1,690.50	225.40
Creditors	0.70	6.50	2.30	24.70	0.80	35.00	7,530.00	215.14
Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	6.10	12.30	8.70	53.80	4.20	85.10		
<b>Total Costs</b>	2,626.50	3,270.00	2,001.00	10,483.50	400.50		18,781.50	

### CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS

From 1 October 2019 1 Oct 2018 to 30 Sept 2019

	£ per hour	£ per hour
Partner/Director	400-525	375-505
Manager	260-350	250-345
Senior	230-250	215-240
Administrator	100-205	80-200
Support Staff	100-135	95-100

**Note 1** There may have been a number of promotions through the various grades during the period of the administration.

**Note 2** Overhead costs are reflected in the charge out rates detailed.

**Note 3** The charge-out rate of the Insolvency Practitioners for this assignment is currently £525 and £465 per hour, and the administrator is £230 per hour.

**Note 4** Time is recorded in minimum units of 6 minutes.

## APPENDIX 3A

### NARRATIVE OF WORK UNDERTAKEN IN THE PERIOD FROM 28 FEBRUARY 2019 TO 27 FEBRUARY 2020

A description of the work undertaken since my appointment as Joint Liquidator is as follows:

#### 1 Administration and planning

There are certain aspects of the case that are required by statute and for the efficient running of the case. They are not expected to provide a direct quantifiable benefit to creditors; however, without them, other aspects of the case which do provide a quantifiable benefit to creditors would be less efficient.

They include the maintenance of physical case files and electronic case management information, periodic review of files, strategic case planning and the routine administration of the case and preparation of documentation and reports, dealing with correspondence and statutory advertising.

Specifically time has been spent on reporting matters by the completion of formalities of the appointment, including statutory notifications to the Registrar of Companies, HM Revenue & Customs, banks and credit institutions, creditors, shareholders, employees, directors and the Pension Protection Fund, The Pensions Regulator and trustee of the pension scheme.

Cashiering matters during the reporting period include setting up an estate bank account, arranging the specific penalty bonding, lodging receipts, preparing and processing invoices for payments, reconciling the bank account and producing the receipts and payments account.

#### 2 Asset realisations

Net asset realisations provide the financial benefit to creditors and their quantum directly contributes to any dividend ultimately available to creditors.

Time has been spent corresponding with the Bank to remit the credit balance held in the former trading Account to the estate account held for the purposes of the liquidation.

Further time was spent sending letters to debtors requesting payment be made to the liquidation estate and corresponding with the former director providing bank details to pay over the debtor receipt held on trust prior to my appointment.

A small amount of time was spent corresponding with interested parties wishing to purchase the customer book.

Time was also spent liaising with my agent regarding the valuation of the Company's assets and IT Equipment and arranging the data cleansing of the equipment prior to disposal.

#### 3 Investigations

Complying with statutory requirements will not necessarily produce a financial benefit to creditors but may identify potential avenues which could lead to a recovery for the benefit of creditors.

##### *Company Books and Records*

It is a statutory obligation of the officeholder to ensure that the books and records of the company are secured.

Time spent during the period included recovering and listing the records and arranging appropriate storage. Reviewing the relevant records to ensure that they were complete and all material assets identified, to assist in preparation of a report on the directors' conduct and to identify any legal actions to pursue to increase asset realisations.

## *Directors' conduct report*

It is a statutory requirement that the office holder prepares a report on the conduct of each person who was a director of the company within the three years prior to the failure of the company.

Work undertaken includes the time spent in reviewing the company records to identify possible breaches of the legislation and considering any concerns raised by creditors.

## **4 Creditors (claims and distribution)**

Time spent in this category included dealing with routine correspondence and queries and taking telephone calls from creditors, maintaining creditor information on the electronic case management files as well as the physical case files.

### *Preferential creditors*

In this particular case, there were 20 former employees who had preferential claims and time has been spent in obtaining information about their claims, completing documentation for submission to the Redundancy Payments Office and corresponding with employees regarding their claims.

Time has also been spent liaising with the Company's former pension provider regarding unpaid pension contributions and the assisting them to enable a claim to be made to the RPS.



**Adviser Breakthrough Marketing Solutions Ltd - In Creditors' Voluntary Liquidation**

**Appendix 3b - Fee estimate comparison against time costs incurred**

Classification of work function	Fee Estimate			Actual - 28.02.2019 - 27.02.2020		
	Total Hours	Blended Hourly Rate £	Total Time Costs £	Total Hours	Blended Hourly Rate £	Total Time Costs £
<b>Administration</b>	22.50	229.44	5,162.50	33.70	231.54	7,803.00
<b>Asset realisation</b>	16.00	258.75	4,140.00	7.50	225.40	1,690.50
<b>Creditors (claims and distribution)</b>	14.00	237.86	3,330.00	35.00	215.14	7,530.00
<b>Investigations</b>	14.50	247.07	3,582.50	8.90	197.53	1,758.00
<b>Estimated total hours</b>	67.00			85.10		
<b>Estimated average blended rate</b>		242.01	16,215.00		220.70	18,781.50
<b>Estimated total cost</b>						

**CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS**

From 1 October 2019 1 Oct 2018 to 30 Sept 2019

	£ per hour	£ per hour
Partner/Director	400-525	375-505
Manager	260-350	250-345
Senior	230-250	215-240
Administrator	100-205	80-200
Support Staff	100-135	95-100

**Note 1** There may have been a number of promotions through the various grades during the period of the administration.

**Note 2** Overhead costs are reflected in the charge out rates detailed.

**Note 3** The charge-out rate of the Insolvency Practitioners for this assignment is currently £525 and £465 per hour, and the administrator is £230 per hour

**Note 4** Time is recorded in minimum units of 6 minutes.

## **APPENDIX 4**

### **MENZIES LLP DISBURSEMENTS RECOVERY POLICY**

#### **Category 1 Disbursements**

Specific expenditure relating to the administration of the insolvent estate and payable to an independent third party is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, telephone calls, postage, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

All such disbursements that have been paid from the estate are shown on the enclosed summary of our receipts and payments account.