

6897162

XVUJC1202P



**06897162 Limited AKA Premier Facilities
Services Limited (In Compulsory
Liquidation)**

Manchester District Registry No. 2380 of
2011

Progress report

Period: 17 January 2015 to 16 January 2016

SATURDAY



QIQ *Q52LHHTM* #48
12/03/2016
COMPANIES HOUSE

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever

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1 INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	06897162 Limited AKA Premier Facilities Services Limited (In Compulsory Liquidation)
"the liquidation"	The appointment of a liquidator by the Secretary of State pursuant to Section 137 of the Act on 17 January 2014
"the liquidator", "I", "my" and "me"	Steven Williams of Begbies Traynor (Central) LLP, 1 Winckley Court, Chapel Street, Preston, PR1 8BU
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	<ul style="list-style-type: none">(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and(ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

This is my second progress report and should be read in conjunction with my previous progress reports

2. COMPANY INFORMATION

Trading name(s)	06897162 Limited AKA Premier Facilities Services Limited
Company registered number	06897162
Company registered office	71 Market Street, Atherton, Manchester, M46 0DA
Former trading address	Suite 4 Albany House, 533 Liverpool Road, Irlam, M44 6ZS

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date of winding up order	20 February 2012
Date of liquidator's appointment	17 January 2014

4. PROGRESS DURING THE PERIOD AND REVIEW OF WORK UNDERTAKEN SINCE THE DATE OF THE TRUSTEE'S APPOINTMENT

Attached at Appendix 1 is an abstract of my receipts and payments for the period from 17 January 2015 to 16 January 2016 which includes a comparison with the statement of affairs submitted by the director to the Official Receiver

As detailed in my previous report to creditors, the Official Receiver's report to creditors scheduled no assets, however, I was appointed as Liquidator in order to investigate the Company's historic financial affairs

The Sole Director and Shareholder, John Haynes, advised the Official Receiver that the Company provided teams of cleaners for various prestige clients, namely accountants, lawyers and football clubs. However, in early 2011 the Company was owed £80-90,000 by a large client for a three month period which put pressure on the Company, compounded by the fact the bank reduced their overdraft. One of their clients also closed a part of their store which left the Company over staffed

The Director advised that he tried to continue to win new contracts, however failed and the liquidation became inevitable

Investigations

Following my appointment as Liquidator, I identified several post petition payments made from the Company account, of which £32,750 was paid to the Director

The Director

Solicitors were instructed to request repayment of these monies, however no response was received

My solicitor was then contacted by Eurodebt Financial Services ("Eurodebt") on behalf of the Director. Eurodebt acknowledged receipt of my correspondence and made an open offer to settle the debt by instalments of £20 81 per month. The offer was rejected and in making an open offer to settle the debt, Eurodebt effectively acknowledged the liability on behalf of Haynes

My solicitor therefore issued a Statutory Demand, but this remained unanswered by the Director. My solicitor therefore took steps to commence bankruptcy proceedings and a hearing was scheduled for 27 October 2014. At the hearing the Judge adjourned until 8 December 2014 to allow further time to serve the Director with the bankruptcy petition.

Tracing agents were instructed to locate the Director to no avail, therefore at the hearing on 8 December 2014 District Judge Khan granted our application for substituted service of the petition on the Director. The petition was posted to the Director in accordance with the Order and was deemed served on 17 December 2014.

The bankruptcy hearing was scheduled to be heard on 5 January 2015, but on 2 January 2015 my solicitor was contacted by a solicitor acting for Haynes requesting an adjournment to allow Haynes to negotiate a settlement plan.

The bankruptcy hearing was adjourned until 2 February 2015.

On 20 January 2015 an offer of £20,000 was received from the Director in settlement of the outstanding amount of £32,750 owed by him to the Company, by a one off payment of £5,000 and 25 monthly instalments of £800 commencing on 1 April 2015.

After considering the offer I made a counter offer of £10,000 one off payment followed by 19 monthly payments of £800. I allowed the Director 30 days to arrange funding and arranged for the hearing on 2 February 2015 to be adjourned.

Further negotiations lead to an agreement of £25,000 payable in three instalments of £10,000, £10,000 and £5,000 within 6 months from the date of acceptance following the debtor obtaining funds from a third party. A Deed of Indemnity was signed by the third party and myself and I can confirm that the amount of £25,000 has now been received in full and final settlement. These funds are shown on the Receipts and Payments account as Directors Loan Account Settlement.

Webfire Limited

As previously reported, company bank statements revealed payments totalling £66,072 being paid to Webfire Limited in the 9 month period leading up to the presentation of the winding up petition.

Solicitors queried these payments with Webfire, who advised that the payments were in relation to works carried out in developing a web-based news publishing platform for a company called Pressglue.

Investigations revealed that the Director of Premier Facilities Services is a 40% shareholder in Pressglue Limited.

An offer of £7,000 was received from Webfire payable by way of £1,000 upfront followed by 12 monthly instalments of £500. Following a review of the Company accounts it was evident that if we forced the situation, Liquidation would be inevitable and no recovery made. A settlement was reached on this basis and payments are currently up to date.

Stephenson Harwood

As detailed within my first report, bank statements revealed payments made post Petition to Stevenson Harwood LLP in the sum of £8,885. These monies were requested and have been paid in full.

Other Receipts and Payments

The amount paid to the Official Receiver ("the OR") represents the costs incurred by the OR prior to our appointment.

The petitioning creditors' solicitors costs have been paid in accordance with Rule 4.218(3)(h) of the Rules.

5 ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in my progress report for the period 17 January 2014 to 16 January 2015

At present there is no prospect of a dividend to unsecured creditors in this matter

6. REMUNERATION & DISBURSEMENTS

Remuneration

My remuneration has been fixed by a resolution of creditors at a meeting held on 21 April 2015 by reference to the time properly given by me (as liquidator) and the various grades of my staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation

My time costs for the period from 17 January 2015 to 16 January 2016 amount to £10,129.50 which represents 47.90 hours at an average rate of £211.45 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Table of time spent and charge-out value for the period 17 January 2015 to 16 January 2016
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 16 January 2016, no funds have been drawn against total time costs of £22,139 incurred since the date of my appointment. In addition to the time costs information disclosed at Appendix 2 for the period of this report, my previous progress report contained details of the time costs I had incurred as at the date of that report

In addition to the table of time spent by me and my staff in attending to matters arising in the liquidation for the period covered by this progress report, a cumulative table of time spent and charge out value for the period from 17 January 2014 to 16 January 2016 is also attached at Appendix 2

Disbursements

Approval was obtained from creditors at the meeting held on 21 April 2015, that Category 2 disbursements [and disbursements which should be treated as Category 2 disbursements] can be charged to the case since the date of my appointment in accordance with our firm's policy, a copy of which is at Appendix 2. However, No category 2 disbursements have been incurred

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

Other professionals employed & their costs

Irwin Mitchell Solicitors were instructed to act on my behalf in liaising with Mr Haynes and Webfire in the recovery of the post petition payments

As detailed above, full settlement has been received in respect of the monies from John Haynes Irwin Mitchell's fees in acting on this issue totalled £21,126 50. There will be insufficient funds to meet professional and other costs in full and therefore Irwin Mitchell have limited their fees to £13,915 13 and the balance of £7,211 37 will be written off.

Irwin Mitchell are collecting the monthly instalments from Webfire of £500 per month until December 2016. Their current costs are £4,615. This matter remains ongoing and their fees will be negotiated as and when payment in full has been received from Webfire.

Staffing and management

This case has been handled by a Director and an Administrator who have experience in similar matters.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

8. ASSETS THAT REMAIN TO BE REALISED

As previously explained, the only remaining asset in this matter is the collection of monthly installments from Webfire Limited.

How much will this further work cost?

Begbies Traynor

Should Webfire maintain their payments, I estimate my future costs to be £5,000 taking into consideration the costs that will be incurred in closing my files.

Irwin Mitchell

Irwin Mitchell have advised that their future costs will be minimal should Webfire maintain their payments.

9. OTHER RELEVANT INFORMATION

Investigations

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. I can confirm that I have discharged my duties in these respects.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission


of the court) may request in writing that the I provide further information about my remuneration or expenses which have been detailed in this progress report

Right to make an application to court

Pursuant to Rule 4 131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, in relation to the basis fixed for my remuneration, inappropriate

11. CONCLUSION

I will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner



Steven Williams
Liquidator

Dated 7 March 2016

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 17 January 2015 to 16 January 2016


SATURDAY

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A13 12/03/2016 #159
COMPANIES HOUSE

**06897162 Limited AKA Premier Facilities Services Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 17/01/2015 To 16/01/2016	From 17/01/2014 To 16/01/2016
ASSET REALISATIONS		
Directors Loan Account Settlement	25,000 00	25,000 00
Post Petition Payment	NIL	8,885 00
BT Cost Cont	NIL	101 52
Bank Interest Net of Tax	194 57	194 57
	<u>25,194 57</u>	<u>34,181 09</u>
COST OF REALISATIONS		
O R Disbursements	NIL	1,220 00
DBIS Cheque Fees	1 10	1 10
Secretary of State Fees	4,573 46	4,573 46
Petitioners Costs	1,995 00	1,995 00
Court Fees	NIL	155 00
Companies House	NIL	300 00
Legal Fees	6,512 63	13,915 13
Legal Disbursements	1,335 65	1,337 65
Statutory Advertising	84 60	186 12
Bank Charges	88 00	176 00
	<u>(14,590 44)</u>	<u>(23,859 46)</u>
UNSECURED CREDITORS		
(218,964 00) Unsecured Creditors	<u>NIL</u>	<u>NIL</u>
	NIL	NIL
(218,964.00)	<u>10,604.13</u>	<u>10,321.63</u>
REPRESENTED BY		
Vat Receivable		1,487 31
ISA NIB		8,935 84
Office		(101 52)
		<u>10,321 63</u>


 Steven Williams
 Liquidator

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Table of time spent and charge-out value for the period from 17 January 2015 to 16 January 2016,
- d Cumulative table of time spent and charge-out value for the period from 17 January 2014 to 16 January 2016

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

Where the office holder's remuneration is proposed to be fixed on an additional or alternative basis, sufficient information will be provided to creditors in order to allow them to consider whether to approve the proposed basis or bases of the office holder's remuneration. Following approval further information will be provided to creditors regarding the office holder's fees as required by the legislation and best practice guidance.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear in Appendix 3.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed in Appendix 3. This is only applicable to those cases where the office holder is remunerated on a time costs basis.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting;
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates[,

- Displaying properties for sale on the 'Accelerated Property Sales from Begbies Traynor' section of the Begbies Traynor website is charged at the rate of £75.00 per property,
- (B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*
- Telephone and facsimile
 - Printing and photocopying
 - Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Preston office as at the date of this report are as follows:

Grade of staff	Charge-out Rate (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SIP9 Premier Facilities Services Lt - Winding Up Compulsory - 05PR281.WUC : Time Costs Analysis From 17/01/2015 To 16/01/2016

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	0.6	6.9		2.7		3.3				13.5	3,910.50	289.67
	0.1			2.0		10.8		0.4	1.6	15.1	2,611.50	172.95
	0.7	6.9		4.7		14.1		0.4	1.6	28.6	6,522.00	228.04
												0.00
Compliance with the Insolvency Act Rules and best practice						0.3	3.2			3.5	484.50	138.43
												0.00
	0.2			0.8		12.4				13.4	2,461.00	183.66
	0.2			0.8		12.7	3.2			16.9	2,945.50	174.23
Investigations												0.00
												0.00
												0.00
												0.00
Realisation of assets												0.00
	0.8									0.6	318.00	395.00
												0.00
	0.8									0.6	318.00	395.00
Trading												0.00
												0.00
												0.00
												0.00
Dealing with all creditors claims (including employees), correspondence and distributions												0.00
						0.2				0.2	35.00	175.00
												0.00
						0.2				0.2	35.00	175.00
Other matters which includes meetings, tax, litigation pensions and travel												0.00
												0.00
						0.3				0.3	52.50	175.00
	0.3									0.3	118.50	395.00
Total for Other matters						1.1				1.4	311.00	222.14
	2.0	8.9		5.5		28.1	3.2	0.4	1.6	47.9		
	790.00	2,380.50		1,457.50		4,917.50	432.00	44.00	108.00		10,129.50	
	395.00	345.00	0.00	265.00	0.00	175.00	135.00	110.00	60.00			211.47
Total fees drawn to date £												0.00

SIP9 Premier Facilities Services LI - Winding Up Compulsory - 05PR281.WUC : Time Costs Analysis From 17/01/2014 To 16/01/2016

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	0.7	19.6			4.4				35.5	10,003.50	281.79
	Administration	0.3				6.2	0.2	5.4	1.8	38.6	6,613.00	176.50
	Total for General Case Administration and Planning	1.0	19.6			10.6	0.2	6.8	1.8	74.1	16,616.50	228.94
	Appointment											0.00
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding				0.3		5.3			6.2	882.00	142.26
	Case Closure											0.00
	Statutory reporting and statement of affairs	0.2				0.6				13.4	2,461.00	183.66
	Total for Compliance with the Insolvency Act, Rules and best practice	0.2			0.3	0.6	5.3			19.6	3,343.00	170.56
Investigations	GDRA and Investigations	0.4						0.2		6.1	1,142.50	187.30
	Total for Investigations	0.4						0.2		6.1	1,142.50	187.30
Realisation of assets	Debt collection											0.00
	Property business and asset sales	0.6								0.8	316.00	395.00
	Retention of Third/Third party assets											0.00
	Total for Realisation of assets	0.6								0.8	316.00	395.00
Trading	Trading											0.00
	Total for Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured											0.00
	Others									0.6	105.00	175.00
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees) correspondence and distributions									0.6	105.00	175.00
Other matters which includes meetings tax litigation pensions and travel	Meetings									0.3	52.50	175.00
	Other											0.00
	Tax									1.4	245.00	175.00
	Litigation	0.3								0.3	118.50	395.00
	Total for Other matters	0.3								2.0	416.00	208.00
	Total hours by staff grade	2.7	19.6			11.4	5.5	7.0	1.8	103.2		
	Total time cost by staff grade	1,068.50	6,762.00			3,021.00	742.50	770.00	108.00		22,139.00	
	Average hourly rate £	395.00	345.00	0.00	265.00	175.00	135.00	110.00	60.00			214.53
	Total fees drawn to date £									0.00		

STATEMENT OF EXPENSES

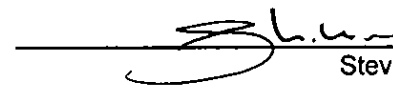
Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Legal fees (John Haynes)	Irwin Mitchell	13,714 00	13,914 13	
Legal Fees (Webfire)	Irwin Mitchell	4,615 00		TBD
Company Searches	Companies House	2 00		2 00
Bordereau	Insolvency Risk Services	49 50		49 50
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Char Policy)				
None				

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal Fees	Irwin Mitchell	21,126 50
Company Searches	Companies House	18 00
Bordereau	Insolvency Risk Services	67 50
Advertising	Courts Advertising	84 60

06897162 Limited AKA Premier Facilities Services Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs	From 17/01/2015 To 16/01/2016	From 17/01/2014 To 16/01/2016
ASSET REALISATIONS		
Directors Loan Account Settlement	25,000 00	25,000 00
Post Petition Payment	NIL	8,885 00
BT Cost Cont	NIL	101 52
Bank Interest Net of Tax	194 57	194 57
	<u>25,194 57</u>	<u>34,181 09</u>
COST OF REALISATIONS		
O R Disbursements	NIL	1,220 00
DBIS Cheque Fees	1 10	1 10
Secretary of State Fees	4,573 46	4,573 46
Petitioners Costs	1,995 00	1,995 00
Court Fees	NIL	155 00
Companies House	NIL	300 00
Legal Fees	6,512 63	13,915 13
Legal Disbursements	1,335 65	1,337 65
Statutory Advertising	84 60	186 12
Bank Charges	88 00	176 00
	<u>(14,590 44)</u>	<u>(23,859 46)</u>
UNSECURED CREDITORS		
(218,964 00) Unsecured Creditors	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
(218,964.00)	<u>10,604.13</u>	<u>10,321.63</u>
REPRESENTED BY		
Vat Receivable		1,487 31
ISA NIB		8,935 84
Office		(101 52)
		<u>10,321.63</u>


Steven Williams
Liquidator