

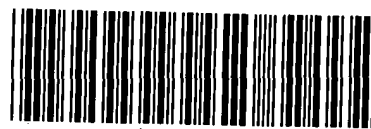
WU07

Notice of progress report in a winding-up  
by the court



Companies House

TUESDAY



\*A98AN37D\*

A08

30/06/2020

#144

COMPANIES HOUSE

**1** Company details

Company number 0 7 1 5 6 5 1 9

Company name in full Musicqubed Limited

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

**2** Liquidator's name

Full forename(s) Eric

Surname Walls

**3** Liquidator's address

Building name/number C12 Marquis Court

Street Marquisway, Team Valley

Post town Gateshead

County/Region

Postcode N E 1 1 0 R U

Country

**4** Liquidator's name

Full forename(s)

Surname

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

**5** Liquidator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

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

WU07

Notice of progress report in a winding-up by the court

**6** Period of progress report

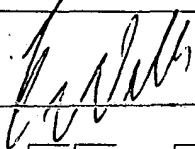
From date	d	0	d	3	m	0	m	5	y	2	y	0	y	1	y	9
To date	d	0	d	2	m	0	m	5	y	2	y	0	y	2	y	0

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

Liquidator's signature

Signature

X



X

Signature date

3

0

0

8

2

0

2

0

WU07

## Notice of progress report in a winding-up by the court

**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 **Beverley Harrison**Company name **KSA Group Ltd**Address **C12 Marquis Court****Marquisway, Team Valley**Post town **Gateshead**

County/Region

Postcode **N E 1 1 0 R U**

Country

DX

Telephone **0191 482 3343****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.

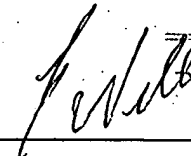
**Further information**

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)

**Musicqubed Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

Statement of Affairs £	From 03/05/2019 To 02/05/2020 £	From 03/05/2018 To 02/05/2020 £
<b>ASSET REALISATIONS</b>		
Bank Interest Gross	59.25	59.25
Cash at Bank	299,292.86	299,292.86
Unclaimed Dividends from CVA	1,444.23	1,444.23
	<u>300,796.34</u>	<u>300,796.34</u>
<b>COST OF REALISATIONS</b>		
DTI Cheque Fees	1.10	1.10
Legal Fees (1)	9,090.00	9,090.00
Liquidators Remuneration	24,860.00	24,860.00
O.R General Fee	NIL	6,000.00
O.R Liquidation Admin Fee	NIL	3,400.00
Sec of State Fees	88.00	176.00
Specific Bond	676.00	676.00
Tax on Interest Received	11.85	11.85
	<u>(34,726.95)</u>	<u>(44,214.95)</u>
<b>FLOATING CHARGE CREDITORS</b>		
Floating Charge Creditor	197,590.77	197,590.77
	<u>(197,590.77)</u>	<u>(197,590.77)</u>
	<u><b>68,478.62</b></u>	<u><b>58,990.62</b></u>
<b>REPRESENTED BY</b>		
ISA NIB		52,200.62
Vat Receivable		6,790.00
		<u><b>58,990.62</b></u>



Eric Walls  
Liquidator

Musicqubed Limited  
In the High Court of Justice No 002121 of 2018

Liquidator's Progress Report

For the period 3 May 2019 to 2 May 2020

In Accordance with section 104A of the Insolvency Act 1986 and Rule 18.8  
of the Insolvency (England and Wales) Rules 2016

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**For the avoidance of doubt, the appendices form part of this report.**

## Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report.

Abbreviation or definition	Meaning
The Company	Musiqubed Limited
Office Holder(s) / Liquidator(s)	Eric Walls
/ we / us	
Official Receiver	London, P O Box 16658, Birmingham, B2 2HA
Firm/KSA	KSA Group Ltd
The Act	Insolvency Act 1986 (as amended)
The Rules	Insolvency (England and Wales) Rules 2016
HMRC	HM Revenue & Customs

Prescribed Part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A of the Act
Secured Creditors	Creditors with security in respect of liabilities due to them, filed with the Registrar of Companies and in accordance with Section 248 of the Act, in this case Madison Pacific Trust Limited (Hong Kong)
Preferential Creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay accrued within the 12 months leading to the date of liquidation and unpaid pension contributions in certain circumstances
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy & Industrial Strategy, which deals with the statutory claims of employees under the Employment Rights Act 1996
Unsecured Creditors	Creditors who are neither secured, nor preferential
ROT	Retention of Title claims over goods supplied to the Company but not paid for before the Liquidators appointment
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

## **1. Appointment Details**

- 1.1 As creditors are aware I, Eric Walls, was appointed Liquidator, of the Company on 3 May 2018.

Creditors are aware that I was previously appointed as Supervisor of a Company Voluntary Arrangement ("CVA"). A notice that the CVA had failed was issued to all known creditors on 8 March 2018. In accordance with the terms of the CVA I, as Supervisor, petitioned the Court for the Compulsorily Winding Up of the Company. That petition was heard and granted in the High Court on 3 May 2018. The notice of 8 March confirmed my intention to seek appointment as Liquidator of the Company.

- 1.2 Further to my appointment I hereby report upon the progress of the liquidation pursuant to Rule 18.8 of the Rules. Statutory information regarding the Company and the appointment of the Liquidator(s) is attached at Appendix 1.
- 1.3 All reports and notices that have been issued by the Liquidator(s) can be viewed and downloaded at <https://www.ksagroup.co.uk/gateshead-notices/musicqubed-limited/>
- 1.4 Details for accessing these documents, including the necessary password, were provided to all known creditors on 10 June 2019. Hard copies of any report or notice will be sent to any person entitled to the documents should they submit a written request to our Gateshead office or to [insolvency@ksagroup.co.uk](mailto:insolvency@ksagroup.co.uk).

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## **2. Progress of the Liquidation to Date**

- 2.1 The Company is a subsidiary of Now Technologies Limited which owns 92% of the Company's ordinary share capital. Other companies in this group include Now Technologies (IP) Limited, Musicqubed International Limited and Musicqubed U.S. Ltd (Delaware).
- 2.2 For the avoidance of doubt, I was also appointed as Liquidator of both Now Technologies Limited and Now Technologies (IP) Limited on 3 May 2018.

- 2.3 The Company has a security agreement with its bondholders that has been triggered by its Liquidation.

### **Asset Realisations**

- 2.4 Amounts raised from asset realisations are detailed on the attached receipts and payments account.
- 2.5 Creditors will recall that at the date of liquidation the Company's bank account was in credit. Lawyers acting on behalf of the Liquidator were holding some £299,292 in respect of those funds.
- 2.6 Those monies were subject to an ongoing dispute relating to the nature of the security held by the Company's secured creditor (see section 4 below) over those funds. That dispute went on for some considerable time and revolved around the issue of whether the creditor held a fixed charge over those monies, or a floating charge.
- 2.7 In an effort to resolve this dispute, and in agreement with the secured creditor, a barrister's opinion was sought, and it was eventually determined that the funds were subject to a floating charge. Those funds have now been distributed accordingly as per the attached receipts and payments account.
- 2.8 As can be seen from the attached receipts and payments account, £1,444.23 has been received in relation to unclaimed dividends from the CVA.
- 2.9 No further asset realisations are anticipated.

## **3. Proposed Future Conduct of the Liquidation**

- 3.1 As noted in section 2 above, all asset realisations have now been achieved.
- 3.2 I am currently dealing with the Company's pension scheme in relation to outstanding pension contributions, liaising with the RPS in respect of the employees' claims and dealing with any potential unsecured dividend to creditors.



- 3.3 Once I have concluded matters and obtained the RPS's final claim in this matter, I will be in a position to issue the relevant dividend to the company's Preferential Creditors including a any preferential payment in respect of the Company's outstanding pension contributions. I then intend to issue a dividend to the company's unsecured creditors before bringing matters to a close.

#### 4. Secured Creditors

- 4.1 The Company had the following registered charges at the date of Liquidation:

<u>Charge Holder</u>	<u>Type of Charge</u>	<u>Date Registered</u>	<u>Brief Description</u>
Madison Pacific Trust Limited (Hong Kong)	Debenture	27 September 2013	Fixed and Floating Charge

- 4.2 The Company has 17 secured loan note holders with liabilities totalling £8.6m. The loan note holders had appointed a security trustee called Madison Pacific Trust Limited (Hong Kong).
- 4.3 Madison Pacific Trust Limited holds a cross guarantee against Musicqubed Limited, Now Technologies (IP) Limited and the other members of the group.
- 4.4 The security agreement has been triggered by the Companies Liquidation. As a result, James Cook and Benjamin John Wiles of Duff & Phelps Ltd were appointed as fixed charge receivers over the Intellectual Property by Madison Pacific Trust Limited, acting as security Trustee on 27.04.18.
- 4.5 The Secured Creditor has been paid the sum of £197,590.77 under its floating charge. It is further entitled to a refund of VAT paid on certain expenses totalling c£6,800, should those funds be recovered from H M Customs & Excise.
- 4.6 Realisations were apportioned between fixed and floating charge recoveries in accordance with current insolvency legislation, case law, and counsel's opinion as referred to at section 2.7 above. However, any amount apportioned under the Prescribed Part, see below, would then become subject to the costs and expenses of the Official Receiver. These costs to date total c£9,577 as shown on the attached receipts and payments account.
- 4.7 Under the appropriate insolvency legislation, these fees and expenses are rightly payable, and this has resulted in a reduction in the amount available to the unsecured creditors under the Prescribed Part.

#### Prescribed Part

- 5.1 Section 176A of the Act, provides that, in certain circumstances, the Liquidator is required to make a Prescribed Part of the Company's net property available to the Unsecured Creditors.
- 5.2 As noted in section 4 the Company had granted a qualifying floating charge to Madison Pacific Bank Limited.
- 5.3 It is anticipated that the Prescribed Part will be applicable in this case. In these circumstances the Prescribed Part is calculated by reference to the net position of the Liquidation estate after accounting for the costs and expenses of the Liquidation and after any distribution to the Preferential Creditors.
- 5.4 The Prescribed Part is calculated as follows:
- 50% of the first £10,000
  - 20% of the balance, subject to a maximum Prescribed Part of £600,000.

In this case the amount calculated as being due in respect of the Prescribed Part is c£64,350, however this will be subject to the costs and expenses of the liquidation and the payment of the claims of the Preferential Creditors (see below).

#### 6. Preferential Creditors

6.1 The potential Preferential Creditors in this liquidation are the RPS, in respect of monies paid to employees for holiday pay, and certain further claims of the employees in respect of their holiday entitlement over and above the level paid to them by the RPS. In addition, potential payments in respect of outstanding pension contributions deducted from employees' salaries may also be due.

6.2 It is estimated that the claims of the Preferential Creditors will total c£10,000, and it is my intention to pay the claims of this class of creditor in full in due course.

## **7. Unsecured Creditors**

7.1 Claims have been received from 42 creditors totalling £1,166,334.48.

7.2 As noted in section 3 above, once I have dealt with all outstanding preferential claims in this matter, it is likely that I will be in a position to issue a notice of intention to pay a 1st and final dividend to the Company's Unsecured Creditors before making that distribution and bringing matters to a close. Attached is a further proof of debt form to enable those creditors who have not submitted a claim to do so.

## **8. Receipts and Payments Account**

8.1 Attached to this report at appendix 2 is a receipts and payments account for the period 3 May 2019 to 2 May 2020.

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## **9. Investigations into the Affairs of the Company and the Directors Conduct.**

9.1 Whilst the Official Receiver may remain involved in this Liquidation in that he may investigate the conduct of the Directors and, where appropriate, take such further action as may be necessary, it is my duty to realise and distribute the Company's assets, including any identified as a result of my own investigations into the affairs of the Company. I should be pleased to receive from you any information that you have about the way that the Company's business was conducted or potential asset recoveries that you consider will assist me.

9.2 At the date of liquidation, creditors were afforded an opportunity to highlight any specific areas of concern. A creditors' questionnaire was sent to all known creditors, along with our initial appointment documents on 22 May 2018.

9.3 Creditors should note that a further copy of the creditors' questionnaire is available to view and download at the web address previously provided.

9.4 No issues have been raised by creditors and nothing further has come to light during the period covered by this report to suggest that there is anything further to be reviewed under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice 2.

## **10. Costs and Expenses of the Liquidation & the Liquidator's Remuneration**

10.1 Further details on the Liquidators' remuneration and other costs and expenses of the Liquidation can be found at appendices 3 & 4 of this report.

## **11. Other Matters**

11.1 The E C Regulation 1346/2000 applies as the Company's registered office being the centre of its main interests is situated in a Member State of the EC and Liquidation is within the definition of insolvency proceedings under Article 2 of the Regulation. For the reasons stated herein it is considered that EC Regulation 1346/2000 on insolvency proceedings will apply and that these proceedings will be main proceedings as defined in Article 3 of the EC Regulations.

11.2 The Liquidator is bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is available at: <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

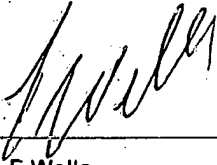
11.3 Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 of the Rules. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees available at: <http://www.ksagroup.co.uk/downloads/fees-liquidation.pdf>.

12. Conclusion

12.1 In summary therefore:

- As noted in section 3, all asset realisations have now been achieved.
- As noted in Section 4, it is my intention to issue a dividend to the Preferential and Unsecured Creditors in due course.
- Following the payment of this dividend, it is likely that I will be in a position to bring my administration of this case to a close.

Should any creditor have any questions in respect of the above, I should be grateful if they would detail this in writing either to me or my colleague Beverley Harrison.



E Walls  
Liquidator

30 June 2020

## Appendix 1 -- Statutory Information

Detailed below is information extracted either from the statutory books of the company or from records held by the Registrar of Companies.

Previous Names (within last 12 months): None Known

Company Number: 07156519

Date of Incorporation: 12 February 2010

Registered Office: Was c/o Shelly Stock Hutter, 1st Floor, 7-10 Chandos Street, London, W1G 9DQ but changed to C12 Marquis Court, Marquisway, Team Valley, Gateshead, NE11 0RU

Share Capital: 108,273 Ordinary A Shares of £0.01, and 9,029 Deferred B Shares of £0.01, all of which have been issued and fully paid.

Shareholders	Name	No of Shares	%
	Now Technologies Limited	100,000 Ordinary A	85.25
	Sony Music Entertainment UK Limited	2,430 Ordinary A	2.07
	Universal Music Operations Limited	4,178 Ordinary A	3.56
	WEA International Inc	1,665 Ordinary A	1.42
	Now Technologies Limited	9,029 Ordinary B	7.70

Directors (in last 3 years)	Name	Date of Appointment	Date of Resignation
	Christopher Gorman	12.02.10	N/A
	Nicholas Lycett	12.02.10	N/A
	Graham Elliott	30.01.15	N/A

Nature of Business: Sound recording and music publishing.

Trading Address: 2<sup>nd</sup> Floor, Unit 14 Tileyard Studios, Tileyard Road, London, N9 9AH

Liquidators' Names: Eric Walls (IP No 9113)

Liquidators' Correspondence Address: KSA Group Ltd, C12 Marquis Court, Marquisway, Team Valley, Gateshead, NE11 0RU

Appointed by: An Order of the Court

Date of Appointment: 3 May 2018

## Appendix 2 -- Receipts and Payments

## Appendix 2 - Receipts and Payment

Musuicubed

(In Liquidation)

## Receipts and Payments Account

As Per Official  
Receiver's Report

£

From : 03.05.19 03.05.18  
To : 02.05.20 02.05.20  
£ £

## Receipts

Cash at Bank Subject To Floating Charge	236,434.29	236,434.29
Direct Costs Agreed with Secured Creditor:		
Liquidators Remuneration	(24,860.00)	(24,860.00)
Legal Fees	(9,090.00)	(9,090.00)
	<u>202,484.29</u>	<u>202,484.29</u>

## Amount Paid to Secured Creditor to Date

Floating Charge Creditor	(197,590.77)	(197,590.77)
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4,893.52 4,893.52

Cash at Bank Subject To Prescribed Part	62,858.57	62,858.57
Unclaimed Dividends from CVA	1,444.23	1,444.23
Bank Interest	59.25	59.25

69,255.57 69,255.57

## PAYMENTS

O R Liquidation Admin Fee	0.00	3,400.00
OR General Fee	0.00	6,000.00
DTI Cheque Fees	1.10	1.10
Sec of State Fees	88.00	176.00
Specific Bond	676.00	676.00
Tax on Interest	11.85	11.85

776.95 10,264.95

## BALANCE

58,990.62

## REPRESENTED BY

VAT Receivable	6,790.00
Cash at Bank	52,200.62

58,990.62

## NOTE:

The above amounts are stated net of VAT, which has either been paid over to, or reclaimed from HM Revenue and Customs

Allocation of Cash at Bank subject to floating charge:

Total Amount Received	£	£
Apportioned to Floating Charge - 50% of the first £10,000	5,000.00	299,292.86
- 80% of babalance of total	231,434.29	
Amount Due to Floating Charge Holder		<u>236,434.29</u>
Balance - Amount Due to Prescribed Part		<u>62,858.57</u>

The above calculation is subject to change once all costs and the claims of the Preferential Creditors are known.

**1. Introduction**

- 1.1 "A Creditors' Guide to Liquidator's Remuneration" is available for download at: <http://www.ksagroup.co.uk/downloads/fees-liquidation.pdf>. Should you require a paper copy, please send your request in writing to us and this will be provided to you at no cost.
- 1.2 The guide contains details as to how the basis of Liquidators' remuneration may be calculated, and confirms that, should creditors fail to agree a suitable basis for remuneration, then an application may need to be made to the Court to set the basis.

**2. Basis of Liquidator's remuneration**

- 2.1 Rule 18.16 of the Insolvency (England and Wales) Rules 2016, the basis of the Liquidator's remuneration may be fixed:
- by reference to time properly given by the insolvency practitioners and their staff in attending to matters as set out in the Fee Estimates, set out in this appendix;
  - as a percentage of the value of the property with which the Liquidator has to deal;
  - as a set amount; or
  - a combination of the above.

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Or, in accordance with Rule 18.22 by application of scale fees where creditors fail to fix the basis of the office holder's remuneration.

- 2.2 In the absence of a liquidation committee the Liquidator sought a decision from the creditors by postal resolution to determine the basis of the Liquidators fees and disbursements. No resolutions were returned by the decision date and therefore the basis of the Liquidators remuneration has not been agreed by creditors.
- 2.3 In accordance with Rule 18.38 agreement was also reached with the secured creditor that the remuneration of the Liquidator would be based on scale rates prescribed by Schedule 11 of the Rules as set out below;
- The realisation scale;
    - 20% on the first £5,000 or part of it,
    - 15% on the next £5,000 or part of it,
    - 10% on the next £90,000 or part of it,
    - 5% on all further sums realised.
  - The distribution scale;
    - 10% on the first £5,000 or part of it,
    - 7.5% on the next £5,000 or part of it,
    - 5% on the next £90,000 or part of it,
    - 2.5% on all further sums distributed
- 2.4 As can be seen from the attached receipts and payments account, £24,860 has been drawn in accordance with the above. Further remuneration may now be drawn in accordance with Rule 18.22 in accordance with the scale rate noted above.

**Our work in the period**

*Whilst this is not an exhaustive list, in the following section we provide more detail on the key areas of work.*

- 3.4 The time taken/estimated time that the Liquidators and their staff have/are likely to spend in respect of this Liquidation have been analysed into a number of different areas of work. A summary of the primary work that has/will be undertaken by the Liquidators and their staff is summarised below.

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors.
<b>A. Administration, Planning and Statutory Matters</b>	<p>Reviewing appointment and all statutory documents.</p> <p>Assessing the work needed for this particular case and ensuring that adequate resources are available and ensuring that the appropriate assistance from other professionals, as noted above, is obtained.</p>	<p>This work is necessary to ensure the orderly conduct of the liquidation and to ensure that all statutory and regulatory requirements are met.</p> <p>Although this work may not directly benefit creditors, it is necessary and helps to ensure that the work undertaken in dealing with this case is carried out by staff with the appropriate level of experience, thereby ensuring value for money for creditors.</p>
	<p>Preparing and issuing the first progress report, including receipts and payments accounts, and providing creditors with a suitable analysis of time costs accrued.</p> <p>Managing general administrative matters.</p>	
<b>B. Investigations</b>	<p>See section 6 of the report for further comments on the investigations undertaken by the Liquidators and their staff.</p> <p>Liaising with the Official Receiver to establish what investigations have been undertaken and any matters requiring specific consideration.</p> <p>Undertaking a review of the conduct of the director and reporting any breaches of the Insolvency Act and Companies Act discovered.</p> <p>Reviewing the affairs, trading and transactions of the company, in order to comply with the requirements laid on the Liquidator by statute and by the appropriate Statement of Insolvency Practice issued by the Association of Business Recovery professionals.</p> <p>An examination of the company's records and transactions, particularly over the two-year period preceding Liquidation.</p>	<p>Office holders and their staff have statutory responsibilities to review and, where appropriate, comment on the trading of a company and the conduct of its directors.</p> <p>Any review of the trading of the company will include reviewing the company's records and correspondence received from creditors to ensure that all of the company's assets are identified and where possible, realised for the benefit of creditors. This might well include identifying transactions with any party which might breach certain provisions of the current insolvency legislation, which might then lead to recovery action being taken by the office holders against those parties.</p>
<b>C. Realisation of Assets</b>	<p>See section 2 of the report for details on the asset realisations in this case.</p>	<p>In all liquidations every effort is made to identify and, where possible realise, all the company's assets. This may include liaising with suitably qualified agents or seeking</p>

	<p>Appointing and liaising with agents over the disposal of the Company's chattel assets.</p> <p>Reviewing the position in respect of the Company's debtors. Including contact debtors and requesting proposals for payment, scheduling and reviewing payments received and outstanding.</p> <p>Generally doing all things to dispose of the company's assets in order to maximise the position as regards creditors.</p>	<p>assistance from other professionals such as lawyers or surveyors.</p> <p>Realising the assets of a company may allow the liquidator to deal with the claims of certain classes of creditors by way of payment of a dividend or distribution.</p> <p>Maximising realisations from assets in an appropriate commercial manner will provide a benefit for the creditors. It is essential therefore that suitably qualified and suitably experienced staff undertake the work noted.</p>
<b>D. Trading</b>	<p>No post appointment trading was undertaken on this case.</p>	<p>It is extremely unlikely that liquidators will continue trading a company following liquidation, although, if deemed appropriate, certain elements of work in progress may be completed.</p>
<b>E. Creditors</b>	<p>Receiving and recording all creditor claims.</p> <p>Liaising with the redundancy payments office in respect of the claims of the employees and submitted forms RP14 and RP14a.</p> <p>Reviewing the claims of those employees and calculating any preferential distribution that may be due.</p> <p>Reviewing the terms of the Security lodged by Madison Pacific Trust Limited. Updates with the creditor concerning and distribution that may be due under that security.</p> <p>Reviewing the realisations received in respect of any amounts which may become due under the prescribed part, where applicable.</p> <p>Reviewing realisations to date in comparison to creditor claims and the costs and expenses of the liquidation and issuing notice of no dividend/ notice of dividend to creditors.</p> <p>Dealing with all creditor correspondence via letter, fax, email and telephone.</p>	<p>This work includes dealing with all creditor correspondence including receiving, reconciling and, where appropriate, agreeing the claims of all creditors.</p> <p>This includes dealing with any concerns raised by creditors and providing creditors with reasonable assistance.</p> <p>Although this work does not necessarily provide a direct benefit to creditors, it is a regulatory requirement that the liquidators deal with any creditor concerns where appropriate.</p>
<b>F. Case Specific Matters</b>	<p>Dealing with statutory and regulatory matters.</p> <p>Reviewing matters specific to this company which were identified post liquidation and dealing with those matters in an appropriate manner.</p>	<p>This relates either to matters which are particular to this specific case or are not covered by any of the sections/tasks detailed above.</p> <p>Any matters dealt with here, and whether any benefit has accrued to creditors will be dealt with in future reports.</p>



Our future work

We still need to do the following work to comply with our obligations as Liquidator and for the orderly wind-down of the Company's affairs

Area of Work	Work to be undertaken	Why the work is necessary and what, if any financial benefit, the work will provide to creditors	Estimated Cost (£)
<b>A. Administration, Planning and Statutory Matters</b>	<p>Preparing and issuing the final progress report to creditors.</p> <p>General cashing in to include paying the outstanding costs and expenses of the Liquidation.</p> <p>Managing general administrative matters.</p>	<p>This work is necessary to ensure the orderly conduct of the liquidation and to ensure that all statutory and regulatory requirements are met.</p> <p>Although this work may not directly benefit creditors, it is necessary and helps to ensure that the work undertaken in dealing with this case is carried out by staff with the appropriate level of experience, thereby ensuring value for money for creditors.</p>	£4,125
<b>B. Investigations</b>	No matters have been raised which require any further investigation by the Liquidators. Therefore, it is anticipated there will be no further work charged under this heading.		£Nil
<b>C. Realisation of Assets</b>	Realisations have been concluded. Therefore, it is anticipated there will be no further work charged under this heading.		£Nil
<b>D. Trading</b>	None		£Nil
<b>E. Creditors</b>	<p>Receiving and recording all creditor claims.</p> <p>Dealing with all creditor correspondence via letter, fax, email and telephone.</p>	<p>This work includes dealing with all creditor correspondence including receiving, reconciling and, where appropriate, agreeing the claims of all creditors.</p> <p>This includes dealing with any concerns raised by creditors and providing creditors with reasonable assistance.</p> <p>Although this work does not necessarily provide a direct benefit to creditors, it is a regulatory requirement that the liquidators deal with any creditor concerns where appropriate.</p>	£5,000
<b>F. Case Specific Matters</b>	<p>Preparing the final return and reporting to the Registrar.</p> <p>Ensuring the orderly closedown and dissolution of the Company after the distribution to creditors.</p>	Whilst it has not specific benefit to creditors it is required by statute.	£400

1. Disbursements Estimate

- 1.1 In addition to the remuneration of the Liquidators, certain expenses have/will, by necessity, be incurred in dealing with this liquidation. These are known as disbursements. The majority of the disbursements in this case will be re-charged at direct cost to the case.

**Category 1 Disbursements**

- 1.2 Our estimate in respect of this heading covers expenses where the officeholders firm has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents, storage of original records of the insolvent estate. In each case the recharge will be reimbursement of a specific expense incurred.
- 1.3 In all liquidations, it may prove necessary to engage other professional and specialists to assist in the liquidation process. For example, suitably qualified surveyors may need to be instructed to assist in marketing and realising the assets of the company. Lawyers are also likely to be utilised to protect the legal interests of the company and the Liquidator, and possibly to assist in the recovery of assets. The costs of anyone assisting with the Liquidation will be an expense of the Liquidation. Such expenses are not subject to creditor approval but nevertheless have an effect on the funds available to deal with the claims of creditors.

**Costs incurred by the Liquidators**

- 1.4 Post liquidation legal fees and disbursements of £9,090 plus VAT have been paid to Clarke Mairs LLP in respect of the legal costs. This fee is based on the time costs of that firm.

**Category 2 Disbursements**

- 1.6 Costs in respect of Category 2 disbursements will be subject to creditor approval because it concerns expenses where there will not always be an invoice for the cost. Insolvency practices additionally provide for the recharge of expenses such as postage, stationery, photocopying charges, telephone, fax and other electronic communications, which cannot be economically recorded in respect of each specific case. Such expenses, which are apportioned to cases, must be approved by the creditors in accordance with the Insolvency Rules 1986, before they can be drawn, and these are known as category 2 disbursements. The current policy of is to recharge this expense on the basis of a figure based upon the number of creditors with whom we have to communicate and report during the insolvency.
- 1.7 All disbursements incurred by the Liquidator's firm are reimbursed at direct cost to the case, save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor will be levied, and motor travel where a charge of 45p per mile is made. To date, disbursements have been paid in respect of statutory advertising fees and the Liquidator's specific performance bond. These payments are shown on the attached receipts and payments account.
- 1.8 Detailed below is an estimate of the disbursements likely to be incurred in dealing with this case, the following table provides details of our expenses. Expenses are amounts properly payable by the Liquidators from the estate and includes Liquidators' remuneration and disbursements but excludes distributions to creditors.

The table should be read in conjunction with the receipts and payments account at Appendix 2, which shows expenses actually paid during the period and the total paid to date.

	Notes	Expenses incurred in the period	Expenses incurred brought forward	Total Expenses incurred	Estimated Future expenses	Anticipated total expenses
		£	£	£	£	£
Liquidators' Disbursements		Nil	Nil	Nil	Nil	Nil
Liquidators' Remuneration		24,860.00	Nil	24,860.00	9,525.00	34,385.00
Agents/Valuers Fees		Nil	Nil	Nil	Nil	Nil
Legal Fees		9,090.00	Nil	9,090.00	Nil	9,090.00
Statutory Advertising	1	Nil	84.60	84.60	Nil	84.60
Liquidators' Specific Bond	2	676.00	Nil	676.00	Nil	676.00
<b>Total</b>		<b>34,626.00</b>	<b>84.60</b>	<b>34,710.60</b>	<b>9,525.00</b>	<b>44,235.60</b>

#### Notes

1. Statutory Advertising – the Liquidator is required by the Insolvency Act and Rules to give notice by advert in the London Gazette of his appointment. The cost in this regard is £84.60 plus VAT.
2. Liquidator's Specific Bond – the Liquidator is required by the Insolvency Act and Rules to obtain specific penalty cover in respect of his administration of the case. The cost in this regard is £676.00.