

WU07

**Notice of Progress Report in a winding-up
by the Court**



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number	07173581	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	CCM SYSTEMS LIMITED	

2 Liquidator's name

Full forename(s)	JAMES RICHARD	
Surname	DUCKWORTH	

3 Liquidator's address

Building name/number	FLOOR D, MILBURN HOUSE	
Street	DEAN STREET	
Post town	NEWCASTLE UPON TYNE	
County/Region	TYNE & WEAR	
Postcode	NE1 1LE	
Country		

4 Liquidator's name *

Full forename(s)		① Other Liquidator. Use this section to tell us about another liquidator.
Surname		

5 Liquidator's address *

Building name/number		② Other Liquidator. Use this section to tell us about another liquidator.
Street		
Post town		
County/Region		
Postcode		
Country		

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Period of Progress Report

From date

13/08/2020

To date

12/08/2021

7

Progress Report

☒ The Progress Report is attached

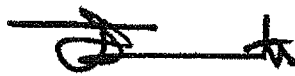
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Sign and date

Liquidator's signature

Signature

x








x

Signature date

09/09/2021

WU07

Notice of Progress Report in a winding-up by the Court

 Presenter information	 Important 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.	All information on this form will appear on the public record
Contact name JAMES RICHARD DUCKWORTH	 Where to send
Company name FREEMAN RICH	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, DF14 3UZ. DX 33050 Cardiff.
Address FLOOR D, MILBURN HOUSE	
DEAN STREET	
Post town NEWCASTLE UPON TYNE	
County/Region TYNE & WEAR	
Postcode NE1 1LE	
Country UK	
DX	
Telephone 0191 2611839	
 Checklist	
We may return forms completed incorrectly or with information missing.	 Further information
Please make sure you have remembered the following: <input type="checkbox"/> The company name and number match the information held on the public Register. <input type="checkbox"/> You have provided the new registered office address in section 2. <input type="checkbox"/> You have signed the form.	For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

CCM SYSTEMS LIMITED - IN COMPULSORY LIQUIDATION

Liquidator's Annual Progress Report to Creditors and Members for the period 13th August 2020 to 12th August 2021

STATUTORY INFORMATION

Name of Company:	CCM SYSTEMS LIMITED
Registered Office:	Floor D, Milburn House, Dean Street, Newcastle upon Tyne, NE1 1LE
Former Registered Office:	Unit 121 Cannon Workshops, Cannon Drive, London, E14 4AS
Registered Number:	07173581
Court Name and Number:	HIGH COURT OF JUSTICE NO. 5010 OF 2013
Liquidator's Name:	James Richard Duckworth
Liquidator's Address:	Freeman Rich, Floor D, Milburn House, Dean Street, Newcastle upon Tyne, NE1 1LE
Contact Telephone Number:	0191 2611839
Date of Winding-up Order:	11th November 2013
Liquidator's Date of Appointment:	13th August 2014 – R A Upton (retired) 15th December 2015 – J R Duckworth

LIQUIDATOR'S ACTIONS SINCE LAST REPORT

This is the seventh Annual Progress Report and should be read in conjunction with the previous Annual Progress Reports.

I have spent time in the reporting period as follows:-

- Preparing and issuing the last Annual Progress Report.
- Carrying out periodic reviews of the case.
- Completing statutory matters.
- Carrying out ongoing cashing work.
- Quarterly Bond reviews.
- Due Diligence requirements.

In addition to the statutory requirements above I have also undertaken work in this period as follows:-

I have been in correspondence with my solicitor regarding the claim against one of the former directors. Payments of £200 per month were being received, subject to review and a potential future settlement. The last payment was received in July 2020. The Former Director advised that he was unable to make payments during the pandemic as he had insufficient income and in December 2020 it was agreed to suspend collection for 6 months. My solicitor has recently written to the Former Director for an update on his financial situation but has not received a response. As the Former Director is failing to co-operate with my solicitor, further action is being considered.

A cheque was received from the Company's former bank in respect of a refund of bank charges.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 13th August 2020 to 12th August 2021 is attached. All amounts in the Receipts & Payments Account are shown net of VAT.

The account attached to this Report has been reconciled with that which is held by the Secretary of State in respect of the winding up.

The balance of funds are held in an interest bearing account operated by the Insolvency Service.

ASSETS

Claims Against the Former Director

No payments have been received in this period. My solicitor is holding £8,000 in respect of payments previously received from the Former Director. The balance of £100,498 is being pursued.

Refund of Bank Charges

A payment of £133.72 was received in respect of a refund of bank charges.

LIABILITIES

Secured Creditors

According to Companies House there is a Debenture registered in favour of Barclays Bank plc dated 18th January 2012.

There are provisions of the insolvency legislation that require a Liquidator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "Floating Charge" over its assets to a lender on or after 15th September 2003. This is known as the "prescribed part of the net property" ("prescribed part"). A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a Floating Charge. Any costs of the Liquidation that are payable before the Liquidator has reached a position to make a distribution to the Floating Charge Holder have to be deducted from Floating Charge realisations before arriving at an amount for the "net property" of the Company. As a result, the costs associated with realising Floating Charge assets, paying preferential claims in full, the general costs of winding-up and the costs of confirming the validity of the Floating Charge will have to be deducted before the "net property" is calculated. The prescribed part that the Liquidator then has to set aside for unsecured creditors is:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £800,000.

As the Floating Charge was registered after 15th September 2003, the Liquidator will be required to make a prescribed part of the Company's net property available to the unsecured creditors. I do not yet know the full extent of the Company's assets and so therefore cannot comment any further on whether there will be a prescribed part of the Company's net property available to unsecured creditors. I will provide further information to creditors when I am able to.

Unsecured Creditors

The Official Receiver's Report to Creditors included unsecured creditors with an estimated total liability of £149,478.00. To date I have received claims from three creditors in the total sum of £211,184.22. I have not received claims from six creditors of an unknown amount.

The claims submitted by three creditors were significantly greater than the original estimated amounts.

DIVIDEND PROSPECTS

The payment of a dividend in this matter will be largely dependent upon the extent of realisations and the costs of realisation. I am unable at this stage to comment any further on the prospects of a dividend.

LIQUIDATORS' REMUNERATION

The Liquidators' remuneration was previously authorised by creditors at a Creditors' Meeting held on 29th October 2014. The remuneration has been fixed by reference to the time properly given in attending to matters arising in the Liquidation, such remuneration to be drawn as and when required. The resolution covers the remuneration of both Mr Upton and myself.

The total time costs to 12th August 2021 amount to £23,087.37 representing 170 hours 30 minutes of work at a blended charge out rate of £135 per hour, of which £1,262.50 representing 8 hours 35 minutes of work, was charged in the period since 13th August 2020 at a blended charge out rate of £147 per hour.

I have drawn £11,023.29 to date, none of which was drawn in this period.

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 Creditor's Guide to Liquidator's Fees' can be viewed online at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>. There are different versions of these Guidance Notes and in this case please refer to the November 2011 version.

Time to be charged on all cases is in 5 minute units and hourly billing rates for the periods since the date of Mr Upton's appointment are as follows (plus VAT):-

	From April 2011	
See note below	A	B
Insolvency Practitioners	255.00	425.00
Chartered Accountants/Solicitor	240.00	320.00
Insolvency Solicitor	240.00	320.00
Associates	220.00	330.00
Managers	175.00	225.00
Senior Professionals	150.00	225.00
Administrators	120.00	180.00
Cashier	100.00	
Assistants	90.00	120.00
Support Staff	85.00	115.00

A Basic Charge out rates

B Charge out rates for special investigation work undertaken in complex cases

I will continue to apply the same rates.

A schedule of the time costs incurred in this period is shown in the analysis below:-

	Insolvency Practitioner	Other Snr Prof.	Cashier	Assistants	Support Staff	Total Hours	Total Costs £	Avg. Hrly. Rate £
Administration and planning - See Note A above								
Statutory	0.00	4.83	0.00	0.00	0.00	4.83	725.00	
Maintenance of Records	0.08	0.08	0.00	0.33	0.00	0.50	63.75	
General Admin	0.00	0.08	0.00	0.00	0.83	0.92	83.34	
VAT & TAX	0.00	0.42	0.00	0.00	0.00	0.42	62.50	
Review	0.58	0.75	0.00	0.00	0.00	1.33	261.25	
Cashiering	0.00	0.00	0.42	0.00	0.00	0.42	41.66	
	0.67	6.17	0.42	0.33	0.83	8.42	1237.50	147
Realisation of Assets - See Note A above								
Directors Loan Accounts	0.00	0.08	0.00	0.00	0.00	0.08	12.50	
Cash at Bank	0.00	0.08	0.00	0.00	0.00	0.08	12.50	
	0.00	0.17	0.00	0.00	0.00	0.17	25.00	150
Total hours	0.67	6.33	0.42	0.33	0.83	8.58		
Total Costs (£)	170.00	950.00	41.66	30.00	70.84		1262.50	147

A schedule of the time costs incurred since Mr Upton's appointment is shown in the analysis below:-

	Insolvency Practitioner	Associate	Other Snr Prof.	Admin.	Cashier	Assistants	Support Staff	Total Hours	Total Costs £	Avg. Hrly. Rate £
Administration and planning - See Note A above										
Open	0.00	0.00	0.00	0.00	0.00	3.50	0.00	3.50	315.00	
Planning	0.00	0.00	0.67	0.00	0.00	0.00	0.00	0.67	100.00	
Statutory	0.00	0.00	22.58	0.00	0.00	21.00	0.00	43.58	5304.58	
Maintenance of Records	1.42	0.17	1.42	0.00	0.00	3.17	0.08	6.25	902.91	
General Admin	0.17	0.50	5.83	0.00	0.00	27.00	6.42	39.92	4014.19	
VAT & TAX	0.17	0.00	5.25	0.00	0.00	0.00	0.00	5.42	830.00	
Review	2.75	0.00	19.17	0.00	0.00	1.67	0.00	23.58	3734.58	
Cashiering	0.00	0.00	0.00	0.00	6.00	0.00	0.00	6.00	599.86	
	4.50	0.67	54.92	0.00	6.00	56.33	6.50	128.91	15801.12	123
Investigations - See Note B above										
Initial Investigation	0.00	0.00	0.25	0.00	0.00	0.00	0.00	0.25	37.50	
Bank Enquiries	0.00	0.00	8.67	0.00	0.00	0.00	0.00	8.67	1318.75	
Books and Records	0.00	0.00	4.08	0.00	0.00	0.00	0.00	4.08	612.50	
Enquiry Financial Advisors	0.00	0.00	1.33	0.00	0.00	0.00	0.00	1.33	200.00	
Instructing Solicitors/Notes to assist	10.17	0.00	0.00	2.42	0.00	0.00	0.00	12.58	3082.50	
	10.17	0.00	14.33	2.42	0.00	0.00	0.00	26.92	5251.25	195
Realisation of Assets - See Note A above										
Directors Loan Accounts	1.67	0.00	4.75	0.00	0.00	0.17	0.00	6.58	1152.50	
PPI	0.00	0.00	0.00	0.00	0.00	2.75	0.00	2.75	247.50	
Cash at Bank	0.00	0.00	0.08	0.00	0.00	0.00	0.00	0.08	12.50	
	1.67	0.00	4.83	0.00	0.00	2.92	0.00	9.42	1412.50	150
Creditors - See Note A above										
Agreeing Creditors Claims	0.00	0.00	0.00	0.00	0.00	1.58	0.00	1.58	142.50	
General Correspondence	0.00	0.00	2.50	0.00	0.00	1.17	0.00	3.67	480.00	
	0.00	0.00	2.50	0.00	0.00	2.75	0.00	5.25	622.50	119
Total hours	16.33	0.67	76.58	2.42	6.00	62.00	6.50	170.50		
Total Costs (£)	4365.00	146.66	11554.16	290.00	599.86	5578.75	552.94		23087.37	135

A description of the routine work undertaken in this period is as follows:-

Administration:

This represents the work involved in the routine administrative functions of the case by me and my staff, together with the control and supervision of the work done on the case by me and my managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Maintaining the physical and electronic case files.
- Dealing with all routine correspondence and emails relating to the case.
- Cashiering – maintaining and managing the office holder's cashbook.
- Logging and banking of estate receipts and payments.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing Annual Progress Reports to Creditors and Members.
- Preparing and filing Corporation Tax Returns.
- Filing reports at Companies House.
- Ongoing Due Diligence and consideration of threats to fundamental principles.

Realisation of Assets:

- Corresponding with solicitors regarding the recovery and collection of the agreed settlement monies.
- Receipt of refunded bank charges from Company's bank.

LIQUIDATORS' EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

The following professional advisors have been utilised in this matter:

Professional Advisor	Nature of Work	Fee Arrangement
Clarke Mairs LLP	Solicitors	Time costs on Informal Conditional Fee Arrangement

The choice of professionals was based on Mr Upton's perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of his fee arrangement with them. Clarke Mairs LLP were instructed to advise on and assist in recoveries against the former directors. They estimated their time costs up to issuing proceedings would be in the region of £15,000. If proceedings were required a further estimate would be provided. The fees incurred amounted to £6,477.70 plus disbursements of £3.00, of which £253.60 and disbursements of £3.00 was incurred in this period. Solicitors act under the terms of a conditional fee arrangement and their fees are subject to a 50% uplift. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

Legal fees of £4,550.00 have been paid to date, none of which was paid in this period.

Category 1 Expenses

The expenses to date amount to £15,593.01, of which £109.20 was incurred during this period.

Expenses of £15,593.01 have been drawn to date, of which £109.20 was drawn in this period.

The following expenses have been incurred, including disbursements paid by Mr Upton or myself.

Type of expense	Amount incurred in this period £	Amount incurred to date £	Amount outstanding £
HM Land Registry charges	0.00	15.00	0.00
Official Receiver's Debit Balance	0.00	1,145.60	0.00
ISA Banking Fees	88.00	616.00	0.00
ISA Cheque Fees	0.00	4.40	0.00
Secretary of State Fees	20.49	6,182.15	0.00
Petitioners Costs	0.00	1,995.00	0.00
Bordereau	0.00	916.00	0.00
Advertising	0.00	149.00	0.00
Legal Fees	0.00	4,550.00	0.00
Corporation Tax	0.71	19.86	0.00

Following a recent Statement of Insolvency Practice 9 update, from 1st April 2021 Category 1 Disbursements are now called Category 1 Expenses.

Category 2 Expenses

The Category 2 Expenses were approved by creditors at a Creditors Meeting held on 29th October 2014.

The following Category 2 Expenses have been incurred and will be paid, if sufficient funds are available, at the finalisation of my administration:-

Type of Category 2 Disbursement	Amount incurred in this period £	Amount incurred to date £	Amount outstanding £
Room Hire	0.00	75.00	75.00
Storage (2 boxes)	0.00	129.60	129.60

Following a recent Statement of Insolvency Practice 9 update, from 1st April 2021 Category 2 Disbursements are now called Category 2 Expenses. No further Category 2 Expenses will be charged from 1st April 2021. Only Category 2 Expenses incurred prior to that date will be payable.

Books and records storage was charged annually at £10.80 per box stored.

Due to changes in Statement of Insolvency Practice 9 which are effective from 1st April 2021, I will no longer be charging for any shared costs, such as room hire and storage, going forward. I have made a decision not to request pro rata charges for storage from the start of the reporting period to 31st March 2021.

A policy decision has been made not to charge postage.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this Report. Any secured creditor may request the same details in the same time limit.

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

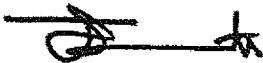
To comply with the Provision of Services Regulations, general information about this firm can be found in the attached summary sheet.

SUMMARY

The Liquidation will remain open until the actions being taken against the Former Director have been concluded. It may be necessary to issue legal proceedings if the claim is not satisfactorily settled.

Should you have any queries regarding this Report, or the Liquidation in general, please contact either myself or Mrs Burley at this office.

Dated this 9th day of September 2021

A handwritten signature in black ink, appearing to be 'J R Duckworth', written over a horizontal line.

J R DUCKWORTH
Liquidator

CCM Systems Limited
(In Liquidation)
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

Statement of affairs £	From 13/08/2020 To 12/08/2021 £	From 13/08/2014 To 12/08/2021 £
RECEIPTS		
Directors Loan Account	0.00	30,000.00
Deposit on Petition	0.00	1,165.00
Refund of bank charges	133.72	133.72
Bank Interest Gross	3.55	99.35
	<u>137.27</u>	<u>31,398.07</u>
PAYMENTS		
HM Land Registry charges	0.00	15.00
Official Receivers Disbursements	0.00	2,310.60
ISA Banking Fees	88.00	616.00
ISA Cheque Fees	0.00	4.40
Secretary of State Fees	20.49	6,182.15
Petitioners Costs	0.00	1,995.00
Bordereau	0.00	916.00
Office Holders Fees	0.00	11,023.29
Advertising	0.00	149.00
Legal Fees	0.00	4,550.00
Corporation Tax	0.71	19.86
	<u>109.20</u>	<u>27,781.30</u>
Net Receipts/(Payments)	<u>28.07</u>	<u>3,616.77</u>
MADE UP AS FOLLOWS		
Insolvency Services Account	28.07	3,616.77
	<u>28.07</u>	<u>3,616.77</u>

Note:

All amounts in this Receipts & Payments Account are exclusive of VAT.

The Liquidator's Receipts & Payments Account has been reconciled with that held by the Secretary of State at The Insolvency Service.