

**TO ALL KNOWN SHAREHOLDERS &
CREDITORS**

Our ref: AP1529/DJR/3B

Your ref:

Date: 2 May 2017

When telephoning please ask for:

David Robinson

Direct Dial: 0116 249 2013

E: david.r@springfields-uk.com

Dear Sir(s)

Apex Designs (Leic) Limited - In Compulsory Liquidation ("the Company")
Trading address: 75 Linden Street, Leicester, LE5 5EE

I write following the end of the third anniversary of the Liquidation. I detail below my report on the progress of the Liquidation for the period 5 March 2016 to 4 March 2017 ("the Period"), which should be read in conjunction with my previous reports to creditors.

1. Executive Summary

All book debts have been recovered. During the Period, further refunds of void payments totalling £1,800.00 have been received. Solicitors have been instructed to commence to recover a further potentially substantial void payment.

2. Company and Liquidators' Details**Company Name** Apex Designs (Leic) Limited**Company Registered number** 07480574**Registered Office** 38 De Montfort Street
Leicester
LE1 7GS**Former Registered Office** 75 Linden Street
Leicester
LE5 5EE**Name of Liquidators** Deviesh Ramesh Raikundalia
Licensed Insolvency Practitioner of
Springfields Advisory LLP
38 De Montfort Street
Leicester**www.springfields-uk.com****Springfields Advisory LLP 38 De Montfort St Leicester LE1 7GS**
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Limited Liability Partnership Registered in England & Wales number OC404694 Any reference to Partner means a member of the LLP
All officeholders are licensed by the Association of Chartered Certified Accountants and are bound by the Insolvency Code of Ethics



Apex Designs (Leic) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

| Statement of Affairs | From 05/03/2016 To 04/03/2017 | From 05/03/2014 To 04/03/2017 |
|---------------------------------|----------------------------------|----------------------------------|
| ASSET REALISATIONS | | |
| Book Debts | NIL | 5,893.20 |
| Sundry Refund | NIL | 15.55 |
| Bank Interest Net of Tax | 19.68 | 42.24 |
| Refunds of void payments | 1,800.00 | 20,516.81 |
| | <u>1,819.68</u> | <u>26,467.80</u> |
| COST OF REALISATIONS | | |
| OR's Admin Fee | NIL | 2,235.00 |
| DTI Cheque Fees | 2.35 | 6.90 |
| Sec of State Fees | 521.43 | 5,966.82 |
| Petitioners Costs | NIL | 1,995.00 |
| Specific Penalty Bond | NIL | 60.00 |
| Meeting Room Hire | NIL | 100.00 |
| Joint Liquidator's remuneration | 5,000.00 | 10,000.00 |
| Printing and Photocopying | 38.60 | 138.00 |
| Land Registry Fees | NIL | 17.00 |
| Legal Fees | 1,125.00 | 3,277.00 |
| Postage & website upload costs | 13.14 | 47.70 |
| Storage Costs | 5.60 | 26.94 |
| Statutory Advertising | NIL | 150.24 |
| Bank Charges | 88.00 | 264.00 |
| | <u>(6,794.12)</u> | <u>(24,284.60)</u> |
| | <u>(4,974.44)</u> | <u>2,183.20</u> |
| REPRESENTED BY | | |
| Vat Receivable | | 1,236.47 |
| ISA NIB | | 2,183.20 |
| Vat Control Account | | (1,236.47) |
| | | <u>2,183.20</u> |

LE1 7GS

| | |
|---------------------|--|
| Name of Liquidators | Situl Devji Raithatha Licensed Insolvency Practitioner of Springfields Advisory LLP 38 De Montfort Street Leicester LE1 7GS |
| Date of Appointment | 5 March 2014 |

3. Receipts and payments & the Liquidators' actions in the Period

I enclose a summary of my receipts and payments account for the Period. Please note that the receipts and payments are shown exclusive of VAT.

Assets

Refunds of Void Payments

A further £1,800.00 has been recovered via my solicitors during the Period.

Payments

The Joint Liquidators have drawn fees of £5,000.00 plus VAT and legal costs of £1,125.00 plus VAT have been paid.

I trust that you will find the remaining receipts and payments self-explanatory.

Actions in the Period

My solicitors have been instructed to commence proceedings to recover a potentially substantial void payment, although I do not consider it appropriate to provide creditors with any further information at present as this may be prejudicial to the outcome. The potential claim is valued at approximately £242,000.

4. Investigations

In addition to the void payment that is being pursued by my solicitors, there are three other potential claims of void payments. Two of the companies involved are in liquidation and recoveries are unlikely. The third company has been dissolved and there will be no realisation from this source.

5. Outcome for creditors

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has not granted any debentures.

4.2 Preferential Creditors

The Official Receiver's Report to Creditors did not identify any preferential claims and none have as yet been received.

4.3 Unsecured, Non-preferential Creditors

The Official Receiver's Report to Creditors anticipated unsecured claims totalling £522,891. I have received claims totalling £2,246,079.20, including two claims totalling £2,225,171.54 from HM Revenue & Customs and four claims from others totalling £20,907.66.

There are a further six unsecured creditors totalling £63,173.73 who have not yet submitted their claims to me.

Based on present information, it is unlikely that there will be sufficient funds available to enable a distribution to unsecured creditors. This is heavily dependent upon the ongoing action and the costs of the Liquidation.

6. Liquidators' remuneration

At a meeting of creditors held on 14 November 2015 my remuneration was agreed on a time cost basis. I enclose a summary of my time costs for the Period, subject to the posting of timesheets. This also provides cumulative figures for the period from 5 March 2014 to 4 March 2017.

Details of any amounts drawn on account of this are shown on the receipts and payments schedule. I also enclose a schedule of my firm's current charge out rates for your information.

A description of the routine work undertaken in the liquidation to date is as follows:

1. Administration and Planning

- Dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on IPS and Virtual Cabinet.
- Review and storage.
- Case bordereau.
- Case planning and administration.

- Preparing reports to creditors.
 - Convening and holding meetings of members and creditors.
 - Extensive liaison with the Official Receiver's Office.
 - Arranging collection of the Company's books and records from the Official Receiver's office and the Company's accountants.
2. **Cashiering**
- Maintaining and managing the Liquidators' cashbook and bank account.
 - Ensuring statutory lodgements and tax lodgement obligations are met.
3. **Investigations**
- Review and storage of books and records.
 - Conduct investigations into suspicious transactions, especially the purported sale of the Company's machines shortly before the liquidation began. Visits to various sites.
 - Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors.
 - Cross-checking of documents of the Company to their financial records.
 - Correspondence with the Director of the Company, various third parties and the Company's accountants.
 - Companies House research
4. **Creditors**
- Dealing with creditor correspondence and telephone conversations.
 - Preparing reports to creditors.
 - Maintaining creditor information on IPS.
 - Reviewing proofs of debt received from creditors.
5. **Realisation of Assets**
- Corresponding with possible debtors and collecting one debt.
 - Correspondence with suppliers paid in the Section 127 period and liaising with the appointed solicitor over the same issues.

7. Liquidation Expenses

I enclose a schedule of my expenses for the Period. This includes category 2 disbursements.

The following professional advisors have been used in this matter:

| <i>Name</i> | <i>Nature of Work</i> | <i>Fee Agreement</i> |
|--------------------|------------------------------|-----------------------------|
| Bray & Bray | Legal Services | Time costs basis |

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my

fee arrangement with them. The fees accrued have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

8. Creditors' Rights

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 Liquidators' 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.

8. Summary

The Liquidation will remain open until all actions to recover monies for the liquidation estate have been completed and the funds have been received in full wherever possible to collect. Once these matters have been dealt with, the Liquidation will be finalised and I will progress to close my files.

9. Disclaimer

This report has been prepared for the sole purpose of updating creditors of the Company for information purposes to fulfil the necessary statutory requirements of the Liquidators. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, or otherwise used by creditors for any purpose other than updating them for information purposes, or any other person for any purpose whatsoever.

Dated: 2 May 2017

A handwritten signature in black ink, consisting of a circular loop followed by a horizontal line extending to the right.

Deviesh Ramesh Raikundalia
Joint Liquidator

Apex Designs (Leic) Limited
(In Liquidation)

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

| | Statement of affairs £ | From 05/03/2016 To 04/04/2017 £ | From 05/03/2014 To 04/04/2017 £ |
|----------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| RECEIPTS | | | |
| Book Debts | | 0.00 | 5,893.20 |
| Sundry Refund | | 0.00 | 15.55 |
| Bank Interest Net of Tax | | 19.68 | 42.24 |
| Deposit on Creditor Petition | | 0.00 | 1,165.00 |
| Refunds of void payments | | 1,800.00 | 20,516.81 |
| | | <u>1,819.68</u> | <u>27,632.80</u> |
| PAYMENTS | | | |
| OR's Admin Fee | | 0.00 | 2,235.00 |
| DTI Cheque Fees | | 2.50 | 7.05 |
| Sec of State Fees | | 521.43 | 5,966.82 |
| Petitioners Deposit | | 0.00 | 1,165.00 |
| Petitioners Costs | | 0.00 | 830.00 |
| Specific Penalty Bond | | 84.00 | 144.00 |
| Meeting Room Hire | | 0.00 | 100.00 |
| Joint Liquidator's remuneration | | 5,000.00 | 10,000.00 |
| Printing and Photocopying | | 58.10 | 157.50 |
| Land Registry Fees | | 6.00 | 23.00 |
| Legal Fees | | 1,125.00 | 3,277.00 |
| Postage & website upload costs | | 13.14 | 23.94 |
| Storage Costs | | 13.60 | 34.94 |
| Statutory Advertising | | 0.00 | 150.24 |
| Bank Charges | | 110.00 | 286.00 |
| Postage and website upload costs | | 0.00 | 23.76 |
| | | <u>6,933.77</u> | <u>24,424.25</u> |
| Net Receipts/(Payments) | | <u>(5,114.09)</u> | <u>3,208.55</u> |

MADE UP AS FOLLOWS

| | | |
|----------------------------|-------------------|-----------------|
| ISA NIB | (4,716.39) | 3,186.25 |
| VAT Receivable / (Payable) | (397.70) | 22.30 |
| | <u>(5,114.09)</u> | <u>3,208.55</u> |

Apex Designs (Leic) Limited - In Compulsory Liquidation**Details of expenses for the period 5 March 2014 to 4 March 2015****Expenses**

| Type | Incurred in | | Paid in | |
|-----------------------|--------------------|-------------------|-------------------|----------------------------|
| | b/f (£) | Period (£) | Period (£) | Outstanding c/f (£) |
| Statutory Advertising | 75.12 | - | - | 75.12 |
| Specific Penalty Bond | - | 84.00 | - | 84.00 |
| Land Registry fees | - | 6.00 | - | 6.00 |
| Legal fees | 7,428.50 | 5,344.00 | 1,125.00 | 11,647.50 |
| Total | 7,503.62 | 5,434.00 | 1,125.00 | 11,812.62 |

Category 2 Disbursements

| Type | Incurred in | | Paid in | |
|---------------------------|--------------------|-------------------|-------------------|----------------------------|
| | b/f (£) | Period (£) | Period (£) | Outstanding c/f (£) |
| Photocopying and printing | 37.60 | 25.70 | 38.60 | 24.70 |
| Storage | - | 8.80 | 5.60 | 3.20 |
| | 37.60 | 34.50 | 44.20 | 27.90 |

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

AP1529 - Apex Designs (Leic) Limited
From: 05/03/2016 To: 04/03/2017
Project Code: POST

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) Average Hourly Rate (£) | Hours Cum (POST Only) | Time Costs Cum (POST Only) |
|------------------------------------|---------|---------|----------------------------|----------------------------|-------------|---------------------------------------|-----------------------|----------------------------|
| ** 100 : Administration & Planning | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.60 | 1,093.00 |
| 101 : Case Planning | 0.00 | 0.00 | 0.10 | 0.00 | 0.10 | 160.00 | 7.70 | 2,023.00 |
| ** 102 : Administrative set-up | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.20 | 1,017.50 |
| ** 103 : Appointment Notification | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.50 | 358.00 |
| 104 : Maintenance of Records | 0.00 | 1.50 | 0.00 | 0.00 | 1.50 | 360.00 | 6.10 | 1,592.50 |
| 105 : Statutory Reporting | 0.00 | 6.20 | 0.00 | 0.00 | 6.20 | 240.32 | 35.90 | 8,635.00 |
| 106 : VAT & Tax Returns | 0.00 | 2.10 | 1.10 | 0.00 | 3.20 | 418.00 | 4.00 | 778.00 |
| 107 : Case Monitoring | 0.50 | 7.60 | 3.80 | 0.00 | 11.90 | 229.75 | 44.00 | 12,007.50 |
| Administration & Planning | 0.50 | 16.30 | 5.00 | 0.00 | 21.80 | 5,016.00 | 110.00 | 27,504.50 |
| ** 802 : Case Specific 2 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.10 | 296.00 |
| Case specific matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.10 | 296.00 |
| ** 500 : Creditors | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.40 | 1,469.50 |
| 501 : Communication | 0.00 | 0.10 | 0.00 | 0.00 | 0.10 | 240.00 | 16.60 | 4,713.50 |
| 502 : Claims inc emp. prefs | 0.00 | 0.70 | 0.50 | 0.00 | 1.20 | 248.00 | 1.40 | 307.00 |
| Creditors | 0.00 | 0.80 | 0.50 | 0.00 | 1.30 | 272.00 | 23.40 | 6,490.00 |
| ** 200 : Investigations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 18.00 | 5,073.50 |
| ** 202 : CDDA reports | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.50 | 155.00 |
| 203 : Antecedent transactions | 0.70 | 3.10 | 0.00 | 0.00 | 3.80 | 1,054.00 | 47.30 | 14,254.50 |
| Investigations | 0.70 | 3.10 | 0.00 | 0.00 | 3.80 | 1,054.00 | 85.80 | 19,483.00 |
| ** 300 : Realisation of Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10.30 | 3,038.50 |
| 301 : Ident. Sec. Insuring | 1.90 | 0.00 | 0.00 | 0.00 | 1.90 | 779.00 | 25.20 | 7,850.50 |
| 303 : Debt collection | 0.00 | 0.20 | 0.00 | 0.00 | 0.20 | 250.00 | 22.00 | 6,440.00 |
| 304 : Sale of prop.bus.assets | 0.00 | 0.40 | 0.00 | 0.00 | 0.40 | 99.00 | 0.60 | 147.00 |
| 305 : Legal matters | 4.20 | 16.70 | 0.00 | 0.00 | 20.90 | 5,818.00 | 28.20 | 8,731.50 |
| Realisation of Assets | 6.10 | 17.30 | 0.00 | 0.00 | 23.40 | 6,746.00 | 86.30 | 26,207.50 |
| Total Hours | 7.30 | 37.50 | 5.50 | 0.00 | 50.30 | 13,088.00 | 286.60 | 79,981.00 |
| Total Fees Claimed | | | | | | 10,000.00 | | |

** - Denotes codes included in cumulative data that are not present in the period.

Springfields Advisory LLP

Charge out rates and disbursements policy for Insolvency Department With effect from 1st August 2016 (subject to periodic review)

Hourly Rate effective 1 August

| Grade | 2016 | 2015 |
|---------------|-------------|------------------------------|
| | (£) | (comparative) (£) |
| Partner | 425 | 410 |
| Manager | 250 – 320 | 240 – 310 |
| Administrator | 145 – 215 | 140 – 210 |

Time is recorded in units of 6 minutes (prior to 08/01/2007 this was 15 minutes).

In some instances where there is undue risk to the firm in recovering its standard hourly rates in full, typically as a consequence of the pursuit of causes of action where the outcomes are far from certain, or where there are considered to be undue risks associated with the conduct of an assignment, then approval for a percentage uplift on standard hourly rates may be sought. The percentage uplift sought will vary depending upon the circumstances of each case.

Disbursements policy

Disbursements incurred in the course of an appointment are recharged to the case in accordance with SIP 9 on all insolvency appointments. These fall into two categories:

Category 1 disbursements are costs which comprise external supplies and are paid to an independent third party. These generally include, for instance, advertising, bond, travel expenses (excluding mileage) and external storage of records.

Category 2 disbursements are costs which are directly referable to the appointment but not a payment to an independent third party. These may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, e.g. business mileage. Category 2 disbursements require approval by creditors before they can be drawn.

Category 2 disbursements

| | |
|--|--|
| Photocopying / printing: | 10p per sheet |
| Internal storage of books and records: | Initial charge for intake: £6.10 per box Storage: £0.40 per month per box in storage at month end |
| Internal storage of PC/IT equipment: | Storage: £3.60 per month per item in storage at month end |
| Internal room hire: | £100 per statutory meeting |
| Mileage (own car usage): | 45p per mile |

Creditors' Guide to Fees

(Produced by the Association of Business Recovery Professionals)

Creditors should note that a copy of the appropriate Creditors' Guide to Fees is available on request from this office or a copy can be accessed on the Insolvency Practitioners Association website www.insolvency-practitioners.org.uk under the heading 'Regulation and Guidance' and then by following the link to 'Creditors' Guides'.

All amounts detailed above are shown exclusive of VAT, which will be charged at the prevailing rate.