

LIQ03

Notice of progress report in voluntary winding up



Companies House

TUESDAY



A13 *A87DDHMA* #23
11/06/2019
COMPANIES HOUSE

1 Company details

Company number 0 7 6 0 7 3 4 7

Company name in full ABGM Solicitors Limited

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

2 Liquidator's name

Full forename(s) Asher

Surname Miller

3 Liquidator's address

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town London

County/Region

Postcode N 1 2 8 L Y

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 2	^d 8	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8
To date	^d 2	^d 7	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X  X

Signature date	^d 2	^d 3	^m 0	^m 5	^y 2	^y 0	^y 1	^y 9
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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	Sinead Trainor
Company name	David Rubin & Partners
Address	Pearl Assurance House
	319 Ballards Lane
Post town	London
County/Region	
Postcode	N 1 2 8 L Y
Country	
DX	Finchley 1
Telephone	020 8343 5900



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 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

IN THE MATTER OF
ABGM SOLICITORS LIMITED - IN LIQUIDATION
AND
THE INSOLVENCY ACT 1986

**THE LIQUIDATOR'S FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE YEAR ENDED 27 MARCH 2019**

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- g. Creditors and distributions
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- B. Time Analysis for the period 28 March 2018 to 27 March 2019

ABGM SOLICITORS LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

The Company was placed into liquidation by a Special Resolution of the members on 28 March 2018. This report provides an update on the progress in the liquidation pursuant to Section 104A of the Insolvency Act 1986 for the year ended 27 March 2019.

Rule 18.3: Progress Report

(b) Statutory information

Company name: ABGM Solicitors Limited
Registered office: Pearl Assurance House, 319 Ballards Lane, London, N12 8LY
Company number: 07607347
Trading address: 74 Brent Street, Hendon, London, NW4 2ES

(c) Liquidator's name and address:

Asher Miller, Office Holder Number: 9251, of David Rubin & Partners, Pearl Assurance House, 319 Ballards Lane, London, N12 8LY.

(d) Any changes in the Office Holder

I was appointed Liquidator of the Company on 28 March 2018. There has not been a change in the Office Holder since the original appointment date.

(e) Details of progress during the period and summary account of receipts and payment

According to the director's estimated Statement of Affairs, the Company's assets at the date of liquidation comprised book debts, work in progress, property improvements, fixtures and fittings, office furniture and equipment and cash at bank. The property improvements and fixtures and fittings were considered unrealisable as the Company had insufficient rights to long term tenure.

On appointment, steps were immediately taken to secure the Company's books and records and to recover the sums owed to the Company. Work remains ongoing to establish the recoverability of book debts and whether the Company may be entitled to VAT bad debt relief.

On review of the Company's ledger and documentation, it was evident that recoveries may be very difficult and complex. Debts owed to the Company are largely historic with over 80% of the ledger more than a year overdue at the date of liquidation, and extensive work would need to be carried out to bring the Company's records up to date.

On 28 March 2018, the Company's business and assets were sold as a going concern to ABJ Limited for £53,000. The Sale and Purchase agreement provided for an initial payment of £5,000 on completion and the balance by 10 equal monthly instalments of £4,750.

The total consideration of £18,000 was made up as follows:

	£
Goodwill	1,500
Office furniture & equipment	2,000

ABGM SOLICITORS LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Work in progress	49,500
Total	53,000

£13,750 of the consideration has been received to date. The liquidator is in the process of recovering the balance of £39,250 from the purchaser.

Receipts

1.1 Realisation of Assets

As mentioned in (e) above, the sum of £13,750 was received in the reporting period in respect of the sale of the Company's business and assets to ABJ Limited.

1.2 Cash held on appointment

The amount of £9,000 was held by my firm, prior to my appointment as Liquidator, specifically for the purposes of meeting the costs of the Statement of Affairs fee as detailed below.

1.3 Insurance Refund

The sum of £5,598 was received from Beale & Company Solicitors LLP on behalf of the Company's Professional Indemnity Insurers, AmTrust, in full and final settlement of the insurers' liability under the policy in respect of a claim raised prior to liquidation.

1.4 Cash at Bank

The sum of £8,146.71 was received from National Westminster Bank Plc in respect of the credit balance held in the Company's business bank account.

1.5 Bank interest gross

Funds are held in an interest bearing account with a high street bank in the name of the Liquidator, on behalf of the Company.

Interest earned on the funds in hand amounts to £8.51.

2. Payments

2.1 Statement of affairs fee

This fee relates to the assistance given to the Director of the Company in preparing the Statement of Affairs under section 99 of the Insolvency Act 1986 and necessary expenses in respect of the Decision Procedure to seek a Decision from the creditors on the nomination of a Liquidator under Rule 6.14 of the Insolvency (England and Wales) Rules 2016. This fee was approved at the Virtual Meeting of creditors.

2.2 Statutory advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first meetings of the members and creditors, and the notice of the appointment of the Liquidator.

2.3 Specific bond

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005.

2.7 Legal fees

The amount of £2,500 plus VAT was paid to Keystone Law in respect of their advice and services in relation to the sale of the business and assets of the Company to ABJ Limited.

Keystone Law have a specialist Insolvency department and they were chosen on that basis after taking into account the nature and complexity of the legal issues and their experience in dealing with similar cases. Keystone Law agreed a fixed fee with this firm for £2,500 plus VAT in regard to this work and I am satisfied that their fees are reasonable in the circumstances. There is no amount outstanding in respect of legal fees.

2.7 Reimbursement

The Liquidator received £3,146.71 from NatWest in respect of client monies which the liquidation estate was not entitled to receive. In accordance with SRA regulations this sum was reimbursed to the client account, which does not form part of the liquidation estate.

2.10 Liquidator's Remuneration

Remuneration drawn during the year amounted to £10,000.

(f) Liquidator's Remuneration and Expenses

1. *Basis of remuneration*

At the first meeting of creditors a resolution was passed approving that the basis of my remuneration as Liquidator be fixed by reference to the time properly spent by my staff and myself in attending to matters arising in the winding-up.

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. These rates were set in November 2011 and have fallen substantially behind prevailing market rates for a business of our size and expertise. Accordingly, the rates were revised on 1 November 2018. Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows:-

ABGM SOLICITORS LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

	Previous	Current
	£	£
Senior / Managing Partners	450	550
Partners/Office holders	300 - 395	495
Managers / Senior Managers	250 - 295	350 - 395
Senior Administrators	180 - 220	220 - 295
Administrators	130 - 160	160 - 200
Cashiers and Assistants	120 - 160	150 - 295
Supports	110 - 120	120 - 150

Chargeout rates are normally reviewed annually and are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

2. *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. *Liquidator's remuneration*

My time costs for the year under review are £51,210. This represents 193.2 hours at an average rate of £265.06 per hour. I attach as Appendix B a Time Analysis which provides details of the activity during the year, analysed by staff grade.

I initially provided creditors a fee estimate £62,771 for the liquidation. The time costs incurred to-date is within the budget provided and I do not expect the estimate to be exceeded.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: A430@drco.co.uk

PASSWORD: 034Acj*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff, in addition to that detailed above, is the following:-

- i) Dealing with creditors' enquiries both by correspondence and by telephone, and acknowledging creditors' claims as appropriate.

ABGM SOLICITORS LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

- ii) Applying for the Liquidator's bond, as required by the Insolvency Practitioners Regulations 2005.
- iii) Carrying out all necessary investigations, including the examination of the company's statutory records and books of accounts and records in order to enable me to prepare and submit a Liquidator's report on the conduct of the Directors pursuant to the requirements of the Company Directors Disqualification Act 1986.
- iv) Notification of the Liquidator's appointment HM Revenue & Customs.
- v) Filing the appropriate statutory documentation relating to the liquidation at Companies House.
- vi) Publishing the necessary statutory advertisements in respect of their liquidation proceedings in the London Gazette.
- vii) Opening a designated estate bank account.
- viii) Cashiering work in relation to the allocation of funds, payments from the liquidation estate and periodic bank reconciliations.
- ix) Extensive correspondence, meetings and telephone attendances with the purchaser in respect of the amounts outstanding under the Sale Agreement of 28 March 2018.
- x) Correspondence with NatWest regarding the operation of the Company's pre-liquidation bank accounts.
- xi) Regular submissions of VAT returns as required, and correspondence with HM Revenue & Customs in respect of matters pertaining to the liquidation.
- xii) Regular case monitoring to ensure the timely progression of the liquidation in accordance with regulatory best practice guidelines.

4. *Liquidator's expenses*

Expenses incurred in the liquidation are explained at (e) above in my comments on the Receipts and Payments Accounts.

Further expenses have been incurred in respect of the conduct of the liquidation and the Liquidator's compliance with his statutory obligations that have yet to be recharged to the estate but were incurred in the reporting period. Details of expenses in this regard are detailed below:

4.1 *Carriage and Archiving*

My firm uses its own personnel and vehicle for collection of books and records, which are charged out at £50 per hour. Costs incurred to date in this regard amount to £262.50 for 5 hours 15 minutes in respect of the collection of records from the Company's premises and £2,525 for 50 hours 30 minutes in respect of sorting and indexing of said records.

4.2 Storage costs

My firm uses a commercial archiving company for storage facilities for the LLP's records and papers. This is recharged at the rate of £10 per box per quarter and includes a small charge to cover the administration costs of archiving and retrieval of documents. I am also required to keep my working papers for 6 years from the conclusion of the liquidation.

5. Creditors' rights – Rule 18.9 and Rule 18.34

- i) 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) may request in writing that the Liquidator provides further information about his remuneration or expenses which have been itemised in this progress report.
- ii) Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

(g) Creditors and Distributions

(i) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts.

The Company had not granted any floating charges and accordingly, the provisions of Section 176A have no application in this instance.

(ii) Preferential creditors

There are no preferential creditors.

(iii) Unsecured creditors

The claims of 7 unsecured creditors totalling £172,932.17 have been received compared to 17 creditors totalling £759,854.14 disclosed on the Director's Estimated Statement of Affairs. Based on current information, it is unlikely that there will be a dividend payable to the unsecured non-preferential creditors.

(h) Details of what remains to be done

The sum of £39,250 is outstanding under the Sale Purchase Agreement and I am continuing to pursue recovery of these sums. In addition, work is ongoing in respect of the Company's sales ledger, although due to the age of the debts and the inconsistency of the records, the prospect of recovery is uncertain.

'ABGM SOLICITORS LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(i) Other information of relevance to creditors:

Investigations

1. In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy (BEIS). As this is a confidential report, I am not able to disclose the contents.
2. Shortly after my appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My examinations have not revealed any issues requiring further investigation. A number of issues were identified in this regard, and whilst my investigations are ongoing it is not appropriate for details to be disclosed.

(J) Next report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my Final Account which will conclude my administration of the Liquidation.

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, Charlotte Jobling, or her assistant, Sinead Trainor at this office.



ASHER D MILLER FCA - LIQUIDATOR

DATE: 23 MAY 2019

ABGM SOLICITORS LIMITED - IN LIQUIDATION
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT
FROM 28 MARCH 2018 TO 27 MARCH 2019

	<u>Estimated</u> <u>to realise</u> £	<u>Realised</u> <u>to-date</u> £	<u>Y/E</u> <u>27-Mar-19</u> £
<u>Balance brought forward</u>			
<u>Receipts</u>			
Property improvements	Nil	0.00	-
Fixtures and fittings	Nil	0.00	-
Goodwill		278.57	278.57
Work in progress	82,225.00	9,100.00	9,100.00
Office furniture and equipment	2,730.00	371.43	371.43
Deffered consideration		4,000.00	4,000.00
Cash at bank	6,496.00	8,146.71	8,146.71
Cash held on appointment	7,800.00	9,000.00	9,000.00
Book debts	Uncertain	0.00	-
Insurance Refund		5,598.00	5,598.00
Bank interest gross		8.51	8.51
		<u>36,503.22</u>	<u>36,503.22</u>
<u>Payments</u>			
Statement of Affairs fee		7,500.00	7,500.00
Statutory advertising		169.20	169.20
Office holders fees		10,000.00	10,000.00
Legal fees		2,500.00	2,500.00
Reimbursement		3,146.71	3,146.71
		<u>23,315.91</u>	<u>23,315.91</u>
<u>Receipts less Payments</u>		<u>13,187.31</u>	<u>13,187.31</u>
<u>Represented by:-</u>			
Balance at bank		9,153.47	
VAT receivable		4,033.84	
		<u>13,187.31</u>	

ABGM SOLICITORS LIMITED - IN CREDITORS VOLUNTARY LIQUIDATION

LIQUIDATOR'S TIME COSTS FOR THE PERIOD 28 MARCH 2018 TO 27 MARCH 2019 SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00:00	00:00	01:30	00:00	01:30	201.00	134.00
Statutory filings, circulars, notices, etc.	01:36	05:36	18:06	00:00	25:18	4,872.00	192.57
Case planning, strategy & control	00:36	11:24	00:00	00:00	12:00	4,010.00	334.17
Taxation: PAYE, C/Tax & VAT	00:30	01:30	03:06	00:00	05:06	1,202.00	235.69
Accounting & Cashiering	00:00	00:18	00:12	07:00	07:30	1,219.50	162.60
Case reviews & Diary maintenance	00:30	02:00	06:24	00:00	08:54	1,770.50	198.93
Investigations							
OR: CDDA matters & correspondence	00:42	04:06	02:48	00:00	07:36	1,960.00	257.89
SIP2 assessment and financial review	00:54	10:06	16:18	00:00	27:18	5,636.00	206.45
Antecedant transactions & wrongful trading	00:00	13:06	00:42	00:00	13:48	5,045.50	365.62
Proceedings & recoveries	00:00	00:36	00:00	00:00	00:36	177.00	295.00
Realisation of assets							
Book debts collection	00:24	00:06	01:00	00:00	01:30	317.50	211.67
Tangible assets	09:36	39:18	13:30	00:00	62:24	19,235.50	308.26
Creditors							
Secured creditors	00:54	00:00	00:00	00:00	00:54	355.50	395.00
Unsec'd Creditors: correspondence & claims	05:00	04:06	05:54	00:00	15:00	4,095.50	273.03
Preferential creditors & employees	01:24	01:30	00:54	00:00	03:48	1,112.50	292.76
Total hours and costs	22:06	93:42	70:24	07:00	193:12	51,210.00	265.06