

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 08012656

Company name in full FINANCIAL PROVISION SOLUTIONS LIMITED

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) MANUBHAI GOVINDBHAI

Surname MISTRY

3 Liquidator's address

Building name/number HORSFIELDS, BELGRAVE PLACE

Street 8 MANCHESTER ROAD

Post town BURY

County/Region GREATER MANCHESTER

Postcode BL90ED

Country ENGLAND

4 Liquidator's name ①

Full forename(s) HEMAL

Surname MISTRY

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number HORSFIELDS, BELGRAVE PLACE

Street 8 MANCHESTER ROAD

Post town BURY

County/Region GREATER MANCHESTER

Postcode BL90ED

Country ENGLAND

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 1	^d 7	^m 1	^m 2	^y 2	^y 0	^y 2	^y 2	
To date	^d 1	^d 6	^m 1	^m 2	^y 2	^y 0	^y 2	^y 3	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X  X								
Signature date	^d 1	^d 4	^m 0	^m 2	^y 2	^y 0	^y 2	^y 4	

**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 **HEMAL MISTRY**

Company name **HORSFIELDS**

Address **BELGRAVE PLACE**

8 MANCHESTER ROAD

Post town **BURY**

County/Region **GREATER MANCHESTER**

Postcode **B L 9 0 E D**

Country **ENGLAND**

DX

Telephone **01617633183**

**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

ANNUAL PROGRESS REPORT

FINANCIAL PROVISION SOLUTIONS LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)

Year ended 16 December 2023

HORSFIELDS
Belgrave Place
8 Manchester Road
Bury
BL9 0ED

Email: info@horsfields.com
Telephone: 0161 763 3183

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- Executive Summary
- Administration and Planning
- Realisation of Assets
- Creditors
- Fees and Expenses
- Creditors' Rights
- Conclusion

Appendices

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- Appendix II – Receipts and Payments account
- Appendix III - Detailed list of work undertaken in the period
- Appendix IV - Time cost information
- Appendix V - Expenses summary

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency (England & Wales) Rules 2016
The Joint Liquidators	Manubhai Govindbhai Mistry and Hemal Mistry
The Company	Financial Provision Solutions Limited (in Liquidation)
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 17 December 2022 to 16 December 2023

EXECUTIVE SUMMARY

This report details the progress of the Liquidation from 17 December 2022 to 16 December 2023, hereafter referred to as the 'Review Period' and should be read in conjunction with previous reports. A summary of key information in this report is detailed below.

Assets

There is no asset realisation in the Review Period.

Expenses

Expenses, excluding VAT where applicable	Expense incurred to date £	Anticipated further expense to closure £	Total anticipated expense £
Joint Liquidators' fees	47,298.00	Uncertain	Uncertain
Statement of Affairs fee	3,500.00	Nil	3,500.00 ¹
Bond fee	80.00	Nil	80.00
Statutory advertising	123.68	Nil	123.68
Printing, postage and stationery	428.92	Uncertain	Uncertain
Case managements software	250.00	Nil	250.00
Legal fees	7,000.00	Uncertain	Uncertain

¹The Statement of Affairs fee was agreed and paid by a third party prior to the Joint Liquidators appointment.

Above figures are subject to VAT where applicable.

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Unsecured creditors	Nil	Uncertain

ADMINISTRATION AND PLANNING

Statutory information

Statutory information may be found at Appendix I.

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

Reporting

The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

- Progress report.

Other administration tasks

During the Review Period, the following material tasks in this category were carried out:

- Case reviews, etc.

ENQUIRIES AND INVESTIGATIONS

During the appointment, the Joint Liquidators have received a large amount of claims from the Financial Services Compensation Scheme (FSCS) in respect of clients of the Company who may have been mis-sold financial products and services. The Joint Liquidators are seeking advice from solicitors as to whether the directors of the Company have breached their duties under the Companies Act 2006, and if so, what, if any, further action could be taken against them in this respect.

REALISATION OF ASSETS

There is no asset realisation in the Review Period.

CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured creditors

The Company has not granted any charges over its assets.

Preferential creditors

There are no known preferential creditors.

Unsecured creditors

The directors Statement of Affairs stated the Company has contingent liabilities of £1. This relates to potential complaints from the FSCS against the Company and the Joint Liquidators are assessing the liabilities held by the Company. Please be advised that the liabilities are yet to be ascertained and therefore the total value of unsecured claims is not known at present.

Dividend prospects

It is currently uncertain whether there will be a distribution to any creditor in this liquidation.

FEES AND EXPENSES

Pre-Appointment Costs

A fixed fee of £3,500 plus VAT was agreed and paid by Knox Financial Group Limited, a company registered in the Isle of Man prior to the winding-up resolution. The fee was for assisting the director with placing the Company into liquidation and with preparing the Statement of Affairs. Knox Financial Group Limited is related by common control, accountancy and management services provided by employees. This fee was paid to Horsfields, prior to the appointment of the Joint Liquidators on 28 September 2018.

The Joint Liquidators' fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. However, the Insolvency Practitioners are involved in the day-to-day case work, in particular, where the issues are complex and litigious.

The basis of the Joint Liquidators' fees was approved by creditors on 4 August 2021 in accordance with the following decision:

1. That the Joint Liquidators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Liquidation, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken; and
2. That the Joint Liquidators be authorised to recover all Category 2 expenses, calculated on the bases detailed in Horsfields Summary.

The time costs for the period 17 December 2022 to 16 December 2023 total £5,574, representing 19.5 hours at an average hourly rate of £285.85. The time costs for the period 17 December 2018 to 16 December 2023 total £47,298.00, representing 190.5 hours at an average hourly rate of £248.28. To date no fees have been drawn by the Joint Liquidators. The time costs for the period are detailed at Appendix V.

Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Joint Liquidators consider that:

- the original fees estimate has been exceeded;

The main reasons why the fees estimate has been exceeded is that significant time has been spent on dealing with requests for information from Claims Management Companies in relation to claims made by former clients of the Company. This involved examining the large volumes of client files and providing copy documents whilst ensuring compliance with GDPR. The work involved with this task does not generate any recovery for the estate but was necessary to enable former clients to seek the appropriate redress.

Additional time was spent dealing with the recovery of the claim from the connected company. The negotiation and collection of funds was protracted and involved more time with solicitors than was originally estimated. Eventually the claim has been realised and a value obtained for the estate.

However, given the limited realisations in this case to date, the Joint Liquidators do not propose to draw fees in excess of the fees estimate at present. The Joint Liquidators will review the position as regards fees when the prospects of realising the remaining assets become clearer.

The time costs incurred to date are detailed at Appendix IV and set out in Appendix III are the charge-out rates of the Joint Liquidators and their staff. To date, the Joint Liquidators have not drawn any remuneration.

Expenses

A summary of the expenses incurred to date is detailed at Appendix V.

The category 1 expenses for the period 17 December 2022 to 16 December 2023 is nil and from the date of appointment to 16 December 2023 totals £203.68, excluding VAT. To date the Joint Liquidators have drawn £87.25 towards these expenses.

The category 2 expenses incurred but not paid for the period 17 December 2022 to 16 December 2023 totals £2.30 and from the date of appointment to 16 December 2023 totals £678.92 excluding VAT.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees' together with the firm's charge-out rate and disbursement policy may be obtained on request.

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 Joint 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 Joint Liquidators' 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.

CONCLUSION

The administration of the case will be continuing to finalise the following outstanding matters that are preventing this case from being closed:

- Continue to ascertain contingent creditor claims and deal with complaints from FCSC;
- Review of director conduct for possible misfeasance claim(s)

Closure

Due to the issues outstanding as listed above, it is difficult to estimate the timing of the closure of the liquidation.

If you require any further information, please contact my office.



H Mistry
Joint Liquidator

Date: 14 February 2024

Statutory Information

Company Name	Financial Provision Solutions Limited
Former Trading Name	As above
Company Number	08012656
Registered Office	c/o Horsfields, Belgrave Place, 8 Manchester Road, Bury, BL9 0ED
Former Registered Office	7 th Floor, Blackfriars House, Parsonage, Manchester, M3 2JA
Office holders	Manubhai Govindbhai Mistry and Hemal Mistry
Office holders' address	Horsfields, Belgrave Place, 8 Manchester Road, Bury, BL9 0ED
Date of appointment	17 December 2018

There is no change in the office holders during the review period.

Appendix II

Receipts and Payments account

	Statement of Affairs £	17 Dec 2022 to 16 Dec 2023	Total 17 Dec 2018 to 16 Dec 2023 £
Receipts			
Balance b/f			
Uncharged assets			
Cash at bank	110		98.55
Book debts	Uncertain		20,000.00
Bank interest		83.52	87.37
	<u>110</u>	<u>83.52</u>	<u>20,185.92</u>
Payments			
Liquidators' disbursements - Category 1			
Statutory advertising			57.25
Liquidators' bond fee			30.00
Solicitor's fee			7,000.00
Irrecoverable VAT - on above where applicable			1,411.45
		<u>0.00</u>	<u>8,498.70</u>
Balance		£83.52	11,687.22

Detailed list of work undertaken during the Review Period

Below is detailed information about the tasks undertaken by the Joint Liquidators.

General Description	Includes
Statutory and General Administration	
Statutory	Filing of documents to meet statutory requirements including annual receipts and payments accounts
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Bank account reconciliations Maintenance of the estate cash book
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Storage	Dealing with records in storage
Reports	Preparing annual progress report
Investigations	
Litigation / Recoveries	Strategy meeting regarding litigation Liaising with solicitors regarding recovery actions
Realisation of Assets	
Other Matters	Dealing with and corresponding with the FCSC and claims management companies in respect of data subject access requests and complaints against the Company

Current Charge-out Rates for the firm

Time charging policy

Support staff do charge their time to each case.

Support staff include cashier, secretarial and administration support.

The minimum unit of time recorded is 6 minutes.

Staff	Charge out rate per hour from 6 April 2019 £
Insolvency Practitioner	380.00
Directors	380.00
Managers	260.00
Administrators	220.00
Assistants and support staff	150.00

Appendix IV

Time cost information

	Liquidator 1	Liquidator 2	Manager 1	Admin 1	Admin 2	Staff 1	Staff 2	Total	Total Value	Average Rate
Hourly rate £	£345	£380	£260	£200	£220	£135	£150			
Activity description	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	£	£
Job acceptance & strategy	0.5	0.3	1.5	0	0	0	0	2.3	676.50	294.13
Immediate tasks	0	0	0	2.4	0	0	0	2.4	480.00	200.00
Debtors	0	1.6	0	0	0	0	0	1.6	608.00	380.00
Other assets	0	1	0.4	0.1	0.5	0	0	2	614.00	307.00
Creditors	0	2.6	14.1	1.4	4.6	0	2.2	24.9	6,276.00	252.05
Members	0	0.2	0	0	0	0	0	0.2	76.00	380.00
Investigations & CDDA	0.7	5.6	2.6	1.1	0	0	0	10	3,265.50	326.55
Accounting & administration	0.8	7.6	47.2	29.2	17.7	0	0	102.5	25,170.00	245.56
Statutory duties	0	12.7	0	5.6	5.4	0	0	23.7	7,134.00	301.01
VAT & taxation	0	0.2	0	0	1.4	0	0	1.6	384.00	240.00
Other matters	0	0	0	0	0.1	19.2	0	19.3	2,614.00	135.44
	2	31.8	65.8	39.8	29.7	19.2	2.2	190.5		
Value £	£690.00	£12,084.00	£17,108.00	£7,960.00	£6,534.00	£2,592.00	£330.00		£47,298.00	248.28

Appendix V

Expenses summary for period, cumulative & comparison with estimate

Below are details of the Joint Liquidators' expenses for the period under review and the total to date, excluding VAT.

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Category 1 Expenses				
Legal costs		tbc	7,000.00	
Advertising	123.68		123.68	
Bonding	80.00		80.00	
Category 2 Expenses				
Photocopying and printing	390.00	2.30	360.90	
Postage	80.00		68.02	
Case management software fee	250.00		250.00	