

LIQ03

Notice of progress report in voluntary winding up



Companies House

TUESDAY



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09/06/2020

#281

COMPANIES HOUSE

1 Company details

Company number 0 8 5 1 0 5 5 9

Company name in full R2 Recruitment Limited

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

2 Liquidator's name

Full forename(s) Kevin

Surname Lucas

3 Liquidator's address

Building name/number 2 Pacific Court

Street Atlantic Street

Post town Altrincham

County/Region Cheshire

Postcode W A 1 4 5 B J

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

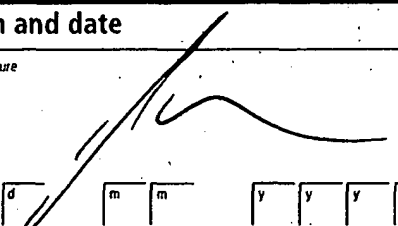
Postcode

Country

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

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	^d	^d	^m	^m	^y	^y	^y	^y				
	2	1	0	4	2	0	1	9				
To date	^d	^d	^m	^m	^y	^y	^y	^y				
	2	0	0	4	2	0	2	0				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">X</div> <div style="flex-grow: 1;">  </div> <div style="margin-left: 10px;">X</div> </div>											
Signature date	^d	^d	^m	^m	^y	^y	^y	^y				

LIQ03

Notice of progress report in voluntary winding up

**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

Company name **Lucas Johnson Limited**

Address

2 Pacific Court**Pacific Road**

Post town

Atlantic Street

County/Region

Postcode

A l t r i n c h a

Country

DX

Telephone

0161 929 8666**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

R2 RECRUITMENT LIMITED - IN LIQUIDATION

**Liquidator's third Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986.
For the period from 21 April 2019 to 20 April 2020**

**R2 RECRUITMENT LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 21 APRIL 2019 TO 20 APRIL 2020**

CONTENTS

- 1. Statutory Information**
- 2. Introduction**
- 3. Progress of the Liquidation**
- 4. Receipts and Payments Account**
- 5. Liquidator's Remuneration, Disbursements and Expenses**
- 6. Other Matters and Information To Assist Creditors**

Receipts and Payments Account

Appendix 1

SIP 9 Time Analysis and Category 2 disbursements

Appendix 2

Liquidator's Fees and Disbursements Policy

Appendix 3

**R2 RECRUITMENT LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 21 APRIL 2019 TO 20 APRIL 2020**

1. STATUTORY INFORMATION

Date of Winding Up Resolution:	21 April 2017
Name of Liquidator:	Kevin Lucas of Lucas Johnson Limited, 2 Pacific Court, Pacific Road, Atlantic Street, Altrincham, Cheshire WA14 5BJ
Date of Appointment:	21 April 2017
Company Name:	R2 Recruitment Limited ("the Company")
Trading Styles:	N/A
Registered Number:	08510559
Registered Office:	2 Pacific Court, Pacific Road, Atlantic Street, Altrincham, Cheshire, WA14 5BJ
Changes in Office Holder:	None

2. INTRODUCTION

- 2.1 A resolution to wind up the above Company was passed on 21 April 2017, when Kevin Lucas was appointed Liquidator.
- 2.2 This is the third annual progress report to creditors and covers the period from 21 April 2019 to 20 April 2020 and is issued pursuant to Section 104A of the Insolvency Act to provide creditors with an update on the progress of the Liquidation. This report should be read in conjunction with the Liquidator's previous reports.
- 2.3 References in this report to rules and sections are, unless expressly provided otherwise, respectively references to the rules of the Insolvency (England & Wales) Rules 2016 ("the Rules") and to sections of the Insolvency Act 1986.

3. PROGRESS OF THE LIQUIDATION DURING THE REPORTING PERIOD

Investigations

- 3.1 As previously reported, the Liquidator's initial enquiries had identified a number of transactions which required further investigation, as transactions identified appeared to benefit the Company directors.
- 3.2 After seeking repayment of the funds from the directors with no avail, the Liquidator sent Letters Before Action. Again, no response was received.
- 3.3 Therefore, during this review period the Liquidator has instructed SAS Daniels LLP ("SAS") solicitors to pursue the matter. SAS have now also written to both directors' numerous times in relation to repayment and still no response has been received. In the meantime, SAS have also been reviewing the directors' personal financial positions.

**R2 RECRUITMENT LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 21 APRIL 2019 TO 20 APRIL 2020**

- 3.4 The prospects of any funds being received from this source is uncertain at this stage. An update will be provided to creditors in my next report.

Future Actions

- 3.5 The Liquidator will continue to assist and liaise with SAS to progress the potential asset realisations detailed above. The financial position of both directors will be taken into account and if necessary, further legal action will be taken.

4. RECEIPTS AND PAYMENTS ACCOUNT

- 4.1 A Receipts and Payments Account for the period is attached at Appendix 1.

5. LIQUIDATOR'S REMUNERATION, DISBURSEMENTS AND EXPENSES

Remuneration

- 5.1 Although two decision procedures have been convened in previous review periods to agree the basis of the Liquidator's remuneration, no votes were received from creditors. Accordingly, no remuneration has been drawn.
- 5.2 The Liquidator's time costs for the period 21 April 2019 to 20 April 2020 are £1,880.00 and are shown in more detail in Appendix 2. This represents 7.50 hours at an average hourly rate of £250.67. Time has been spent on Admin and Planning, Investigations and Realisations of Assets; below is further guidance on the work involved for each category:

Category	Description of work undertaken
Admin & Planning	This category includes conducting internal case strategy reviews to progress the Liquidation and ensure all matters are addressed appropriately. Also included is time spent dealing with general matters which arise in connection with the case and completing and circulating the annual Progress Report to creditors.
Realisation of Assets	This represents time incurred in dealing with the Company's asset realisations which consist of the potential funds owing from the directors. During this period we have had meetings with SAS in relation to this and how to proceed with the position going forward.
Investigations	This represents time spent by the Liquidator and staff in liaising with SAS in order to provide all information for them to review the investigation work and write to the directors accordingly.

- 5.3 The Liquidator's total time costs to date since the commencement of the Liquidation are £12,950.00. This represents 55.50 hours at an average hourly rate of £233.33.
- 5.4 The Liquidator has drawn no remuneration in the period of this report.

Disbursements

- 5.5 Disbursements incurred by the Liquidator are split into two categories:
- Category 1 disbursements are items of specific expenditure that are directly related to the case, where exact costs can be ascertained and recharged without profit, and are usually referable to an independent external supplier's invoice.

**R2 RECRUITMENT LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 21 APRIL 2019 TO 20 APRIL 2020**

- Category 2 disbursements are additional items of incidental expenditure that relate to the estate but are either not directly attributable, or include an element of shared or allocated cost and which are based on a reasonable method of calculation. No approval has been obtained and hence no such disbursements have been drawn.

5.6 There have been no Category 1 disbursements incurred and recharged in the current period. Those incurred and reported in the previous period are set out below:

Expense Incurred	Name of provider	Balance b/fwd (£)	Amount incurred (£)	Amount recharged (£)	Balance Outstanding (£)
Meeting Room Hire	Regus Hotels	41.40	-	41.40	00.00
Statutory Advertising	Courts Advertising	119.80	-	119.80	00.00
Total		161.20	-	161.20	00.00

5.7 Category 2 disbursements, where any have been incurred in the period, are shown at Appendix 2. As required by Statement of Insolvency Practice Number 9, a schedule of the Liquidator's charge out rates and disbursement charging policies is shown at Appendix 3.

5.8 During the period Category 2 disbursements of £60 have been incurred but not drawn.

5.9 A copy of 'A Creditors' Guide to Liquidators' Fees' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set is available at <http://www.lucasjohnson.co.uk/downloads/fee-guides/>. Alternatively, if you require a hard copy of the Guide, please contact the Liquidator's office.

Expenses

5.10 Details of the Liquidator's expenses paid during the reporting period are shown on the receipts and payments account at Appendix 1. There are also various expenses incurred for which payment has not yet been made. For clarity, all expenses incurred during the period are set out below:

Expense Incurred	Name of provider	Balance b/fwd (£)	Amount incurred (£)	Amount recharged (£)	Balance Outstanding (£)
Legal Fees	SAS Daniels LLP	-	3,287.50	-	3,287.50
Legal Disbursements	SAS Daniels LLP	-	3.00	-	3.00
Total		-	3,290.50	-	3,290.50

5.11 SAS Daniels LLP are a firm of solicitors who have been engaged as detailed above, in order to correspond with the directors in relation to payments made from the Company's account. The fee basis agreed is contingent with any realisations into the Liquidation estate. The fees charged by SAS will be on a time cost basis.

6. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

Outcome for Secured Creditors

6.1 There are no secured creditors in this matter.

**R2 RECRUITMENT LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 21 APRIL 2019 TO 20 APRIL 2020**

Outcome for Preferential Creditors

- 6.2 The directors Statement of Affairs ("S of A") detailed that there were preferential creditors of £800 in respect of arrears of wages and holiday pay. To date no preferential claims have been received.

Prescribed Part pursuant to Section 176A of the Act

- 6.3 Under Section 176A of the Act a Liquidator is required to set aside a proportion of the realisations for unsecured creditors where there is a secured creditor who holds a qualifying floating charge created on or after 15 September 2003. This is known as the Prescribed Part.
- 6.4 As there are no qualifying floating charges registered at Companies House, the Prescribed Part does not apply in this matter.

Outcome for Unsecured Creditors

- 6.5 The S of A detailed unsecured creditors of £40,036. As at the date of this report, claims totalling £39,822 have been received from unsecured creditors.
- 6.6 It is unlikely that there will be funds available to distribute to unsecured creditors as nominal funds have been realised in this matter.

Creditors' rights

- 6.7 In accordance with Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors or the permission of the court, may, where it is believed the basis or quantum of remuneration or expenses charged by the Liquidator are, in all the circumstances, excessive or inappropriate, apply to the court within the prescribed period for an order adjusting the remuneration or expenses.
- 6.8 In accordance with Rule 18.9 of the Rules a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors or the permission of the court has the right to make a request in writing to the Liquidator for further information about remuneration or expenses set out in this progress report. If no response is received within 14 days any creditor has the right to apply to court within the subsequent 21 day period for the court to make such order as it thinks just.

Next Report to Creditors

- 6.9 The next report to creditors will be sent out to creditors following the next anniversary of the Liquidation or the conclusion of the winding up, whichever may be sooner.

**Kevin Lucas
Liquidator**

09 June 2020

APPENDIX 1 – RECEIPTS AND PAYMENTS ACCOUNT

R2 RECRUITMENT LIMITED - IN LIQUIDATION

R2 Recruitment Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 21/04/2019 To 20/04/2020 £	From 21/04/2017 To 20/04/2020 £
	ASSET REALISATIONS		
	Bank Interest Gross	NIL	0.15
3,271.00	Book Debts	NIL	467.10
	Cash at Bank	NIL	NIL
Uncertain	Computer Equipment	NIL	NIL
Uncertain	Furniture, Fixtures & Equipment	NIL	NIL
NIL	Goodwill	NIL	NIL
	Overdrawn Directors' Loan Account	NIL	NIL
		NIL	467.25
	COST OF REALISATIONS		
	Legal fees SAS Daniels	NIL	NIL
	Liquidators Disbursements	NIL	161.20
	Liquidators Fees	NIL	NIL
	Preparation of Statement of Affairs	NIL	NIL
	Specific Bond	NIL	30.00
		NIL	(191.20)
	PREFERENTIAL CREDITORS		
(300.00)	Employee Arrears Wages & Hol Pay	NIL	NIL
(500.00)	RPS - Arrears & Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(1,140.00)	Employee - Redundancy & PILON	NIL	NIL
(14,800.00)	HM Revenue & Customs - CT	NIL	NIL
(1,607.00)	HM Revenue & Customs - PAYE/NIC	NIL	NIL
(18,000.00)	HM Revenue & Customs - VAT	NIL	NIL
(1,900.00)	RPS - Redundancy & PILON	NIL	NIL
(2,589.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(37,567.00)		NIL	276.05
	REPRESENTED BY		
	Bank 1 Current		243.81
	Vat Receivable		32.24
			276.05

APPENDIX 2 – SIP 9 TIME ANALYSIS AND CATEGORY 2 DISBURSEMENTS

R2 RECRUITMENT LIMITED - IN LIQUIDATION

Time Entry - SIP9 Time & Cost Summary

R0025 - R2 Recruitment Limited
All Post Appointment Project Codes
From: 21/04/2019 To: 20/04/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	2.40	0.00	1.40	1.10	4.90	1,260.00	257.14
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.30	0.00	0.50	0.00	0.80	217.50	271.88
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.20	0.40	0.90	0.30	1.80	402.50	223.61
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.90	0.40	2.80	1.40	7.50	1,880.00	250.67
Total Fees Claimed						0.00	
Total Disbursements Claimed						161.20	

Time Entry - SIP9 Time & Cost Summary Category 2 Disbursements

R0025 - R2 Recruitment Limited
From: 21/04/2019 To: 20/04/2020

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Disbursement Category	Amount
20/04/2020	Photocopying and Stationery: Photocopying & Stationery 10 x 6 = £60	Category 2	60.00
Total			60.00

Time Entry - SIP9 Time & Cost Summary

R0025 - R2 Recruitment Limited
All Post Appointment Project Codes
To: 20/04/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	9.10	0.00	13.80	3.60	26.50	6,495.00	245.09
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.30	0.00	0.30	67.50	225.00
Investigations	1.90	1.90	11.10	0.00	14.90	3,687.50	246.14
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	1.00	0.40	10.00	2.40	13.80	2,720.00	197.10
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	12.00	2.30	35.20	6.00	55.50	12,950.00	233.33
Total Fees Claimed						0.00	
Total Disbursements Claimed						161.20	

Time Entry - SIP9 Time & Cost Summary Category 2 Disbursements

R0025 - R2 Recruitment Limited
To: 20/04/2020

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Disbursement Category	Amount
15/06/2018	Photocopying and Stationery: Postage & Stationery	Category 2	60.00
20/04/2020	Photocopying and Stationery: Photocopying & Stationery 10 x 6 = £60	Category 2	60.00
Total			120.00

APPENDIX 3 – OFFICE HOLDER'S FEES AND DISBURSEMENTS POLICY

Fees based on Time Properly Given and the Estimation of Fees

Each member of staff involved with the case will time charge on an individual basis. The hourly cost of each member of staff shall be calculated in accordance with their experience and resultant grade within the practice.

Recording of Fees

Time is formally recorded in prescribed categories in units of 6 minutes. All units of time properly spent, shall be recorded on a formal time management system and retained throughout appointment, irrespective of the basis of fees.

Charge Out Rates

A table of current hourly charge out rates is provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	350
Manager/Senior Manager	250-275
Assistant Manager	225
Administrator/Senior Administrator	150-200
Cashier(#)	100
Junior and Support Staff	100

A table of hourly charge out rates prior to 31 December 2015 is provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	300
Manager/Senior Manager	200-250
Assistant Manager	190
Administrator/Senior Administrator	125-175
Cashier(#)	75
Junior and Support Staff	75

(#) Please note that time charged by our cashiers relates only to accounting matters relevant to the case.

The basis upon which the Office Holder determines the appropriate charge out rate on the complexity of the case is detailed in the respective independent creditors' guides to fees, available to download from our company website or by email from this office.

The Office Holder reserves the right to uplift both the hourly rates and category 2 disbursements periodically without further recourse to the creditors. By law, such increases must be disclosed to creditors within each statutory report. Where such increases affect the total fees incurred and take these over the totality of any fee resolution proposed previously, an additional fee resolution will be sent to creditors for their consideration.

Support Staff

In an effort to minimise costs to the case, it is necessary to use support staff to undertake certain matters. Support staff time is charged in the same manner as technical staff on the rates outlined above.

VAT

Services provided by Insolvency practitioners are subject to VAT, except when acting as Nominee or Supervisor of an estate.

Our fees will be subject to VAT at the appropriate rate.

Where the case is not registered for VAT, VAT shall be shown as an irrecoverable expense of the estate.

Expenses and Disbursements

Every case dealt with will incur expenses in addition to fees. These expenses will often also be referred to as disbursements.

Expenses will cover a number of areas, such as advertising, insolvency practitioner insurance and legal fees.

Where the Office Holder or his firm pays these out of their own funds (e.g. the firm's office account) these will be classed as Disbursements. The Office Holder is required to explain the amount and nature of such disbursements whenever a formal abstract of accounts is produced.

Regulations require that we separate Category 1 and 2 disbursements for your information. An explanation of which is as follows:

Category 1 Disbursements:

Category 1 disbursements are expenses directly attributable to the case, where exact costs can be ascertained and recharged without profit. These can, but are not limited to, include insolvency bonds, advertising, company searches, post redirection orders, postage, external room hire, external storage as well as public transport and accommodation costs incurred by staff whilst attending to the administration of the estate.

Category 2 Disbursements

Category 2 disbursements are additional overheads that relate to the estate but are either not directly attributable to it, or the exact cost is not ascertainable and therefore cannot be precisely recharged. These expenses include, inter alia, stationery, photocopying and storage costs.

Any authorised category 2 disbursements which have been charged shall be shown in the statutory abstract of accounts

The following is a current schedule of category 2 disbursements which may (*) be charged by Lucas Johnson

- Mileage shall be recharged at 50pence per mile;
- Storage of books and records at £30 per box per annum;
- Fixed charge to cover all and any circulars/correspondence at £10 per relevant party (creditors, employees, directors, members) per annum;
- Internal meeting room (where required) charged at £50 per hour or part thereof.

(*) Lucas Johnson does not ordinarily recover all category 2 disbursements, but reserves the right to do so, where such disbursements are substantial and appropriate sanction has been obtained.

The following items of expenditure will normally be treated as general office overheads by the Office Holder and will not be charged to the case:

- Telephone and facsimile;
- Printing and photocopying;
- Stationery;
- Email addresses or telephone numbers set up and used exclusively for the case;

Code of Ethics

I am required to advise that I am bound by the Code of Ethics of my regulator, ICAEW. The Code of Ethics can be located directly from the ICAEW at <https://www.icaew.com/membership/regulations-standards-and-guidance/ethics/code-of-ethics-d>