

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

WEDNESDAY



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14/11/2018

COMPANIES HOUSE

#122

1 Company details

Company number 0 3 0 9 4 9 1 5

Company name in full Music Dynamics Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Peter Richard James

Surname Frost

3 Liquidator's address

Building name/number Staverton Court

Street Staverton

Post town

County/Region Cheltenham

Postcode G L 5 1 0 U X

Country

4 Liquidator's name

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

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 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d 1

d 3

m 1

m 1

y 2

y 0

y 1

y 8

LIQ14

Notice of final account prior to dissolution in CVL



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	Peter Richard James Frost
Company name	Hazlewoods LLP
Address	Staverton Court
	Staverton
Post town	
County/Region	Cheltenham
Postcode	G L 5 1 0 U X
Country	
DX	
Telephone	01242 680000



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

Music Dynamics Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 21 December 2016 To 13 November 2018

S of A £		£	£
	ASSET REALISATIONS		
10,000.00	Furniture & Equipment	485.00	
95,358.00	Stock	1,952.00	
16,000.00	Book Debts	350.00	
5,000.00	Rent deposit	NIL	
98,283.27	Cash at Bank	NIL	
	Choraline funds	22,500.00	
	Bank Interest Gross	25.12	
	Proceeds from Administration	115,408.92	
			140,721.04
	COST OF REALISATIONS		
	Sec of State Fees	25.75	
	Liquidator's fees	13,332.24	
	Administrator's fees	8,634.99	
	Agents/Valuers Fees	243.70	
	Legal Fees	50.00	
	Corporation Tax	1,002.80	
	Storage Costs	133.64	
	Statutory Advertising	161.40	
	Surplus Funds	21.61	
			(23,606.13)
	UNSECURED CREDITORS		
(98,581.00)	Trade & Expense Creditors	23,918.10	
(50,000.00)	Landlords	20,366.46	
(71,000.00)	Directors loan	71,994.73	
(2,000.00)	HM Revenue & Customs VAT	NIL	
(6,523.00)	HM Revenue & Customs PAYE & NI	835.62	
			(117,114.91)
(3,562.73)			0.00
	REPRESENTED BY		
			NIL


Peter Richard James Frost
Liquidator



BUSINESS RECOVERY & INSOLVENCY

**MUSIC DYNAMICS LIMITED IN LIQUIDATION
("THE COMPANY")**

LIQUIDATOR'S FINAL ACCOUNT TO CREDITORS AND MEMBERS

Statutory information

Trading name:	Also traded as ChoraLine
Registered in England & Wales No:	03094915
Registered office	Staverton Court Staverton Cheltenham GL51 0UX
Former registered office:	Grove Lodge Watledge Nailsworth Glos GL6 0AP
Principal trading address:	Stroud House Station Road Stroud Glos GL5 3AP
Date of winding up:	21 December 2016
Liquidator's name:	Peter Richard James Frost (Licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association No 8935)
Liquidator's address:	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

Executive summary

I was appointed Liquidator on 21 December 2016 as an exit from Administration. The main reason for my appointment was to agree claims of unsecured creditors and pay a dividend.

Following the realisation of assets, I paid dividends to unsecured creditors of 74p in the £.

The winding up of the Company is now for all practical purposes complete and I am seeking my release as Liquidator. Creditors and members should note that provided I receive no objections to my release, I will obtain it following the delivery of the final notice to the Registrar of Companies, following which my case files will be placed in storage.

If creditors or members have any queries they are asked to contact Denise Godding on 01242 680000, or by email to creditors@hazlewoods.co.uk before I obtain my release.

Liquidator's receipts and Payments

I enclose a summary of receipts and payments for the period since last reporting and for the period of the liquidation. For the purposes of this report the receipts and payments has been brought down to £nil, after providing for a payment of £21.61 to the Treasury Solicitor. This represents surplus funds.

Realisations

Furniture, equipment and stock

I received £2,437 relating to items sold by Asset Management Services (UK) Limited, ("AMS") (FNAVA) at public auction. The majority of the company's Furniture, equipment and stock was sold during the period of Administration.

Book debts

I received a book debt of £350. This was a settlement agreed after the instruction of solicitors. The debt was for £686, but was partly disputed.

ChoraLine

The Receipts and Payments account includes an entry for £22,500 in respect of the ChoraLine business that was sold to the Director prior to Administration. The Director is a major creditor and previously submitted a claim, less the balance owed in respect of this sale.

In my view set-off was not valid and it was subsequently agreed with the Director, that third party creditors would be compensated for the dividend that would be payable to them if I received the gross sale proceeds. This has been equalised by a reduction in the dividend payable to the Director.

Surplus from Administration

I received £115,408.92 following closure of the Administration.

Investigations and statutory reporting

I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation. This is taking account of the public interest, potential recoveries, the funds likely to be available to fund an

investigation, and the costs involved. Other than enquiries referred to above in relation to ChoraLine, no matters were identified that justified further investigation.

Within six months of my appointment, I was required to submit a confidential report to the Secretary of State. This includes any matters which have come to my attention during the course of my work, which may indicate that, the conduct of any past or present Director would make him unfit to be concerned with the management of the company. I have submitted the report

Costs of realisation

Liquidator's remuneration

The basis of my remuneration was agreed by creditors as part of agreeing to my proposal to achieve the purpose of the Administration. I have drawn a fee of £13,332.24 as follows

	£
Fixed fee	5,000.00
Realisation fee	2,476.49
Distribution fee	5,855.75
	<u>13,332.24</u>

A fixed fee of £5,000 was approved for work in respect of the general Administration of the Liquidation. This I have drawn £5,000 to 20 December 2017.

I was authorised to draw 10% of realisations for work in respect of the realisation of assets, excluding the balance received from the Administration. In my previous progress report, I stated that I had overdrawn a fee, which resulted in me crediting the estate.

Finally, I was also authorised to draw 5% of distributions made for my work agreeing creditors' claims and making the distribution to creditors.

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 Creditors Guide to Liquidators' Fees' also published by R3, is available at the www.hazlewoods.co.uk under Services, Business Recovery and Insolvency, Technical Guides. Please note that there are different versions of the Guidance Notes and in this case, you should refer to the October 2015 version.

Administrators' fee

I also paid the balance of the Administrator's fee of £8,634.99. This was paid in accordance with the Administrators proposal.

Liquidator's expenses

I incurred and recovered the following expenses

Type of expense	£
Agents fees	243.70
Legal fees	50.00
Corporation tax	1,002.80
Storage costs	9.88
Statutory Advertising	161.40
	<u>1,467.78</u>

I did not incur any category 2 disbursements

Professional advisors

I have used the following professional advisors.

Professional Advisor	Nature of Work	Basis of Fees
AMS	Professional valuers and Auctioneers	10% of asset realisations
Hopson solicitors	Solicitors	Fixed fee

AMS assisted in the sale of the company's chattels and Hopson solicitors assisted in the collection of the final debtor balance

The choice of professionals is based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

Corporation tax

This mainly relates to tax payable on the sale of the company's intellectual property during the period of Administration.

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.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professional (R3) at www.creditorinsolvencyguide.co.uk.

To comply with the Provision of Services Regulations, some general information about Hazlewoods LLP can be found at www.hazlewoods.co.uk under Services, Business Recovery and Insolvency, Technical Guides.

The processing of personal data during the course of our appointment is regulated in the UK by the General Data Protection Regulations ("GDPR") and other legislation (Data Protection Law). Our privacy policy explains how we process personal data and can be accessed at www.hazlewoods.co.uk under "Useful Links". Copies can be provided by email or post on request.

Outcome to creditors

Dividends

In the period since last reporting, I have paid a final dividend of 19p in the £ to unsecured creditors. This, together with the earlier payment, means that I paid total dividends of 74p in the £. Creditors failed to cash dividends totalling £281.31, which I have paid to the Insolvency Service as unclaimed. A fee of £25.75 is made when lodging the funds.

I paid the dividends as follows

Date	Rate p in £	Total dividend £
05/09/17	55p	77,207
22/02/18	19p	39,903
Total	74p	117,115

Secured creditors

No charges are registered against the Company

Preferential creditors

Preferential claims of £91 were paid during the period of Administration

Unsecured creditors

A summary of claims admitted for dividend is as follows.

	Per Statement of Affairs £	Claims received and admitted £
Trade & expenses	98,580	32,778
Landlords	50,000	27,064
Directors loan	71,000	97,287
HMRC VAT	2,000	-
HMRC PAYE & NI	6,523	1,129
	228,103	158,258

The Director's Estimated Statement of Affairs submitted during the Administration included 62 unsecured creditors with an estimated total liability of £228,103. I admitted claims received from 44 creditors. I have not received claims from 24 creditors with original estimated claims in the statement of affairs of £28,920.

I rejected 7 claims totalling £24,136. This included claims received where the balances owed was reduced following collection of goods under Retention of Title.

At the time of paying the first dividend, 3 creditors totalling £17,829 had yet to be agreed, but were provided for. When paying the interim dividend of 55p in the £ these were withheld and explains why the Receipt and payments account at 20 December 2017 only shows payments to creditors totalling £77,206.84.

Crown claims

The Director's Estimated Statement of Affairs submitted during the Administration included £8,523 owed to HM Revenue & Customs ("HMRC"). On review, I formed an opinion that this would be substantially reduced by terminal loss relief ("TLR") claim.

I submitted final returns and a TLR claim to HMRC, following which I received a final claim of £23,914. The majority of the claim was in respect of corporation tax due and HMRC had rejected part of the TLR claim. Following several rounds of correspondence regarding the disallowed element, I received a revised final claim of £1,129.

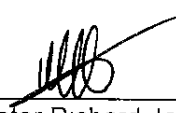


Peter Frost
Liquidator

29 August 2018

Music Dynamics Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 21/12/2017 To 29/08/2018 £	From 21/12/2016 To 29/08/2018 £
	ASSET REALISATIONS		
10,000.00	Furniture & Equipment	NIL	485 00
95,358 00	Stock	NIL	1,952.00
16,000 00	Book Debts	NIL	350 00
5,000 00	Rent deposit	NIL	NIL
98,283.27	Cash at Bank	NIL	NIL
	Choraline funds	NIL	22,500 00
	Bank Interest Gross	18.61	25 12
	Proceeds from Administration	NIL	115,408.92
		18.61	140,721 04
	COST OF REALISATIONS		
	Sec of State Fees	25.75	25 75
	Liquidator's fees	(1,162.81)	13,332.24
	Administrator's fees	NIL	8,634 99
	Agents/Valuers Fees	NIL	243.70
	Legal Fees	NIL	50.00
	Pre-appointment legal fees and costs	NIL	NIL
	Corporation Tax	NIL	1,002.80
	Professional fees	NIL	NIL
	Proceeds from Administration	NIL	NIL
	Storage Costs	123.76	133 64
	Statutory Advertising	NIL	161 40
	Surplus Funds	21.61	21 61
		991.69	(23,606 13)
	UNSECURED CREDITORS		
(98,581.00)	Trade & Expense Creditors	6,170.28	23,918 10
(50,000.00)	Landlords	12,332 44	20,366 46
(71,000.00)	Directors loan	20,569 73	71,994 73
(2,000.00)	HM Revenue & Customs VAT	NIL	NIL
(6,523 00)	HM Revenue & Customs PAYE & NI	835.62	835.62
		(39,908.07)	(117,114 91)
(3,562.73)		(38,897.77)	0.00
	REPRESENTED BY		
			NIL


Peter Richard James Frost
Liquidator

HAZLEWOODS LLP

FEES AND DISBURSEMENTS POLICY STATEMENT

Fees and Charging Policy

- Grades of staff are charged at an hourly rate that is subject to periodic review. Below are the present hourly rates
- Work undertaken by cashiers and support staff relating to specific tasks is charged. Support staff time is charged to the case and the rates are within the Administrator grade banding
- Time spent by partners and all staff in relation to the insolvency estate are charged to the estate.
- Time is recorded in 6 minute units
- Time billed is subject to Value Added Tax (VAT) at the applicable rate.

Time properly incurred in connection with the case is charged at the following hourly rates

Grade	From 1 May	At 1 May & 1 Nov
	2018	2017
	£	£
Partner/Appointment Taker	210-280	190-275
Director	210	202
Manager	127-168	123-162
Associates	98-114	96-130
Administrator	44-86	44-86

Hourly rates are reviewed on 1 May and 1 November each year.

Expenses

Where expenses are incurred in respect of the insolvent estate, they will be recharged and comprise two categories.

Category 1 (Creditor approval not required)

These are where Hazlewoods LLP has met a specific cost to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), searches at Companies House, land registry searches, fees in respect of swearing legal documents, external printing costs, bonding etc. In each case, the charge will be reimbursement of a specific expense incurred.

Category 2 (Creditor approval required)

These are not capable of precise identification and allocation, eg: expenses that include an element of shared or allocated costs. This type of expense requires the approval of Creditors prior to being drawn from the estate.

This includes the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. A charge is made at HM Revenue & Customs approved rate, presently 45p per mile.

Summarised below are the categories of expenses, which may be incurred in connection with the administration of this case

Expense	Charge policy	Category of disbursement
Business mileage	HM Revenue & Customs approved rate (currently 45p per mile)	2
Postage	At cost	1
Storage	Offsite storage at cost	1
Company searches	At cost	1
Individual/Directors searches	At cost	1
Other third party expenses incurred directly in connection with the case	At cost	1

Where applicable, disbursements will be subject to VAT at the prevailing rate

Notice of Final Account of

Music Dynamics Limited ("the Company") – In Creditors' Voluntary Liquidation

Trading as: ChoraLine

Company registered number. 03094915

NOTICE IS GIVEN by the Liquidator, Peter Richard James Frost, under rule 6.28 of The Insolvency (England and Wales) Rules 2016 and section 106 of The Insolvency Act 1986, that the company's affairs have been fully wound up.

Creditors have the right under rule 18.9 of The Insolvency (England and Wales) Rules 2016 to request further details of the Liquidator's remuneration and expenses. That request must be made to the Liquidator within 21 days of receipt of the final account, and with either the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question). Secured creditors may also request further details.

Creditors have the right under rule 18.34 of The Insolvency (England and Wales) Rules 2016 to apply to Court to challenge the amount and/or basis of the Liquidator's fees, and/or the amount of any expenses incurred. That application must be made within 8 weeks of receipt of the final account, and with either the permission of the Court, or with the concurrence of 10% in value of the creditors (including the creditor in question). Secured creditors may also make an application.

Creditors may object to the release of the Liquidator by giving notice in writing to the Liquidator at the address given below before the end of the prescribed period. The prescribed period will end at the later of: 8 weeks after delivery of this notice; or, if any request for information regarding the Liquidator's remuneration and/or expenses is made under rule 18.9, or if any application is made to Court to challenge the Liquidator's fees and/or expenses under rules 18.34 or 18.35, when that request or application is finally determined.

The Liquidator will vacate office under section 171 of the Insolvency Act 1986 when, upon expiry of the prescribed period that creditors have to object to their release, they deliver to the Registrar of Companies the final account and a notice saying whether any creditor has objected to their release.

The Liquidator will be released under section 173 of the Insolvency Act 1986 at the same time as vacating office, unless any creditors objected to their release.

Creditors requiring further information regarding the above, should either contact me at Staverton Court, Staverton, Cheltenham, GL51 0UX, or contact Denise Godding by telephone on 01242 680000, or by email at creditors@hazlewoods.co.uk

DATED THIS 6TH DAY OF SEPTEMBER 2018



Peter Richard James Frost
Liquidator

Notice about final dividend position

Music Dynamics Limited ("the Company") – In Creditors' Voluntary Liquidation

Trading as: ChoraLine

Company registered number 03094915

Notice is given under rule 14.36 of The Insolvency (England and Wales) Rules 2016, by Peter Richard James Frost, the Liquidator, to the creditors of Music Dynamics Limited, that no further dividend will be declared to unsecured creditors.

There will not be any further dividend declared to non-preferential unsecured creditors as the funds realised have been used to pay prior dividends to non-preferential unsecured creditors, and to meet the expenses of the Liquidation.

Creditors requiring further information regarding the above, should either contact me at Staverton Court, Staverton, Cheltenham, GL51 0UX, or contact Denise Godding by telephone on 01242 680000, or by email at creditors@hazlewoods.co.uk

DATED THIS 6TH DAY OF SEPTEMBER 2018



Peter Richard James Frost
Liquidator