



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

TOPPS-IT LIMITED
(In Compulsory Liquidation)

Registered Number 05770499

Joint Liquidator's Annual Progress Report
for the period from 16 December 2015 to 15 December 2016

24 January 2017

WEDNESDAY



Q5YUV4GB

QIQ

25/01/2017

#90

COMPANIES HOUSE

Leonard Curtis
5th Floor, Grove House,
248a Marylebone Road, London NW1 6BB
Tel 020 7535 7000 Fax 020 7723 6059
solutions@leonardcurtis.co.uk
Ref L/31/SWB/STOP07/1010

CONTENTS

- 1 Introduction
- 2 Progress of the Liquidation
- 3 Assets that remain to be realised
- 4 Receipts and Payments Account and Outcome for Creditors
- 5 Investigations
- 6 Joint Liquidators' Remuneration and Disbursements
- 7 Creditors' Rights

APPENDICES

- A Summary of Joint Liquidators' Receipts and Payments from 16 December 2014 to 15 December 2016
- B Summary of Shipleys LLP Time Costs from 16 December 2014 to 17 March 2015
- C Summary of Leonard Curtis Time Costs from 18 March 2015 to 15 December 2016
- D Additional Information in Relation to the Policy of Shipleys LLP Regarding Fees and Disbursements
- E Additional Information in Relation to the Policy of Leonard Curtis Regarding Fees and Disbursements

TO THE REGISTRAR OF COMPANIES, ALL MEMBERS AND ALL CREDITORS

1 INTRODUCTION

- 1 1 S B Ryman and A Davidson were appointed Joint Liquidators ("the former Joint Liquidators") of Topps-IT Limited ("the Company") by the Secretary of State on 16 December 2014. They are licensed in the UK by the Insolvency Practitioners Association.
- 1 2 By Order of the Manchester District Registry of the High Court dated 18 March 2015, the former Joint Liquidators were removed and N A Bennett ("Mr Bennett") and I were appointed as Joint Liquidators. I am licensed in the UK by the Institute of Chartered Accountants in England and Wales and Mr Bennett is licensed in the UK by the Insolvency Practitioners Association.
- 1 3 This progress report provides an update on the conduct of the liquidation as required by Rule 4.49B of the Insolvency Rules 1986. It contains details of the progress made, the expected outcome for creditors and other information that we are required to disclose.

2 PROGRESS OF THE LIQUIDATION

- 2 1 A winding up order was made against the Company on 16 December 2014, on a petition presented by HM Revenue & Customs. The liquidation proceedings are under the jurisdiction of the High Court of Justice, London under Court reference number 001046 of 2013.
- 2 2 The Company's registered office was changed from PO BOX 60317 10 Orange Street London, WC2H 7WR to One Great Cumberland Place, Marble Arch, London W1H 7LW and thereafter to 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB following our appointment. The registered number is 05770499.
- 2 3 The only asset is a loan to the director's spouse which I have instructed debt collectors, Husband Collection Services Ltd ("HCS"), to pursue. They have made contact with the debtor and discussions to settle the debt are in hand. A first substantive repayment of £15,000 was made subsequent to the period under report and further repayments are expected during the course of the year. I will update creditors on progress in my next report.

3 ASSETS THAT REMAIN TO BE REALISED

All of the Company's assets are still to be realised.

4 RECEIPTS AND PAYMENTS ACCOUNT AND OUTCOME FOR CREDITORS

Receipts and Payments Account

- 4 1 I attach at Appendix A a summary of our receipts and payments during the period of this report. There have been no receipts and the only payments are for the Official Receiver's costs and ISA bank charges.
- 4 2 Expenses incurred but not yet paid (excluding category 2 disbursements (see paragraph 6.3 below)), are as follows. Where exact sums are not available the figures have been estimated.

Nature of Expenses	Incurred This Period £	Incurred To Date £	Paid £	Unpaid £
Software Licence	-	87 00	-	87 00
Bordereau	-	324 60	-	324 60
Solicitors' Fees and Expenses	-	51 79	-	51 79
Advertising	-	78 77	-	78 77
Searches	8 00	15 00	-	15 00
Sundry Disbursements	-	6 00	-	6 00
			-	
Total	8 00	563 16	-	563 16

Creditors

- 4 3 There are no secured or preferential creditors. Unless and until further realisations are made over and above the repayment made subsequent to the period under report, there is little or no prospect of a dividend for ordinary unsecured creditors.

5 INVESTIGATIONS

- 5 1 As you may be aware, in a compulsory liquidation the duty to investigate the Company's affairs is the responsibility of the Official Receiver. There is no requirement on the Joint Liquidators to submit a report or return on the directors' conduct to the Department for Business Innovation and Skills, however where matters are brought to our attention these are reported as appropriate to the Official Receiver for further consideration.
- 5 2 We have nevertheless carried out our own enquiries that we considered to be proportionate to the circumstances of the case. After completing these we were of the opinion that there were no matters that might lead to recoveries for the estate and that no further investigation was appropriate.

6 JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS

- 6 1 By business conducted by correspondence, creditors have resolved that our remuneration be payable by reference to time properly given by us and our staff in attending to matters arising in the liquidation and by reference to a Fees Estimate of £14,788.20. As advised in my previous report dated 17 December 2015 our time costs at 15 December 2015 were £2,807. Thereafter further costs of £5,322 have been incurred during the period of this report. Time costs incurred by the former Joint Liquidators are £5,716.20 comprising 18.15 hours at an average hourly rate of £314.94. These total costs of £13,845.20 are summarised at Appendices B and C. No payment has yet been made on account of these costs. Details of Shipleys LLP's and my company's charge out rates and policy regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendices D and E. Further information may be found in "Guide to Liquidators' Fees". This may be downloaded from www.leonardcurtis.co.uk/resources/creditorsguides or is available from my office free of charge.
- 6 2 The majority of time recorded during the period has been incurred in either dealing with the collection of the outstanding debt or in reporting to creditors. Unless and until the debt is fully collected it is not possible to give an indication of final costs although it is possible that the remuneration anticipated to be charged by the Joint Liquidators is likely to exceed the approved Fees Estimate. The reason for any excess will be almost entirely attributable to the costs incurred in pursuing the debt and liaising with HCS although the Joint Liquidators will review costs when the overall position is clearer to determine whether or not to seek approval of any increase in the Fees Estimate from creditors.

- 6 3 There has been a small increase in the anticipated expenses of liquidation as a result of fees for searches to confirm the identity and residence of the debtor
- 6 4 All of the above has so far been carried out as part of the Joint Liquidators' function as office holders. Whilst we recognise that, given the lack of realisations to date, the time incurred to date might be perceived as having brought little or no added value for the estate insofar as the return to creditors is concerned, the Joint Liquidators have nevertheless needed to fulfil the statutory obligations and regulatory requirements that fell to them.
- 6 5 Creditors also approved the basis for recharging disbursements that include an element of allocated cost or payments to outside parties in which we or Leonard Curtis have an interest. In this case no costs falling into these categories have been incurred.
- 6 6 During the liquidation we have used the following professional advisors, including subcontractors:

Name of Professional Advisor	Service Provided	Basis of Fees
Husband Collection Services Ltd	Debt Collection	Percentage of Realisations

7 CREDITORS' RIGHTS

- 7 1 A secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may, within 21 days of the receipt of this report, make a request in writing to me for further information about remuneration or expenses set out in this report.
- 7 2 Within 14 days of receipt of the request, I must provide all of the information asked for, except so far as I consider that -
- i) the time or cost of preparation of the information would be excessive, or
 - ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - iii) I am subject to an obligation of confidentiality in respect of the information.
- I must also give reasons for not providing all of the information.
- 7 3 Any creditor of the Company, who need not be the same creditor who asked for the information, may within 21 days of my giving reasons for not providing all of the information, or if I fail to provide the information within 14 days of being so requested, apply to the Court and the Court may make such order as it thinks just.
- 7 4 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 my remuneration, the remuneration charged or the expenses incurred by me as set out in this progress report are excessive.

Topps-IT Limited – In Compulsory Liquidation

If you require further information please contact my office in writing. Electronic communications should include a full postal address.

Yours faithfully



A J DUNCAN
Joint Liquidator

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

APPENDIX A

Summary of Joint Liquidators' receipts and payments for the period
from 16 December 2014 to 15 December 2016

	Previously Reported £	16 December 2015 to 15 December 2016 £	£
Receipts			
Nil	Nil	Nil	Nil
Payments			
Official Receiver's Costs	1,070 00	-	1,070 00
ISA Banking Fees	88 00	110 00	198 00
Balance in Hand	(1,158 00)	(110 00)	(1,268 00)

APPENDIX B

Summary of Shipleys LLP Time Costs from 16 December 2014 to 17 March 2015

Description	Partner	Manager	Senior Administrator	Administrator	Assistant	Total
	£	£	£	£	£	£
1A - Case Planning	510 00	4,054 00	-	38 00	-	4,602 00
1B - Administrative Set-up	-	-	49 00	-	146 90	195 90
1C - Appointment Notification	-	825 00	49 00	-	-	874 00
1E - Statutory Reporting	-	33 00	-	-	-	33 00
3D - Sales-property, business & assets	-	-	-	-	11 30	11 30
	510 00	4,912 00	98 00	38 00	158 20	5,716 20

Description	Partner	Manager	Senior Administrator	Administrator	Assistant	Total
	Hours	Hours	Hours	Hours	Hours	Hours
1A - Case Planning	1 00	12 55	-	0 20	-	13 75
1B - Administrative Set-up	-	-	0 20	-	1 30	1 50
1C - Appointment Notification	-	2 50	0 20	-	-	2 70
1E - Statutory Reporting	-	0 10	-	-	-	0 10
3D - Sales-property, business & assets	-	-	-	-	0 10	0 10
	1 00	15 15	0 40	0 20	1 40	18 15

APPENDIX C

Summary of Leonard Curtis Time Costs from 18 March 2015 to 15 December 2016

	Director		Senior Manager		Administrator 1		Administrator 2		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	-	-	17	697 00	10	260 00	13	299 00	40	1,256 00	314 00
Assets	8	360 00	61	2,501 00	-	-	-	-	69	2,861 00	414 64
Liabilities	1	45 00	16	656 00	-	-	-	-	17	701 00	412 35
General Administration	-	-	5	205 00	2	52 00	-	-	7	257 00	367 14
Post Appointment Reporting	5	225 00	59	2,419 00	-	-	-	-	64	2,644 00	413 13
Investigations	-	-	10	410 00	-	-	-	-	10	410 00	410 00
Total	14	630 00	168	6,888 00	12	312 00	13	299 00	207	8,129 00	
Average Hourly Rate (£)		<u>450 00</u>		<u>410 00</u>		<u>260 00</u>		<u>230 00</u>		<u>392 71</u>	

Summary of Leonard Curtis Time Costs from 16 December 2015 to 15 December 2016

	Director		Senior Manager		Administrator 1		Administrator 2		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	-	-	3 00	123 00	5 00	130 00	-	-	8	253 00	316 25
Assets	8 00	360 00	47 00	1,927 00	-	-	-	-	55	2,287 00	415 82
Liabilities	1 00	45 00	16 00	656 00	-	-	-	-	17	701 00	412 35
General Administration	-	-	-	-	2 00	52 00	-	-	2	52 00	260 00
Post Appointment Reporting	5 00	225 00	34 00	1,394 00	-	-	-	-	39	1,619 00	415 13
Investigations	-	-	10 00	410 00	-	-	-	-	10	410 00	410 00
Total	14	630 00	110	4,510 00	7	182 00	-	-	131	5,322 00	
Average Hourly Rate (£)				<u>410 00</u>		<u>260 00</u>		<u>-</u>		<u>406 26</u>	

All Units are 6 minutes

Shipleys LLP
10 Orange Street, Haymarket, London WC2H 7DQ

CREDITORS' GUIDE TO FEES
EFFECTIVE FROM 1 MAY 2014
CHARGE-OUT RATES

Staff Allocation and Support Staff

An objective and practical approach is taken to each case which includes active Principal involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Set out below are the relevant charge-out rates per hour worked for the grades of all staff. Time is charged by reference to actual work carried out on each assignment. There has been no allocation of any general or overhead costs.

Grade	Charge-out rate (£ per hour) plus VAT where applicable
Principal*	480 - 510
Manager	250 - 325
Assistant Manager	240 - 250
Senior Administrator	220 - 240
Administrator	140 - 190
Assistant & Cashier	110 - 265

* or equivalent

NB Time costs are calculated at 6 minute units

The time of support staff is not charged to a case except when the initial set up is being performed and appointment documentation is prepared. Support staff will also occasionally charge their time when performing a sizeable administrative task within the case. Support staff charge their time at the £110/hr Assistant rate shown on the preceding table.

Specialist departments with the firm such as Tax and VAT may sometimes charge their time if and when the Office Holders may require their expert advice. The figures below provide details of the charge-out rates per hour worked for typical staff involved in this way.

Grade	Charge-out rate (£ per hour) plus VAT where applicable
Tax Principal*	300-480
Tax Manager	250
Tax Practitioner	200
Tax Assistant	145

Details of historic charge out rates in respect of the London office are provided at the end of this guide. Should any creditor wish to receive details of the charge out rates for the London office in force prior to those shown, these can be provided upon request.

DISBURSEMENTS

Category 1 Disbursements

These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. Examples of equivalent costs that may be reimbursed to the office holders without uplift and do not require prior approval are given below.

Category	Basis of Charge
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Company searches	At cost incurred
Travel	All forms other than mileage at actual cost
Room Hire	All external venues at actual cost
Stationery	At cost incurred
Storage	Charge at actual cost incurred for storage (and retrieval, when appropriate) of records
Other	At actual cost charged

Category 2 Disbursements

These are costs that are directly referable to the appointment in question but not to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. In the event of charging for Category 2 disbursements the following items of expenditure are recharged on the basis specified.

Category	Basis of Charge
Business Mileage	Motor vehicle at 40p per mile
Internal Room Hire	Held at Shipleys LLP, 10 Orange Street, Haymarket, London WC2H 7DQ £50
Photocopying	Specific calculation of 25 pence per sheet x number of creditors
Facsimiles	£1 for 1 st page and 10 pence for each additional page

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery or relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

	01/04/07-31/12/07	01/01/08-31/12/08	01/01/09-31/12/09	01/01/10-31/12/10	01/01/11-31/12/11	01/01/12-31/01/12
	Charge-out rate (£ per hour) plus VAT where applicable					
Principal*	360-370	375	395	395-445	410-460	460
Director	n/a	340	355	375-400	n/a	n/a
Manager	285-300	300	300	245-270	280	300-325
Assistant Manager	200-220	222	180-228	180-250	260	n/a
Senior Administrator	160-210	175-210	140-190	175-220	200-225	210-230
Administrator	110-155	127-165	100-165	75-155	85-160	125-170
Assistant & Cashier	50-95	50-100	50-215	50-240	99-245	100-245

	01/02/12-30/04/12	01/05/12-31/07/12	01/08/12-31/12/12	01/01/13-30/04/13	01/05/13-31/12/13	01/01/14-30/04/14
	Charge-out rate (£ per hour) plus VAT where applicable					
Principal*	460	400-480	400-480	450-480	465-495	465-495
Director	n/a	n/a	n/a	n/a	n/a	n/a
Manager	300-325	300-325	230-325	240-325	240-326	250-325
Assistant Manager	n/a	n/a	n/a	230-240	230-240	240-250
Senior Administrator	210-230	210-230	210-230	220-235	220-235	220-240
Administrator	125-170	125-170	125-170	125-185	125-185	140-190
Assistant & Cashier	100-250	100-250	100-250	110-260	110-260	110-265

* or equivalent

APPENDIX E

ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case.

Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured and/or preferential creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the office holders reserve the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Standard £	Complex £
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

- a) Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff.
- b) Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£88.75 per box
Room hire	£100
Business mileage	45p per mile