

# Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

05782448

Name of Company

Concentral Limited

I ~~Am~~ We

Martin Dominic Pickard, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF

the liquidator(s) of the company attach a copy of my ~~year~~ Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 24/11/2015 to 23/11/2016

Signed  Date 19 JANUARY 2017

Mazars LLP  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Ref C91357/MDP/RZD/SAC/AZH/JZB

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**M A Z A R S**

## **Concentral Limited In Liquidation**

**Liquidators' progress report covering the period 24 November 2015 to  
23 November 2016**

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## **Concentral Limited - In Liquidation**

### **Progress Report to Creditors and Members**

This is the Liquidator's Annual Progress Report for the period 24 November 2015 to 23 November 2016 to all known creditors and members

This report should be read in conjunction with earlier reports for the period 24 November 2011 to 23 November 2012, 24 November 2012 to 23 November 2013, 24 November 2013 to 23 November 2014, 24 November 2014 to 23 November 2015 and 24 November 2015 to 23 November 2016

#### **1. Introduction**

- 1 1 This report is prepared pursuant to Rule 4 49C of the Insolvency Rules 1986, the purpose of which is to provide creditors with details of the progress of the liquidation during the 12 months to 23 November 2016
- 1 2 I was appointed Liquidator of the Company following its conversion from an administration pursuant to paragraph 83 of Schedule B1 of the Insolvency Act 1986 on 24 November 2011 My address is The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF
- 1 3 I am authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
- 1 4 Statutory information regarding the Company and the liquidation appointment is attached at Appendix A

#### **2. Liquidators' Receipts and Payments**

- 2 1 A summary of receipts and payments covering the period from 24 November 2015 to 23 November 2016 is attached at Appendix B The receipts and payments account also covers the cumulative period from the date of appointment to 23 November 2016
- 2 2 The receipts and payments account confirms that there is currently a balance in hand of £21,965.86
- 2 3 An explanation of the assets realised and the expenses paid is provided below

#### **3. Asset Realisations and Details of Progress**

- 3 1 Asset realisations made during the period covered by this report are detailed below.



### **3.2. Book Debts**

- 3 2.1 As you are aware, a former director, Mr Garth Smith, had been retained during the administration to assist in the collection of the debtors and his services were retained during the liquidation through GSM Advisory Ltd on a graduated commission basis which was wholly dependent on debtor realisations
- 3 2.2. At the time my last report was prepared, GSM Advisory Ltd had estimated that there was one debt outstanding totalling approximately £60,000. Discussions went on for several months between all parties (the debtor, the Liquidator and GSM Advisory Ltd) until eventually, the sum of £42,687.46 was received in full and final settlement
- 3 2.3. The sum of £1,707.50 was paid to GSM Advisory for services rendered. This now concludes realisations

### **3.3. Other Realisations**

- 3 2.1 The sum of £25.45 was received in respect of bank interest received on funds held in the liquidation bank account

## **4. Assets still to be Realised**

- 4.1 Unrecoverable assets comprise

### **4.2. Book Debts**

- 4 2.1. As detailed above, the last debtor totalled £60,000 but only £42,687.46 was recovered. The balance of £17,312.54 was not recoverable due to contra claims. There were two other debts that proved unrecoverable, one debt would have required legal action but it was likely that the outcome would have been unsuccessful due to lack of information and the second was a small debt but no progress had been made in recovering the debt for some time and it was concluded that it should be abandoned

## **5. Estimated Outcome Statement**

- 5.1 An estimate of the outcome of the Liquidation is attached at Appendix C
- 5.2 The Bank, who hold a fixed and floating charge were paid in full during the administration. To date, the preferential creditors have been paid a dividend of 100p in the £. More information is found later on in this report
- 5.3 Based on expected realisations and payments, it is expected that there will be sufficient funds to enable a return to unsecured creditors. Based on claims received to date, it is anticipated that the return to creditors will be in the region of 0.004 pence in the £
- 5.4 It is likely that the outcome to unsecured creditors will change if additional creditors come forward with valid claims which are admitted for the purpose of paying a dividend

5.5 Further details on the expected outcome for each class of creditor is provided below

## **6. Liabilities**

### **6.1. Secured Creditors**

6.1.1 A fixed and floating charge debenture over the Company's assets was granted in favour of National Westminster Bank plc. It was created on 10 April 2007 and was registered at Companies House on 24 April 2007.

6.1.2 During the course of the administration, National Westminster Bank plc were paid in full from fixed charge realisations. The surplus funds on the fixed charge were made available for distribution to the preferential and unsecured creditors.

### **6.2. Preferential Creditors**

6.2.1 Preferential claims arise from arrears of wages and accrued, unpaid holiday pay due to the former employees of the Company who did not receive their full entitlements on redundancy, prior to the liquidation.

6.2.2 The Company's employees and some of the subcontractors had a preferential claim for unpaid holiday pay. A small amount of employees also had a claim for arrears of pension. I have agreed the claims of 27 preferential creditors totalling £19,234 and a dividend of 100p in the £ has been paid to creditors. No further claims have been received and I will now proceed to agree unsecured creditors' claims.

### **6.3. Unsecured Creditors**

6.3.1. According to the directors' statement of affairs, the Company had approximately 130 unsecured creditors with debts totalling £2,286,830. Claims received to date total £2,032,432 from 87 creditors.

6.3.2 Unsecured creditors' claims amounting to £2,032,432 have been received and agreed. A first dividend totalling £85,000 was declared and paid on 28 April 2015 which represented a dividend of 4.57 pence in the pound.

6.3.3 Since the dividend has been paid, one creditor has come forward to confirm that there was an error on their initial Proof of Debt Form and it was actually short by £174,263.06. This has been since agreed as a valid claim resulting in an equalising dividend to be paid before a second and final dividend is paid to the unsecured creditors.

6.3.4 Creditors will note from the Estimated Outcome Statement included at Appendix C, assuming that realisations and expenses are as anticipated, there will be sufficient funds to enable a return to creditors, currently estimated at 0.004 pence in the pound. As noted above in the EOS section, the outcome is subject to change following the agreement of creditor claims.

## **7. Prescribed Part**

- 7.1 In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 7.2 In this instance, the Bank was settled in full from fixed charge realisations and the Prescribed Part does not apply.

## **8. Investigations**

- 8.1 In accordance with the Company Directors Disqualification Act 1986, the Liquidator is required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the liquidation. The Liquidator can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 27 April 2016.
- 8.2 An initial investigation into the Company's affairs has also been undertaken by the Liquidator in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation.
- 8.3 Following this initial review no further assets or actions were identified which would lead to a recovery for creditors. Therefore no additional time in respect of investigations has been incurred in this period.
- 8.4 Should creditors have any information which they consider may assist the Liquidator in carrying out his investigation, or be aware of any matters which they believe should be brought to the attention of the Liquidator, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

## **9. Liquidator's Remuneration**

- 9.1 As previously reported, the Company moved from administration to liquidation on 24 November 2011. Where the administrator becomes liquidator, the basis of remuneration is fixed under rule 2.106 in the administration is treated as having been fixed in the liquidation also.
- 9.2 I can confirm that the administrator's remuneration was fixed on a time cost basis with the approval of the creditors at a meeting of creditors held on 9 March 2011. The liquidator's remuneration is therefore also fixed on the basis of time properly spent by the liquidator and his staff in dealing with matters arising during the liquidation.

- 9 3 Attached at Appendix E1 is a summary of the Liquidator's time costs for the period 24 November 2015 to 23 November 2016. These costs total £13,721 90, which represents 64 30 hours at an average hourly rate of £213 40. Further details of the work carried out during this period is attached at Appendix E2 in the narrative summary.
- 9 4 Total time costs incurred in the liquidation to date amount to £93,783 90. This represents 439 90 hours at an average hourly rate of £213 19. Attached at Appendix E3 are details of the Liquidator's cumulative time costs since appointment.
- 9 5 As at 24 November 2016, an amount of £87,722 20 plus VAT has been drawn against the Liquidator's time costs in respect of the liquidation. During the period of this report, the sum of £22,747 60 plus VAT has been drawn.
- 9.6. Details of the future work anticipated to be carried out by the Liquidator includes:
- Adjudication of claims and payment of unsecured dividend to creditors
  - Reporting and statutory and compliance functions.
  - Tax and VAT compliance, including preparing tax computations and returns and seeking final tax clearance prior to closure
- 9 7 The attached Estimated Outcome Statement suggests that my future remuneration could total £5,000 plus VAT but this is subject to change, depending on the future time required in dealing with the above matters.
- 9 8 Routine administration of the liquidation has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Liquidator. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Liquidator.
- 9 9 Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.
- 9 10 The charge out rates of the team members employed on the assignment during the period covered by this report remain the same as those disclosed in the Liquidator's last report to creditors dated 21 January 2016 and a breakdown is provided in the Rates and Disbursements Policy attached at Appendix E4. Specialist departments within our Firm (such as Tax and VAT) have charged time to this case when their expert advice is required. The rate ranges provided incorporate these different rates.

## **10. Liquidator's Disbursements**

- 10 1 Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Liquidator or the firm that can be allocated to the case on a proper and reasonable basis)
- 10 2. Category 2 disbursements require approval in the same manner as remuneration and creditors will recall that a resolution was passed on 9 March 2011 at a meeting of creditors in agreement of the anticipated Category 2 disbursements of the Liquidator
- 10 3 There have been no disbursements incurred or paid during the current reporting period.

## **11. Expenses**

- 11 1 Details of all expenses incurred during the period of the report are provided in the Expense Statement attached at Appendix D, together with an explanation as to why the expenses have been incurred.
- 11 2 Details of expenses paid during the current period are shown in the receipts and payments account at Appendix B
- 11 3 I have reviewed the expenses incurred to date and I am satisfied that they are reasonable in the circumstances of the case

## **12. Creditors' Rights**

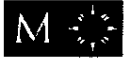
### **12.1. Further information**

- 12 1 1 I would advise you that pursuant to rule 4 49E of the Insolvency Rules 1986, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the court, may, within 21 days of receipt of this progress report, ask the Liquidator for further information about the remuneration and expenses set out in this progress report

### **12.2. Apply to Court**

- 12 2 1 Additionally, pursuant to rule 4 131 of the Insolvency rules 1986, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the court may, within 8 weeks of the receipt of this progress report, apply to the court on one or more of the following grounds
- the remuneration charged by the Liquidator, or
  - the basis fixed for the Liquidator's remuneration, or
  - expenses incurred by the Liquidator





is or are in all of the circumstances, excessive or inappropriate

### 12.3. Further guidance

Creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' Fees" which is available to download from [https://www.r3.org.uk/media/documents/publications/professional/Guide\\_to\\_Liquidators\\_Fees\\_Nov2011.pdf](https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Nov2011.pdf) or alternatively will be provided free of charge upon written request to this office

12.3.1 For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk)

A handwritten signature in black ink, appearing to be 'M D Pickard', written over the text of the 12.3.1 paragraph.

**M D Pickard**  
Liquidator

**Dated 19 January 2017**

*Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics*

**Concentral Limited  
In Liquidation**

**Statutory Information**

<b>Company name</b>	Concentral Limited
<b>Previous names</b>	n/a
<b>Trading name</b>	Concentral Limited
<b>Company number</b>	05782448
<b>Registered office</b>	Mazars LLP , The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1FF
<b>Trading address</b>	Hartshill Wharf, Atherstone Road, Hartshill, Nuneaton, CV10 0TB
<b>Date of appointment</b>	24 November 2011
<b>Liquidator</b>	M D Pickard of Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF  IP No 6833
<b>Liquidator's address</b>	The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF

**Concentral Limited  
(In Liquidation)**

**APPENDIX B**

**Liquidator's Summary of Receipts and Payments**

	Statement of affairs £	From 24/11/2015 To 23/11/2016 £	From 05/01/2011 To 23/11/2016 £
<b>RECEIPTS</b>			
Utility Refund		0 00	0 26
Office Furniture & Equipment		0 00	39 63
Book Debts	321,400 00	42,687 46	89,028 46
VAT Refund from Administration		0 00	738 92
Funds Concentral Plant - Pension Divi		0 00	1,085 00
Bank Interest Gross		25 42	459 22
Transfer from administration		0 00	135,082 66
Water Services Refund		0 00	61 43
CIS Refund		0 00	2,141 21
		<u>42,712 88</u>	<u>228,636 79</u>
<b>PAYMENTS</b>			
Transfer to Concentral Plant Ltd		0 00	275 68
Transfer to Concentral Developments Ltd		0 00	457 56
Insurance of Property		0 00	437 26
IPT Tax		0 00	26 24
DTI Fee - Unclaimed Dividends		25 75	51 90
Liquidator's Fee		22,747 60	87,722 20
Administrator's Disbursements		0 00	4 00
Administrator's Fees		0 00	5,597 00
Legal Fees & Expenses Debtor Collection		0 00	305 00
Council Tax re 2 Lodge Farm Cottage		0 00	41 26
Corporation Tax		0 00	62 27
Services - GSM Advisory Ltd		1,707 50	3,030 72
Statutory Advertising		0 00	145 75
CIS Deductions		0 00	4,280 00
Redundancy Payment Service 100p in £		0 00	9,158 01
Employee Wage Arrears/Hol Pay 100p in £	(15,000 00)	0 00	8,532 26
Trade & Expense Creditors		(354 01)	84,645 99
Unclaimed Dividends		943 27	1,897 83
		<u>25,070 11</u>	<u>206,670 93</u>
<b>BALANCE - 23 November 2016</b>		<u><u>17,642.77</u></u>	<u><u>21,965.86</u></u>
<b>MADE UP AS FOLLOWS</b>			
Floating Charge Current Int Bearing		18,232 03	21,965 86
		<u>18,232 03</u>	<u>21,965 86</u>

## Estimated Outcome Statement as at 16 November 2016

	£ To date	£ Future	£ Total
<b>Asset Realisations</b>			
Utility Refund	0	-	0
Office Furniture & Equipment	40	-	40
Book Debts	89,028	-	89,028
VAT Refund from Administration	739	-	739
Funds Concentral Plant - Pension Divi	1,085	-	1,085
Bank Interest Gross	459	-	459
Transfer from Administration	135,083	-	135,083
Water Services Refund	61	-	61
CIS Refund	2,141	-	2,141
	<u>228,637</u>	-	<u>228,637</u>
<b>Less Costs of Realisations</b>			
Transfer to Concentral Plant Ltd	276	-	276
Transfer to Concentral Developments Ltd	458	-	458
Insurance of Property	437	-	437
IPT Tax	26	-	26
DTI Fee - Unclaimed Dividends	52	-	52
Liquidator's Fee	87,722	5,000	92,722
Administrator's Disbursements	4	-	4
Administrator's Fees	5,597	-	5,597
Legal Fees & Expenses Debtor Collection	305	-	305
Council Tax re 2 Lodge Farm Cottage	41	-	41
Corporation Tax	62	100	162
Services - GSM Advisory Ltd	3,031	-	3,031
Statutory Advertising	146	94	239
CIS Deductions	4,280	-	4,280
			<u>107,631</u>
Funds Available to Preferential Creditors			121,006
<b>Less Preferential Creditors</b>			
Unclaimed Dividends	(1,544)		
Redundancy Payments Service - 100 pence in the £ (Paid)	(9,158)		
Less Employee Wage Arrears and Holiday Pay - 100 pence in the £ (Paid)	<u>(8,532)</u>		
			<u>(19,234)</u>
Funds Available to Unsecured Creditors			101,772
Less Unsecured Dividend already paid	(84,646)		
Less Unclaimed Dividends	<u>(354)</u>		
			<u>(85,000)</u>
Funds available for Equalising Dividend and Second and Final Dividend			16,772
<b>Less Equalising Dividend</b>	<u>(7,971)</u>		
			<u>(7,971)</u>
			8,800
<b>Less Second and Final Dividend</b>			
Employees	(5,347)		
Trade & Expense Creditors	(1,569,753)		
HM Revenue & Customs	<u>(457,331)</u>		
			<u>(2,032,432)</u>
<b>Shortfall to Unsecured Creditors</b>			<u>(1,939,460)</u>
Estimated Dividend to Unsecured Creditors - pence in the £		-	0 004

**CONCENTRAL LIMITED – IN LIQUIDATION****Analysis of Liquidator's time costs for the period 24/11/2015 to 23/11/2016**

Classification of Work Function	Hours					Total	Time	Av hourly
	Partner	Director	Manager	Administrator	Support	Hours	Cost	Rate
<b>2 Admin &amp; Planning</b>							£	£
ADPL- 02 Filing				3 00		3 00	503 50	167 83
<b>Tot: 2 Admin &amp; Planning</b>				<b>3 00</b>		<b>3 00</b>	<b>503 50</b>	<b>167 83</b>
<b>3 Taxation</b>								
TAXA- 01-VAT				2 10	0 20	2 30	424 40	184 52
TAXA- 02-Corporation tax	0 20			4 00		4 20	533 50	127 02
<b>Tot: 3 Taxation</b>	<b>0 20</b>			<b>6 10</b>	<b>0 20</b>	<b>6 50</b>	<b>957 90</b>	<b>147.37</b>
<b>5 Realisation of Assets</b>								
ROAS- 03-Debt collection	1 20		7 30	0 60		9 10	2,443 50	268 52
<b>Tot: 5 Realisation of Assets</b>	<b>1 20</b>		<b>7 30</b>	<b>0 60</b>		<b>9 10</b>	<b>2,443 50</b>	<b>268 52</b>
<b>8 Creditors</b>								
CRED- 03-Unsecured creditors	0 60	0 20	11 60	4 30		16 70	4,080 00	244 31
<b>Tot: 8 Creditors</b>	<b>0 60</b>	<b>0 20</b>	<b>11 60</b>	<b>4 30</b>		<b>16 70</b>	<b>4,080 00</b>	<b>244 31</b>
<b>9 Reporting</b>								
REPO- 01-Statutory reporting			0 80	0 10		0 90	223 00	247 78
REPO- 04-Reporting to creditors	0 40			1 50		1 90	346 00	182 11
REPO- 09-Director/debtor reporting			0 30			0 30	76 50	255 00
<b>Tot: 9 Reporting</b>	<b>0 40</b>		<b>1 10</b>	<b>1 60</b>		<b>3 10</b>	<b>645 50</b>	<b>208 23</b>
<b>10 Distributions</b>								
DIST- 01-Distributions			1 00	1 50		2 50	540 00	216 00
<b>Tot: 10 Distributions</b>			<b>1 00</b>	<b>1.50</b>		<b>2.50</b>	<b>540 00</b>	<b>216 00</b>
<b>11 Cashiering</b>								
CASH- 01 Cheque banking & posting					0 50	0 50	50 00	100 00
CASH- 02 Cheque issuing and posting				0 40	0 60	1 00	112 00	112 00
CASH- 03 Bank Reconciliations		0 70		0 80	0 40	1 90	392 50	206 58
CASH- 04 Bank Account Management					0 20	0 20	20 00	100 00

## APPENDIX E1

CASH- 05 Sundry Cashiering				4 00	0 10	4 10	758 00	184 88
<b>Tot: 11 Cashiering</b>		<b>0.70</b>		<b>5 20</b>	<b>1.80</b>	<b>7.70</b>	<b>1,332 50</b>	<b>173 05</b>
<b>12 Statutory &amp; Compliance</b>								
STCO- 01-Case review	0 40		2 40	5 10		7 90	1,737 00	219 87
STCO- 02-Statutory documentation				7 80		7 80	1,482 00	190 00
<b>Tot: 12 Statutory &amp; Compliance</b>	<b>0 40</b>		<b>2 40</b>	<b>12 90</b>		<b>15.70</b>	<b>3,219 00</b>	<b>205 03</b>
<b>Total Hours</b>	<b>2.80</b>	<b>0 90</b>	<b>23 40</b>	<b>35.20</b>	<b>2 00</b>	<b>64.30</b>		
<b>Total Time Costs (£)</b>	<b>1,092 00</b>	<b>319 50</b>	<b>5,967 00</b>	<b>6,138 00</b>	<b>205.40</b>		<b>13,721 90</b>	
<b>Av Hourly Rate</b>	<b>390 00</b>	<b>355.00</b>	<b>255 00</b>	<b>174 37</b>	<b>102.70</b>			<b>213 40</b>

## NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE LIQUIDATOR FOR THE PERIOD 24 NOVEMBER 2015 TO 23 NOVEMBER 2016

### **Introduction**

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors

This summary should be read together with the Liquidator's Time Costs Analysis at Appendix E1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis

### **Work carried out in the current period**

#### **Administration and planning**

The Liquidator has undertaken the following work

- Ongoing strategy meetings
- Case filing
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system

Work still to be undertaken

- Case filing
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes add to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements

#### **Taxation**

The following activities were undertaken in order to ensure the Company is compliant with tax requirements

- Preparing post liquidation Corporation Tax and VAT returns as required by statute,
- Submitting VAT forms when they fall due,
- Review of whether a VAT debt relief on uncollected debts which proved not applicable in this instance

Work still to be undertaken,

- Preparation of the final Corporation Tax and VAT returns and obtaining clearance from HM Revenue & Customs

The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation

#### **Realisation of Assets**

The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3.2 of the report

At the time of the last report, there was one debt outstanding which GSM Advisory Ltd estimated was recoverable of £60,000. Discussions went on for several months between all parties and eventually, after taking into account contra claims, the sum of £42,687.46 was received in full and final settlement. Two other debts proved unrecoverable, one due to a lack of information including MGD Certificate and the second was deemed too small to recover following contra charges and proved uneconomical to pursue. This has now concluded realisations

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances

## NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE LIQUIDATOR FOR THE PERIOD 24 NOVEMBER 2015 TO 23 NOVEMBER 2016

### **Creditors**

There are approximately 90 unsecured creditor claims. In order to ensure that creditors are dealt with appropriately, the following work has been undertaken during the period:

- Responding to creditor queries,
- Logging creditor claims

Work still to be undertaken:

- Informing of creditors, who have not already proved, of Notice of Intention to declare a second and final unsecured dividend,
- Logging creditor claims

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, as it is expected that a dividend will be paid to unsecured creditors, work undertaken in dealing with creditor claims does have a financial benefit in enabling the correct adjudication of claims (as detailed further below).

### **Distributions**

A second and final dividend is expected to be paid to the unsecured creditors (0.004 pence in the £).

Work still to be undertaken:

- Unsecured creditors – Preparing dividend calculations for second and final dividend and processing and payment of distributions

The work involved in agreeing and paying creditor claims provides a financial benefit through ensuring that the level of claims admitted for dividend purposes is correct and in distributing funds to creditors.

### **Reporting**

Reporting requirements during the period as prescribed by statute have included the following:

- Liquidator's Progress Report to creditors

Reporting work as prescribed by statute still to be undertaken:

- Liquidator's Progress Report to creditors
- Closure reporting and convening the final meeting of creditors

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

### **Cashiering**

Cashiering work undertaken includes:

- Bank account maintenance, including periodic reconciliations
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions

Future cashiering work to be undertaken includes:

- Bank account maintenance, including periodic reconciliations
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions
- Closure of the bank account

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

### **Statutory and Compliance**

The work undertaken as required by statute and our internal procedures involves:



**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE LIQUIDATOR FOR THE  
PERIOD 24 NOVEMBER 2015 TO 23 NOVEMBER 2016**

- Case monitoring and statutory compliance, including internal case reviews

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements

**CONCENTRAL LIMITED – IN LIQUIDATION****Analysis of Liquidator's time costs for the period 24/11/2011 to 23/11/2016**

Classification of Work Function	Hours					Total	Time	Av hourly
	Partner	Director	Manager	Administrator	Support	Hours	Cost	Rate
<b>2 Admin &amp; Planning</b>							£	£
ADPL- 01-Strategy planning	0 50			0 70		1 20	308 00	256 67
ADPL- 02 Filing			0 80	37 90	1 40	40 10	6,414 70	159 97
<b>Tot 2 Admin &amp; Planning</b>	<b>0 50</b>		<b>0 80</b>	<b>38.60</b>	<b>1 40</b>	<b>41 30</b>	<b>6,722.70</b>	<b>162 78</b>
<b>3 Taxation</b>								
TAXA- 01-VAT	0 60		0 10	13 40	0 30	14 40	2,730 90	189 65
TAXA- 02-Corporation tax	0 80		1 70	8 30		10 80	1,884 90	174 53
<b>Tot: 3 Taxation</b>	<b>1 40</b>		<b>1 80</b>	<b>21 70</b>	<b>0 30</b>	<b>25 20</b>	<b>4,615.80</b>	<b>183 17</b>
<b>4 Investigations</b>								
INVE- 02-Directors/Conduct reports	0 50			0 60		1 10	290 50	264 09
<b>Tot: 4 Investigations</b>	<b>0 50</b>			<b>0 60</b>		<b>1 10</b>	<b>290 50</b>	<b>264 09</b>
<b>5 Realisation of Assets</b>								
ROAS- 02-Property related matters	2 70			1 00		3 70	1,099 50	297 16
ROAS- 03-Debt collection	3 30		23 40	7 20		33 90	9,041 00	266 70
ROAS- 04-Dealing with chattel assets			1 60			1 60	428 00	267 50
ROAS- 05-Dealing with other assets	0 90		3 20	1 20		5 30	1,518 50	286 51
ROAS- 10-Insurance matters	0 20			0 60		0 80	181 00	226 25
<b>Tot: 5 Realisation of Assets</b>	<b>7 10</b>		<b>28 20</b>	<b>10 00</b>		<b>45 30</b>	<b>12,268 00</b>	<b>270.82</b>
<b>7 Employees</b>								
EMPL- 01-ERA matters				1 60		1 60	290 00	181 25
<b>Tot: 7 Employees</b>				<b>1 60</b>		<b>1 60</b>	<b>290 00</b>	<b>181 25</b>
<b>8 Creditors</b>								
CRED- 02-Preferential creditors	0 30		5 30	15 70		21 30	4,343 00	203 90
CRED- 03-Unsecured creditors	3 70	0 20	38 10	62 60		104 60	23,948 00	228 95
CRED- 04-Shareholders			0 50			0 50	155 00	310 00
<b>Tot: 8 Creditors</b>	<b>4 00</b>	<b>0.20</b>	<b>43 90</b>	<b>78 30</b>		<b>126 40</b>	<b>28,446 00</b>	<b>225.05</b>
<b>9 Reporting</b>								

APPENDIX E3

REPO- 01-Statutory reporting			18 40	0 10		18 50	5,614 50	303 49
REPO- 04-Reporting to creditors	3 40		2 20	11 30		16 90	3,081 00	182 31
REPO- 07-SIP9 report			1 00	0 50		1 50	400 00	266 67
REPO- 09-Director/debtor reporting			2 70	1 00		3 70	1,000 50	270 41
<b>Tot: 9 Reporting</b>	<b>3 40</b>		<b>24 30</b>	<b>12 90</b>		<b>40 60</b>	<b>10,096 00</b>	<b>248.67</b>
<b>10 Distributions</b>								
DIST- 01-Distributions	0 40		16 50	22 50	0 30	39 70	9,479 00	238 77
<b>Tot: 10 Distributions</b>	<b>0 40</b>		<b>16 50</b>	<b>22 50</b>	<b>0 30</b>	<b>39 70</b>	<b>9,479.00</b>	<b>238 77</b>
<b>11 Cashiering</b>								
CASH- 01 Cheque banking & posting			3 00	0 90	1 50	5 40	571 50	105 83
CASH- 02 Cheque issueing and posting			3 70	1 50	4 70	9 90	998 00	100 81
CASH- 03 Bank Reconciliations	0 80	1 00	2 00	2 10	2 30	8 20	1,453 00	177 20
CASH- 04 Bank Account Management					1 40	1 40	134 00	95 71
CASH- 05 Sundry Cashiering			2 80	37 20	2 90	42 90	7,265 00	169 35
<b>Tot: 11 Cashiering</b>	<b>0 80</b>	<b>1 00</b>	<b>11 50</b>	<b>41 70</b>	<b>12 80</b>	<b>67 80</b>	<b>10,421 50</b>	<b>153 71</b>
<b>12 Statutory &amp; Compliance</b>								
STCO- 01-Case review	3 90		10 70	11 30		25 90	6,614 50	255 39
STCO- 02-Statutory documentation	0 50		6 30	17 70		24 50	4,447 90	181 55
STCO- 03 Bonding				0 10		0 10	18 00	180 00
STCO- 04 Statutory R & Ps				0 40		0 40	74 00	185 00
<b>Tot: 12 Statutory &amp; Compliance</b>	<b>4 40</b>		<b>17 0</b>	<b>29 50</b>		<b>50 90</b>	<b>11,154 40</b>	<b>219 14</b>
<b>Total Hours</b>	<b>22 50</b>	<b>1 20</b>	<b>144 00</b>	<b>257 40</b>	<b>14 80</b>	<b>439 90</b>		
<b>Total Time Costs (£)</b>	<b>8,443 00</b>	<b>426 00</b>	<b>39,366 90</b>	<b>44,095 60</b>	<b>1,452 40</b>		<b>93,783 90</b>	
<b>Av Hourly Rate</b>	<b>375 24</b>	<b>355 00</b>	<b>273 38</b>	<b>171 31</b>	<b>98 14</b>			<b>213 19</b>

## Concentral Limited - In Liquidation

### Rates and Disbursements Policy

#### Charge-out rates

Details of the current charge-out rates of the personnel working on this case are set out below

	Partner	Director	Manager	Administrator	Cashier	Support Staff
Range (£)	390	355	204 - 310	85 - 190	95	95

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Specialist departments within our Firm, (such as Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

#### Disbursements

Some of the expenses incurred on this matter are likely to be paid by this firm in the first instance and subsequently re-charged to the estate. Such disbursements fall into 2 categories as follows:

**Category 1 disbursements:** These are payments to independent third parties where there is specific expenditure directly referable to the case and as such can be drawn without prior approval.

**Category 2 disbursements:** These are costs that are directly referable to the case but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the liquidators of their firm, and that can be allocated to the case on a proper and reasonable basis. Such disbursements require approval in the same manner as remuneration.

It is proposed that the following Category 2 disbursements incurred in administering the case be charged:

- Mileage will be charged at relevant Inland Revenue rates, currently 45p per mile
- Photocopying bulk circulars. Photocopying is charged at 10p per page.

All other disbursements are to be reimbursed at cost.

The liquidators reserve the right to increase the charges applicable to mileage and photocopying during the course of the liquidation in line with inflation or increases from our suppliers. Any material amendments will be advised to creditors in the next statutory report.

**EXPENSES STATEMENT**

<b>Type of Expenditure</b>	<b>Who expense incurred by and nature of expense</b>	<b>Amount incurred in current period (£)</b>
<b>Professional advisors' costs</b> The officeholder's choice of the professional advisors listed below was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them		
Debt Collection Fees	GSM Advisory Ltd had been instructed to assist with the collection of the company's book debts since the commencement of the Administration. GSM Advisory Ltd were retained on a graduated commission basis which was wholly dependent on debtor realisations as follows,  During the period of the report, book debt realisations totalled £42,687.46 and the sum of £1,707.50 was paid to GSM Advisory Ltd in respect of collection fees in line with the above	1,707.50
<b>Other Expenses</b>		
Liquidator's Remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements	22,747.60
DTI Fee re Unclaimed Dividends	Unclaimed dividend cheques were forwarded to The Insolvency Service Account at a cost of £25.75	25.75
<b>Total Expenses</b>		<b>24,480.85</b>