

The Insolvency Act 1986

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

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Company Number

06209882

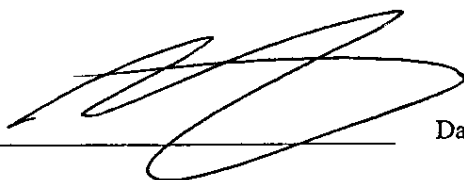
Name of Company

0161 Lettings Limited

I / We
Dean Watson
340 Deansgate
Manchester
M3 4LY

Gary N Lee
340 DEANSGATE
MANCHESTER
M3 4LY

the liquidator(s) of the company attach a copy of my/our progress report under section 192 of the Insolvency Act 1986

Signed  Date 6/12/11

Begbies Traynor (Central) LLP
340 Deansgate
Manchester
M3 4LY

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COMPANIES HOUSE

**0161 Lettings Limited (In Creditors'
Voluntary Liquidation)**

Progress report pursuant to Section 104A of the
Insolvency Act 1986 and Rule 4.49C of the
Insolvency Rules 1986

Period: 4 November 2010 to 3 November 2011

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever

Contents

- Interpretation
- Company information
- Details of appointment of liquidators
- Progress during the period
- Estimated outcome for creditors
- Remuneration and disbursements
- Liquidators' expenses
- Assets that remain to be realised
- Other relevant information
- Creditors' rights
- Conclusion
- Appendices
 - 1 Liquidators' account of receipts and payments
 - 2 Liquidators' time costs and disbursements
 - 3 Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	0161 Lettings Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 4 November 2010
"the liquidators", "we", "our" and "us"	Dean Watson and Gary N Lee of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s)	0161 Lettings Limited
Company registered number	06209882
Company registered office	340 Deansgate, Manchester, M3 4LY
Former trading address	69 Bridge Street, Manchester, M3 3BQ

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	04 November 2010
Date of liquidators' appointment	4 November 2010
Changes in liquidator (if any)	None

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 4 November 2010 to 3 November 2011

At the date of the liquidators' appointment, the Company had no known assets

The Company operated as a letting agent whereby it managed properties on behalf of landlords and received monies in respect of rents. These rents were passed on to the landlords after deducting management charges and commissions. During the course of the liquidation, tenants made payments into the Company's bank account in respect of property rental payments.

These amounts were initially held by the Company bankers, Royal Bank of Scotland Plc ("RBS"). Following the liquidators' appointment, RBS remitted to the liquidators the balance held at the bank which totalled £24,563.96.

Following receipt of these monies, the joint liquidators undertook a reconciliation of the funds received including a reconciliation of the bank statements, review of land registry searches and a review of contracts in order to identify the landlords to whom the rental monies belonged to.

The amount due to landlords following deductions for commissions and management charges amount to £22,333.82. The amount due to the Company for commissions amount to £2,230.14 which includes a contribution of £112.00 in respect of land registry searches.

RECEIPTS

Cash at Bank

As detailed above, a sum of £24,563 96 has been received in respect of cash at bank of which £22,333 82 related to monies due to landlords with the resulting balance being due to the Company in respect of commission due and contribution to disbursements

Commission due

As detailed above, a sum of £2,118 14 has been received in respect of property rental commission

Contribution to disbursements

As detailed above, a sum of £112 00 has been contributed towards the costs of the land registry searches, necessary to distribute the rental payments to the relevant landlords.

Book Debts

A sum of £680 was received from Endsleigh Insurance Services in settlement of their debt to the Company

Deposit for Costs

The directors of the Company deposited a sum of £5,000 towards the cost of the liquidation

Bank Interest

To date a sum of £45 21 has been received in respect of bank interest

PAYMENTS

Preparation of statement of affairs

Begbies Traynor (Central) LLP's professional fees for assisting the Company and its directors in the preparation of the statement of affairs and convening meetings of members and creditors necessary to place the Company into creditor's voluntary liquidation were fixed at £5,000 plus VAT, of which the sum of £1,000 plus VAT is payable to the Company's accountants, Sharon M Clarke FCCA, for assisting in the finalisation of the Company's records and preparation of the Statement of Affairs. Begbies Traynor (Central) LLP have drawn their statement of affairs fee and also paid the Company's accounts

Monies due to Landlords

As detailed above, a sum of £24,563 96 has been received in respect of cash at bank of which £22,333 82 related to monies due to landlords. The amount due to landlords has been repaid in full

Re direction of mail

It was necessary for the joint liquidators to redirect the mail from the trading address to the joint liquidators' office. The cost of this service totalled £51 97 and has been paid

Statutory Advertising

It was necessary for the joint liquidators to advertise their appointment together with details of the resolutions put before the initial meetings of the Company's creditors' and members' in the London Gazette publication. The cost of this advertisement totalled £226 80 plus VAT and has been paid

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as liquidators'

The sums owed to creditors at the date of appointment (as detailed in the director's statement of affairs) are as follows

Secured creditors

There are no secured creditors in this matter

Preferential creditors

There are no preferential creditors in this matter

Unsecured creditors

Unsecured creditors were estimated at £241,850

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- 50% of the first £10,000 of net property,
- 20% of net property thereafter,
- Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

No dividend is available for unsecured creditors because the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation

6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 4 November 2010 to 3 November 2011 amount to £26,112 which represents 123 50 hours at an average rate of £211 43 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- Narrative summary of time costs incurred
- Table of time spent and charge-out value for the period 4 November 2010 to 3 November 2011
- Begbies Traynor (Central) LLP's policy for re-charging disbursements
- Begbies Traynor (Central) LLP's charge-out rates

To 3 November 2011, the joint liquidators have not recovered any of their time costs

The joint liquidators have not incurred or defrayed any Category 2 disbursements

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

8. ASSETS THAT REMAIN TO BE REALISED

There are no unrealised assets

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated prior to the meeting of creditors convened pursuant to Section 98 of the Act, a liquidator is also required to consider the conduct of the Company's

directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4 49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that the we provide further information about our remuneration or expenses which have been detailed in this progress report

Right to make an application to court

Pursuant to Rule 4 131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

Dean Watson
Joint Liquidator

Dated 6 December 2011

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 4 November 2010 to 3 November 2011

**0161 Lettings Limited
(In Liquidation)**

**Summary of Receipts & Payments
04 November 2010 to 03 November 2011**

RECEIPTS

Total (£)

Landlords monies held on trust	22,333 82
Commissions Due	2,118 14
Contribution to disbursements	112 00
Book Debts	680 00
Deposit for Costs	5,000 00
Bank Interest Gross	45 21
	<hr/> 30,289.17 <hr/>

PAYMENTS

Landlords Monies	22,333.82
Preparation of Statement of Affairs - SM Clarke & Co	1,000 00
Preparation of Statement of Affairs - Begbies Traynor (Central) LLP	4,000 00
Re-Direction of Mail	51 97
Statutory Advertising	226 80
	<hr/> 27,612.59 <hr/>
Balance In Hand	<hr/> 2,676 58 <hr/>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred and
- d Table of time spent and charge-out value for the period from 4 November 2010 to 3 November 2011

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 40 pence per mile,
Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

² Ibid 1

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

STANDARD CHARGEOUT RATES AND CHARGING POLICY FOR CREDITORS' VOLUNTARY LIQUIDATIONS

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Manchester office as at the date of this report are as follows

Pre 1 May 2011

Grade of staff	Charge-out Rate (£ per hour)
Partner 1	395
Partner 2	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Junior Administrator	100
Support	100

Post 1 May 2011

Grade of staff	Charge-out Rate (£ per hour)
Partner 1	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Cashier	110
Secretarial	110

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in units 6 minute units

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME 0161 Lettings Limited
CASE TYPE CREDITORS' VOLUNTARY LIQUIDATION
OFFICE HOLDERS Dean Watson and Gary N Lee
DATE OF APPOINTMENT 04 November 2010

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

Please refer to the report presented to the meeting of creditors pursuant to Section 98 of the Insolvency Act 1986 and the progress report pursuant to Section 104a of the Insolvency Act 1986 for details of the case and its complexity

1.3 Exceptional responsibilities

The Company operated as a letting agent whereby it managed properties on behalf of landlords and received monies in respect of rents. These rents were passed on to the landlords after deducting management charges and commissions. During the course of the liquidation, tenants made payments into the Company's bank account in respect of property rental payments

These amounts were initially held by the Company bankers, Royal Bank of Scotland Plc ("RBS"). Following the liquidators appointment, RBS remitted to the liquidators the balance held at the bank which totalled £24,563.96

Following receipt of these monies, the joint liquidators undertook a reconciliation of the funds received including a reconciliation of the bank statements, review of land registry searches and a review of contracts in order to identify the landlords to whom the rental monies belonged to

The amount due to landlords following deductions for commissions and management charges amount to £22,333.82. The amount due to the Company for commissions amount to £2,230.14 which includes a contribution of £112.00 in respect of land registry searches

1.4 The office holders' effectiveness

The joint liquidators consider that to date they have been effective in their role

1.5 Nature and value of property dealt with by the office holders

Please refer to the report presented to the meeting of creditors pursuant to Section 98 of the Insolvency Act 1986 for details of the nature and value of the property dealt with by the office holders

1.6 Anticipated return to creditors

Secured creditors

There are no secured creditors in this matter

Preferential creditors

There are no preferential creditors in this matter

Unsecured creditors

Unsecured creditors were estimated at £241,850. We have not taken steps to formally agree the claims of unsecured creditors because there are insufficient funds available to pay any dividend to the unsecured creditors.

1.7 Time costs analysis

An analysis of time costs incurred between 4 November 2010 to 3 November 2011 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type.

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only.

1.8 Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to the Liquidators' appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors at the Section 98 meeting.

1.9 The views of the creditors

A meeting of creditors was summoned and held pursuant to Section 98 of the Insolvency Act 1986 on 4 November 2010. This meeting gave creditors the opportunity to attend the meeting and question the director. This meeting also gave creditors the opportunity to raise any concerns regarding the conduct of the directors or to raise any matters which they considered required further investigation.

1.10 Approval of fees

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation.

Our time costs for the period from 4 November 2010 to 3 November 2011 amount to £26,112 which represents 123.50 hours at an average rate of £211.43 per hour.

1.11 Approval of Expenses and Disbursements

We are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of the joint liquidators progress report.

1.13 Other professionals employed & their costs

No professionals have been employed in respect of this matter.

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2.1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 3.

2.2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 3.

0161 Lettings Limited
 Time costs analysis for the period from 4 November 2010 to 3 November 2011

Staff Grade	Hours							Total hours	Time cost £	Average hourly rate		
	Partner	Director	Senior Manager	Manager	Assistant Manager	Senior Administrator	Administrator				Junior Administrator	Support
Administration and planning	0.60	2.20	-	18.20	-	-	-	4.00	-	25.00	6,036	241.42
Appointment and case planning	6.90	6.80	-	8.30	-	-	1.50	29.30	5.50	58.30	10,947	187.76
Administration and banking	-	-	-	-	-	-	-	-	-	-	-	-
Statutory reporting and statement of affairs	-	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	2.50	-	9.10	-	-	-	1.50	-	13.10	3,417	260.80
CDDA and investigations	-	-	-	-	-	-	-	-	-	-	-	-
Realisation of assets	-	-	-	-	-	-	-	-	-	-	-	-
Debt collection	-	-	-	-	-	-	-	-	-	-	-	-
Property, business and asset sales	-	-	-	-	-	-	-	-	-	-	-	-
Retention of Title/Third party assets	4.00	-	-	-	-	-	-	4.00	-	8.00	2,020	252.50
Trading	-	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	-	-	-	-	-	-
Secured	-	-	-	11.30	-	-	-	6.60	-	17.90	3,499	195.45
Others	-	-	-	-	-	-	-	-	-	-	-	-
Creditors' committee	-	-	-	-	-	-	-	-	-	-	-	-
Other matters	-	-	-	0.50	-	-	-	-	-	0.50	125	250.00
Meetings	-	-	-	-	-	-	-	0.70	-	0.70	70	100.00
Tax	-	-	-	-	-	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total hours by staff grade	11.50	11.50	-	47.40	-	-	1.50	46.10	5.50	123.50	26,112	211.43
Total time cost by staff grade	4,543	3,872	-	12,128	-	-	203	4,800	568	103.27	26,112	211.43
Average hourly rate £	395.00	336.65	-	255.85	-	-	135.00	104.12	103.27	103.27	26,112	211.43
Total fees drawn to date												

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Statement of affairs Fee	Begbies Traynor Central LLP	£4,000 plus VAT	£4,000 plus VAT	Nil
Statement of affairs Fee	S M Clarke & Co	£1,000 plus VAT	£1,000 plus VAT	Nil
Re-direction of Mail	Royal Mail Group Ltd	£51 97	£51 97	Nil
Statutory Advertising	Courts Advertising Ltd	£226 80 plus VAT	£226 80 plus VAT	Nil
Liquidators Disbursements' Companies House Searches	Companies House	£16 00 plus VAT	Nil	£16 00 plus VAT
Liquidators Disbursements' Specific Penalty Bond	Insolvency Risk Services	£10 00 plus VAT	Nil	£10 00 plus VAT