

**Liquidator's Annual  
Progress Report to  
Creditors**

**05753845 Limited - In Compulsory Liquidation**

**3 April 2016**

WEDNESDAY



RCS      \*R57PWFCX\*      #33  
25/05/2016  
COMPANIES HOUSE

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## **1 Introduction and Statutory Information**

- 1 1 I, Brian Baker of Kingston Smith & Partners LLP Devonshire House, 60 Goswell Road, London, EC1M 7AD, was appointed as Liquidator of 05753845 Limited ("the Company") formally known as Adaptive Designs Limited on 4 April 2014, replacing the previous Liquidator, Ian Defty
- 1 2 The winding-up order was made on 2 August 2011 in the Newcastle-Upon-Tyne County Court under Court reference number 729 of 2011 This Progress Report covers the period from 4 April 2015 to 3 April 2016 ("the Period") and should be read in conjunction with previous Progress Reports which have been issued
- 1 3 The trading address of the Company was 80 South View, East Denton, Newcastle-Upon-Tyne NE5 2BQ
- 1 4 The registered office of the Company has been changed to 105 St Peter's Street, St Albans, Herts AL1 3EJ and its registered number is 05753845

## **2 Progress of the Liquidation**

- 2 1 At Appendix A is my Receipts and Payments Account for the Period together with a cumulative Account from 6 September 2011, the date the former Liquidator was appointed, to the end of the Period
- 2 2 Attached at Appendix B is a time analysis outlining the time spent by the Liquidator and his staff during the Period together with a cumulative time analysis covering the period 6 September 2011 to 3 April 2016

### ***Asset Realisation - 87 Darras Road***

- 2 3 As previously reported 87 Darras Road was subject to a charge in favour of Barclays Bank for c£1 2 million The Bank enforced its security and appointed an LPA receiver The LPA Receiver took steps to sell this property and it was eventually sold for £777,000 Therefore there is no return due to the Liquidation estate

### ***46 Woodside***

- 2 4 Bank of Scotland enforced their security over 46 Woodside and following the sale of this property, surplus funds of £39,759 were received into the Liquidation estate

### ***Investigations***

- 2 5 The Company directors emigrated from the United Kingdom to New Zealand As such I entered into correspondence with HM Revenue & Customs and secured additional funding for further asset tracing enquiries Solicitors instructed agents in New Zealand to determine whether the Directors had sufficient assets for me to pursue claims in the Liquidation
- 2 6 The report provided by the agents did not show any assets held in the Directors names HM Revenue & Customs also made enquires of the New Zealand tax authorities but no useful information was received
- 2 7 I have requested an up to date report on the Directors and I am currently awaiting its receipt In the event no new assets come to light, I shall bring my investigations to a close

## **3 Creditors**

- 3 1 There are no secured creditors in the Liquidation
- 3 2 There are no preferential creditors in the Liquidation

3 3 I have received claims totalling £400,964 from 2 unsecured creditors. I am not aware of any additional creditors. Based on the information above it is unlikely that there will be sufficient realisations into the Liquidation estate to provide a distribution to creditors. However should this position change creditors will be notified accordingly.

#### 4 Liquidator's Remuneration

4 1 The Creditors approved the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation.

4 2 My time costs for the Period are £4,160.87. This represents 16.83 hours at an average rate of £247.23 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation. To date, £1,507.97 plus disbursements of £944.43 has been drawn on account.

4 3 Also attached at Appendix B is a cumulative Time Analysis for the period from 6 September 2011 to 3 April 2016 which provides details of my time costs since my appointment. The cumulative time costs incurred to date are £93,066.98. This represents 291.50 hours at an average rate of £319.27 per hour.

4 4 In considering the remaining work to be done in this Liquidation, I currently anticipate that my time costs to complete the Liquidation will be approximately £2,500. I will update creditors on this in my next Progress Report.

4 5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.kspllp.co.uk/creditorsguidetofees](http://www.kspllp.co.uk/creditorsguidetofees)

4 6 Attached at Appendix C is additional information in relation to the Liquidator's fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

4 7 Since 6 September 2011 the following Category 2 disbursements have been incurred but not drawn:

Photocopying	£22.20
Postage	£8.69

#### 5 Creditors' rights

5 1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this Progress Report.

5 2 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, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this Progress Report, are excessive.

**6 Next Report**

- 6.1 I am required to provide a further Report on the progress of the Liquidation within two months of the end of the next anniversary of the Liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my Final Progress Report ahead of convening the final meeting of creditors

Yours faithfully



**BRIAN BAKER**  
Liquidator

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**Receipts and Payments Account from 4 April 2015 to 3 April 2016 and cumulatively from 6 September 2011 to 3 April 2016**

**05753845 Limited - Formerly Known As Adaptive Designs  
(In Liquidation)**

**Summary of Receipts & Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>From 06/09/2011 To 03/04/2015 (£)</b>	<b>From 04/04/2015 To 03/04/2016 (£)</b>	<b>Total (£)</b>
Realisation of charge over 46 Woodside		39,759 20	0 00	39,759 20
Guaranteed Costs		0 00	525 00	525 00
Bank Interest Gross		2 31	0 66	2 97
Petitioners Deposit		1,000 00	0 00	1,000 00
		<b>40,761 51</b>	<b>525 66</b>	<b>41,287 17</b>
<b>PAYMENTS</b>				
restoration costs		2,657 00	0 00	2,657 00
balance held by Housemans Solicitors		1,380 24	0 00	1,380 24
O R Remuneration		2,235 00	0 00	2,235 00
DTI Cheque Fees		1 10	10 45	11 55
Sec of State Fees		4,070 84	463 00	4,533 84
Petitioners Costs		2,762 65	0 00	2,762 65
Specific Bond		0 00	90 00	90 00
Office Holders Fees		0 00	1,507 97	1,507 97
Office Holders Expenses		0 00	788 56	788 56
Agents/Valuers Fees (1)		0 00	525 26	525 26
Housemans Legal Fees		5,037 62	0 00	5,037 62
Counsel Fees - Legal Fees		7,943 38	0 00	7,943 38
Tax Deducted at Source		0 46	0 14	0 60
Statutory Advertising		0 00	65 87	65 87
Insurance of Assets QBE		8,798 00	0 00	8,798 00
Bank Charges		314 00	88 00	402 00
		<b>35,200 29</b>	<b>3,539 25</b>	<b>38,739 54</b>
<b>Net Receipts/(Payments)</b>		<b>5,561 22</b>	<b>(3,013 59)</b>	<b>2,547 63</b>
<b>MADE UP AS FOLLOWS</b>				
Vat Receivable		2,596 21	490.46	3,086 67
ISA NOT ON INTEREST BEARING		2,965 01	(417.64)	2,547.37
ISA IB		0 00	0.26	0 26
Vat Control Account		0 00	(3,086 67)	(3,086 67)
		<b>5,561 22</b>	<b>(3,013 59)</b>	<b>2,547 63</b>

**Time Analysis for the period 4 April 2015 to 3 April 2016 and cumulatively from 6 September 2011 to 3 April 2016**



**05753845 Limited**

**Summary of Fees and Expenses**

From 04/04/2015 to 03/04/2016

**Time Costs**

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Other Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
<b>Administration &amp; Planning</b>	1 75	1 25	6 17	0 08	9 25	2,295 04	248 11
Case Planning/Information	0 83	0 08			0 92	370 42	402 63
Post Appointment VAT & CTax	0 08	0 50	0 75		1 33	297 92	224 00
Set-up Administration/IPS/Initial	0 08				0 08	32 92	411 50
Statutory filing with Court, Companies	0 08		0 17		0 25	62 92	251 68
Strategy reviews/Checklists/Diary	0 67		3 33		4 00	928 36	232 09
General Admin/Billing/Filing		0 67	1 92	0 08	2 67	602 50	225 66
<b>Investigations</b>	<b>1 83</b>		<b>1 67</b>		<b>3 50</b>	<b>1,034 16</b>	<b>295 47</b>
Antecedent transactions	1 50				1 50	592 50	395 00
Information capture/initial	0 17				0 17	65 83	387 24
Litigation - document review	0 17				0 17	65 83	387 24
Strategy, planning, meetings and			1 67		1 67	310 00	185 63
<b>Creditors</b>	<b>0 08</b>	<b>0 25</b>	<b>3 25</b>		<b>3 58</b>	<b>741 67</b>	<b>207 17</b>
Correspondence/Preparation of	0 08	0 25	3 08		3 42	711 67	208 09
Claims/Proofs			0 17		0 17	30 00	176 47
<b>Realisation of Assets</b>			<b>0 50</b>		<b>0 50</b>	<b>90 00</b>	<b>180 00</b>
Freehold & Leasehold			0 25		0 25	45 00	180 00
Tangible Assets - plant, motors,			0 25		0 25	45 00	180 00
<b>Grand Total</b>	<b>3 67</b>	<b>1 50</b>	<b>11 58</b>	<b>0 08</b>	<b>16 83</b>	<b>4,160 87</b>	

- Notes
- 1 All costs are shown excluding VAT and include an element of undrawn work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.
  - 2 The time accounting system utilised by Kingston Smith & Partners LLP does not allow for analysis of time, by task, prior to 30 November 2002.
  - 3 The number of hours shown have been rounded to two decimal places.

**Disbursements**

**Category 1 Disbursements**

These are out of pocket expenses which are directly attributable to the case. These are charged to the case and billed as funds allow.

**Category 2 Disbursements**

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as follows:

**05753845 Limited**

**Summary of Fees and Expenses**

From 06/09/2011 to 03/04/2016

**Time Costs**

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Other Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
<b>Administration &amp; Planning</b>	<b>32 25</b>	<b>11 00</b>	<b>40 00</b>	<b>0 33</b>	<b>83 58</b>	<b>33,355 89</b>	<b>399 09</b>
Case Planning/Information	26 25	2 17	11 33		39 75	20,679 26	520 23
Dealing with company/Debtor re	0 42	0 08	0 08		0 58	203 00	350 00
General Admin/Billing/Filing	1 42	3 08	13 83	0 33	18 67	5,082 97	272 25
Post Appointment VAT & CTax	0 33	1 67	1 83		3 83	922 68	240 91
Set-up Administration/IPS/Initial	0 42	0 75	3 50		4 67	963 00	206 21
Statutory filing with Court, Companies	0 25		0 50		0 75	199 26	265 68
Strategy reviews/Checklists/Diary	3 17	3 08	8 92		15 17	5,255 72	346 45
Cashiering - set-up, maintenance &		0 17			0 17	50 00	294 12
<b>Investigations</b>	<b>6 67</b>	<b>50 25</b>	<b>130 25</b>		<b>187 17</b>	<b>53,061 81</b>	<b>283 50</b>
Antecedent transactions	2 83				2 83	1,119 17	395 47
Information capture/initial	0 33	15 00	12 58		27 92	10,244 53	366 92
Litigation - document review	0 25	15 50	45 17		60 92	19,600 84	321 75
Strategy, planning, meetings and	3 25	16 75	28 42		48 42	15,187 02	313 65
Retrieval, review & analysis of debtors		3 00	44 08		47 08	6,910 25	146 78
<b>Realisation of Assets</b>	<b>0 25</b>	<b>5 92</b>	<b>1 83</b>	<b>0 08</b>	<b>8 08</b>	<b>3,436 17</b>	<b>425 27</b>
Freehold & Leasehold	0 17	4 83	0 92		5 92	2,655 33	448 54
Identification, securing, insuring &	0 08	0 08	0 67	0 08	0 92	240 84	261 78
Tangible Assets - plant, motors,		1 00	0 25		1 25	540 00	432 00
<b>Creditors</b>	<b>0 42</b>	<b>1 58</b>	<b>10 33</b>	<b>0 33</b>	<b>12 67</b>	<b>3,213 11</b>	<b>253 60</b>
Claims/Proofs	0 08		0 50		0 58	119 76	206 48
Correspondence/Preparation of	0 33	1 58	9 83	0 33	12 08	3,093 35	256 07
<b>Grand Total</b>	<b>39 58</b>	<b>68 75</b>	<b>182 42</b>	<b>0 75</b>	<b>291 50</b>	<b>93,066 98</b>	

- Notes
- 1 All costs are shown excluding VAT and include an element of undrawn work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.
  - 2 The time accounting system utilised by Kingston Smith & Partners LLP does not allow for analysis of time, by task, prior to 30 November 2002.
  - 3 The number of hours shown have been rounded to two decimal places.

**Disbursements**

**Category 1 Disbursements** 955 23

These are out of pocket expenses which are directly attributable to the case. These are charged to the case and billed as funds allow.

**Category 2 Disbursements**

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as follows:

Photocopies	22 20
Postage	8 69
	<u>30 89</u>

**Additional Information in Relation to Liquidator's Fees, Expenses & Disbursements**

**Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements****1 Staff Allocation and the Use of Sub-Contractors**

- 6.2 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case
- 6.3 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment
- 6.4 We are not proposing to utilise the services of any sub-contractors in this case

**7 Professional Advisors**

- 7.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Housemans Solicitors (legal advice)	CFA basis
Marsh (insurance)	Scale rate
Zavest Limited (Professional Investigators)	Fixed Fee

- 7.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

**8 Liquidator's Expenses & Disbursements**

- 8.1 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below

On this case the following Category 2 disbursements have been incurred since appointment

Type and purpose	£
Photocopies	8.69
Postage	22.20

Supplier / Service Provider - Excluding VAT	Nature of expense incurred	Amount incurred this period £	Amount incurred in total £	Paid to date £	Amount Outstanding £
Marsh	Specific Bond	0 00	90 00	90 00	0 00
Companies House	Company searches	0 00	13 00	13 00	0 00
HM Land Registry	Land Searches	0 00	80 00	80 00	0 00
Rowlands	Postage of accounts records	0 00	9 05	9 05	0 00
TMP Reynell	Statutory Advertising	0 00	65 87	65 87	0 00
1 <sup>st</sup> Class	Transcription costs	0 00	90 85	90 85	0 00
Various	Travel	0 00	350 66	350 66	0 00
Housemans Solicitors	Legal costs	3,945	28,956	245 00	28,711
Counsel's Fee	Legal Costs	0	51,450	0	54,450

- 8.2 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 8.3 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

## 10 Charge-Out Rates

- 10.1 A schedule of Kingston Smith & Partners charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. Below are details of this firm's charge out rates which have been applied with effect from 1 May 2014.

### Investigation Rates

	Per Hour £
<b>Partner</b>	595
<b>Senior Manager</b>	495
<b>Manager</b>	450
<b>Other Senior Professionals</b>	
Supervisor/Assistant Manager	395
Senior Administrator	240
Administrator	180
Junior Administrator	140
<b>Support Staff</b>	
Experienced Cashier	260
Cashier	180
Support	110

- 10.2 Kingston Smith & Partners LLP's charge-out rates effective from 1 November 2015 are detailed below.

### Investigation Rates

	Per Hour £
<b>Partner</b>	595
<b>Licensed Insolvency Practitioner</b>	520
<b>Senior Manager</b>	495
<b>Manager</b>	450
<b>Other Senior Professionals</b>	
Supervisor/Assistant Manager	395
Senior Administrator	250
Administrator	190
Junior Administrator	150
<b>Support Staff</b>	
Experienced Cashier	270
Cashier	190
Support	120

05753845 LIMITED - IN COMPULSORY LIQUIDATION

Kingston Smith & Partners LLP's charge-out rates effective from 1 May 2016 are detailed below

**Investigation Rates**

	Per Hour £
<b>Partner</b>	595
<b>Licensed Insolvency Practitioner</b>	520
<b>Senior Manager</b>	495
<b>Manager</b>	450
<b>Other Senior Professionals</b>	
Supervisor/Assistant Manager	395
Senior Administrator	250
Administrator	190
Junior Administrator	150
<b>Support Staff</b>	
Experienced Cashier	270
Cashier	190
Support	120

Please note that this firm records its time in minimum units of 5 minutes.