

The Insolvency Act 1986

Administrator's progress report

Name of Company Chent Connection Limited	Company number 06637623
In the High Court of Justice, Chancery Division, Birmingham District Registry [full name of court]	Court case number 8475 of 2012

(a) Insert full name(s) and address(es) of administrator(s)

I / We (a) Gagen Dulari Sharma, Sharma & Co, 257 Hagley Road,
Birmingham, B16 9NA

administrator(s) of the above company attach a progress report for the period

(b) Insert dates

from (b) 9 October 2012 to (b) 8 April 2013

Signed *G. Sharma*
 Joint/ Administrator(s)

Dated 1 May 2013

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Gagen Sharma, 257 Hagley Road, Birmingham, B16 9NA	
Tel 0121 454 2700	
DX Number	DX Exchange

THURSDAY



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A24 02/05/2013 #190
 COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at
 Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

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CLIENT CONNECTION LIMITED

**ADMINISTRATOR'S PROGRESS REPORT
FOR THE PERIOD 9 OCTOBER 2012 TO 8 APRIL 2013**

Our ref. GDS/TL/C775/X

1 May 2013

TO: THE REGISTRAR OF COMPANIES,
COURT & ALL KNOWN CREDITORS

Sharma & Co
CORPORATE RECOVERY AND INSOLVENCY

Dear Sirs

**Client Connection Limited t/a Lifestyle Claims and Money Claiming Experts
– In Administration
In The High Court Of Justice Chancery Division
Birmingham District Registry No 8475 of 2012**

Registered Office:-

**Was: 2nd Floor Princess House, Princess Way, Swansea, SA1 1SD
Now: 257 Hagley Road, Birmingham, B16 9NA**

**Co. Reg No: 06637623
VAT No: 989 8004 61**

In accordance with Rule 2.47 of the Insolvency Rules 1986, I now present my report on my progress in the above matter, together with my receipts and payments account for the period

Creditors will recall that I was appointed Administrator of the Company by Order of the High Court of Justice, Birmingham District Registry, Chancery Division on 9 October 2012. This application was made by the Company.

1. Progress of the Administration

- 1.1 Attached at Appendix A is my Receipts and Payments Account for the period from 9 October 2012 to 8 April 2013
- 1.2 As per my initial report dated 15 October 2012 and my proposals dated 27 November 2012 a sale of the Company's business and assets was concluded on 9 October 2012 immediately following my appointment
- 1.3 As part of that sale the purchaser was to pay 10% of the Claim Monies, such sums to be calculated and paid at the beginning of each calendar month commencing on 1 December 2012. I have received the first four months payments which are reflected in the attached Receipts and Payments account. The next payment is now due and I am awaiting receipt
- 1.4 Due to the sale the Company did not continue to trade and the realisations to date have been made in line with that sale agreement as detailed above
- 1.5 There have been no changes to the strategy outlined in the proposal report

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2. Assets still to be realised

- 2 1 As detailed in the Administrators Proposals the Company's bank accounts were held by a Barclays Bank plc I have been in correspondence with Barclays regarding any balance in the bank accounts
- 2 2 As per the sale 10% of all sums that are recovered by the Office Holder and paid to the buyer from monies held in merchant accounts as a result of previous activity undertaken by the Company, forms part of the consideration
- 2 3 I am aware that a large number of customers had failed claims and therefore have completed a chargeback with regards to the upfront fees they paid to the Company Barclays were attempting to claim set off in respect of the chargebacks, however this matter is still being investigated

3. Estimated outcome for creditors

3.1 Secured Creditors

- 3 1 1 The Company has no registered charges and therefore no secured creditors Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors, which only applies to charges created after 15 September 2003

3.2 Preferential Creditors

- 3 2 1 There were no preferential creditors in respect of this Company

3.3 Unsecured Creditors

- 3 3 1 I have received claims totalling £2,671,885 81 from 2,013 creditors I have yet to receive claims from 594 I am still being contacted by customers whose claims have failed and are therefore unsecured creditors of the Company I therefore expect this number to increase
- 3 3 2 Due to the level of costs and high volume of creditors in this matter I do not anticipate there being sufficient funds to distribute to unsecured creditors

4. Investigation Work

- 4 1 Investigations have been completed into the failure of the Company as required by Statement of Insolvency Practice 2
- 4 2 The Company Directors Disqualification Act 1986 requires that the Administrator submit a return to the Department for Business Innovation & Skills (BIS) in respect of the Directors conduct in all cases
- 4 3 Such return has now been submitted As this is a confidential report, I am not able to disclose the contents

5. Administrator's Remuneration and Disbursements

5.1 The Creditors approved that the basis of the Administrator's remuneration be fixed by reference to the time properly spent by her and her staff in managing the Administration, at a meeting held by correspondence on 14 December 2012

5.2 The following time has been spent in administration of the company's affairs -

Classification of work function	Partner	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost £
Administration And planning		19.70		19.70	4,285.00
Investigations		3.60		3.60	990.00
Asset Realisations		27.80		27.80	7,237.50
Creditors	37.00	388.80		425.80	92,995.00
Total Time Costs	37.00	439.90		476.90	105,507.50
Fees Drawn on Account					27,500.00
Balance Outstanding					<u>78,007.50</u>

5.3 The Administrator's time costs at 8 April 2013 are £105,507.50 This represents 476.90 hours at an average rate of £221.24 per hour

The above categories cover the following activities -

Administration and Planning	Case Planning Administrative set-up Appointment notification Maintenance of records Statutory reporting
Investigations	SIP 2 review CDDA reports Investigating antecedent transactions
Realisation of Assets	Identifying, securing, insuring assets Retention of title Debt collection Property, business and asset sales
Creditors	Communication with creditors Creditors' claims (including employees' and other preferential creditors') Correspondence and telephone calls with customers

A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <http://www.insolvency->

practitioners.org.uk/page.aspx?pageID=104 Details of Sharma & Co's charge out policy and rates are attached

5.4 The disbursements charged to the estate comprise of external supplies of incidental services specifically identifiable to the case, such as insurances, case advertising, invoiced travel, external room-hire and document storage

To date, the following external disbursements (Category 1) have been paid:-

	£
Specific Bond	300 00
Statutory Advertising	153 00
Court Fees	35 00
Agents Valuation	5,000 00
Legal Fees	3,992 50
	<hr/>
	9,480 50

5.5 Attached as Appendix B is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

6. Professional Advisers

6.1 On this assignment I have used the following professional advisers -

- o Clement Keys - Accountants
- o HCB Solicitors Limited – Solicitors

6.2 My choice of adviser was based on my perception of their experience and ability to perform this type of work, the complexity and nature of this assignment and the basis of the fee arrangement

7. Ending the Administration

7.1 Creditors Voluntary Liquidation

7.1.1 If the Administrator thinks a dividend will be paid to the unsecured creditors. In this situation, the Administrator will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL). As per the proposals agreed at a meeting of creditors held by correspondence on 14 December 2012 the Administrator will also become the Liquidator of the CVL.

7.2 Dissolution of the Company

7.2.1 If the Administrator thinks that the Company has no property which might permit a distribution to its creditors, it is proposed that she file a notice together with her final progress report at Court and with the Registrar of Companies for the dissolution of the Company. She will send copies of these documents to the Company and its creditors. The Administrator's appointment will end following the registration of the notice by the Registrar of Companies.

7.2.2 The Administrator will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect

8. Creditors' Rights

8.1 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 Administrator provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report

8.2 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 the basis fixed for the Administrator's remuneration, the remuneration charged or the expenses incurred by the Administrator as set out in this progress report are excessive

9. Next Report

9.1 The Administrator is required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or he wishes to extend it

If you require any further information, please do not hesitate to contact my colleague Teresa Lee

Yours faithfully,
For & On Behalf of
Client Connection Limited



Mrs GD Sharma
Administrator

*Licensed to practise as an Insolvency Practitioner
in the UK by the Insolvency Practitioners Association*

Enc

Mrs G D Sharma was appointed Administrator of Client Connection Limited on 9 October 2012. The affairs, business and property of the Company are being managed by the Administrator. Please note the Administrator acts without Personal Liability.

**Client Connection Limited
(In Liquidation)
Administrator's Summary of Receipts & Payments**

	Statement of Affairs (£)	From 09/10/2012 To 08/04/2013 (£)	Total (£)
RECEIPTS			
Book Debts		0 62	0 62
Cash at Bank	220,835 88	2,817 05	2,817 05
Sale of Business	50,000 00	43,453 26	43,453 26
		<u>46,270 93</u>	<u>46,270.93</u>
PAYMENTS			
Specific Bond		300 00	300 00
Administrators Fees		27,500 00	27,500 00
Court Fees		35 00	35 00
Agents/Valuers Fees		5,000 00	5,000 00
Legal Fees		3,992 50	3,992 50
Statutory Advertising		153 00	153 00
		<u>36,980.50</u>	<u>36,980.50</u>
Net Receipts/(Payments)		<u><u>9,290 43</u></u>	<u><u>9,290.43</u></u>
MADE UP AS FOLLOWS			
Vat Receivable		7329 10	
Bank 1 Current		1,961 33	
		<u><u>9,290.43</u></u>	

SHARMA & CO

CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT

Charging Policy

- Directors, managers, administrators, cashiers and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in actual minute units
- Time billed is subject to Value Added Tax (VAT) at the applicable rate

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are recharged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to creditors, but do not require creditors' approval prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) require the approval of creditors prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements
- General office overheads are not recharged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or her firm or any associate has an interest will only be made with the approval of creditors
- Where applicable, expenses and disbursements recharged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either category 1, being expenses directly referable to a third party, e.g. statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and Company Search fees, or Category 2, being expenses incurred by the firm and recharged to the estate, which may include a profit element, e.g. postage, stationary and storage

Category 1 disbursements are recoverable in full from the estate without prior approval from creditors

Category 2 disbursements are not charged by this firm

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors/Legal Advisors

- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Charge-out Rates

It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it

Grade	Charge-out rate (£ per hour)
Partner	350
Manager	275
Other Senior Professionals	150-175
Assistant & Support Staff	100-125

Sharma & Co's charge out rates are reviewed periodically