

# 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

07065902

Name of Company

Emerald Knight Ltd

I / We  
Mark Philip Bassford  
72 Temple Chambers  
Temple Avenue  
London  
EC4Y 0HP

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

The Progress Report covers the period from 06/01/2015 to 05/01/2016

Signed  Date 29 02 2016

Guardian Business Recovery  
72 Temple Chambers  
Temple Avenue  
London  
EC4Y 0HP

Ref MBEME1/MB/IM

TUESDAY



\*A51V/P18\*

A04 01/03/2016 #53

COMPANIES HOUSE

**Emerald Knight Ltd  
(In Liquidation)  
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 06/01/2015 To 05/01/2016
	<b>ASSET REALISATIONS</b>	
NIL	Tangible assets	NIL
NIL	Book Debts	NIL
NIL	Cash at Bank	22 81
		<u>22 81</u>
	<b>UNSECURED CREDITORS</b>	
(27,137 00)	Trade & Expense Creditors	NIL
(29,050 00)	Directors	NIL
		<u>NIL</u>
	<b>DISTRIBUTIONS</b>	
(1 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(56,188.00)</u>		<u><u>22.81</u></u>
	<b>REPRESENTED BY</b>	
	Bank 1 Current	22 81
		<u>22.81</u>



Mark Philip Bassford  
Liquidator



**GUARDIAN BUSINESS RECOVERY**

**TO ALL KNOWN CREDITORS**

Date 29 February 2016  
Our Ref MB/IM/Emerald  
Your Ref

When telephoning please ask for  
Ian Mussett  
Email [im@gbr.uk.com](mailto:im@gbr.uk.com)

Dear Sirs

**EMERALD KNIGHT LTD - IN LIQUIDATION  
("THE COMPANY")**

This is the Liquidator's first progress report ("the report") for the period 6 January 2015 to 5 January 2016

**1. Statutory information**

The Company's registered name is Emerald Knight Ltd and its main business was that of business support services

The Company was incorporated on 4 November 2009 under company number 07065902

The registered office of the company was at 7 Kingshill Avenue, St Albans, Hertfordshire AL4 9QE which was changed to The Old Library, The Walk, Winslow, Buckinghamshire MK18 3AJ for the purposes of the liquidation. It was subsequently changed to 6 Snow Hill, London EC1A 2AY following a change in liquidator, and more recently to 72 Temple Chambers, Temple Avenue, London EC4Y 0HP, being the new liquidator's current address

Robert Day of Robert Day and Company of The Old Library, The Walk, Winslow, Buckinghamshire MK18 3AJ was appointed Liquidator of the Company by a resolution of the members and creditors of the Company on 6 January 2015. I, Mark Philip Bassford FCA FABRP of Guardian Business Recovery, 72 Temple Chambers, Temple Avenue, London EC4Y 0HP, was appointed Liquidator of the Company on 5 June 2015 in place of Robert Day at a meeting of creditors held on 5 June 2015

GBR Corporate Ltd  
Trading as Guardian Business Recovery  
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e-mail [gbr@gbr.uk.com](mailto:gbr@gbr.uk.com)  
[www.gbr.uk.com](http://www.gbr.uk.com)

Directors: M Bassford FCA FABRP J Paylor MIPA FABRP

## 2. Liquidator's remuneration

At the first meeting of creditors, the liquidator's remuneration was fixed by reference to time properly spent by him and his firm's staff in attending to matters arising in the Liquidation

The charge out value of time costs in attending to matters arising in the Liquidation during the period which Robert Day was liquidator amounts to £3,065 made up of 18.5 hours at an average charge out rate of £165.859 per hour

The charge out value of time costs in attending to matters arising in the Liquidation from the date that I was appointed liquidator to the report period ending amounts to £26,775 made up of 81.80 hours at an average charge out rate of £327.32 per hour.

Therefore, the total charge out value of time costs for the period under review amounts to £29,840 made up of 100.30 hours at an average of £297.51.

A schedule of each individual Liquidator's costs is attached at attached at Appendix C.

No remuneration has been drawn on account of these time costs as there have been insufficient realisations in the liquidation

## 3. Liquidator's expenses

The Statement of Affairs fee of £3,000 plus VAT agreed between the Company's director and the previous liquidator was approved by creditors at the meeting on 6 January 2015 and was paid personally by the director

The expenses incurred by the previous Liquidator, which remain unpaid, are.

Description	Amount - £
Specific Penalty bond	24
Statutory advertising	112

The expenses incurred commencing the period which I was appointed liquidator to the report period ending, which remain unpaid, are

Description	Amount - £
Specific Penalty bond	36
Statutory advertising	66
Overseas company credit check	75

My statement with regard to my firm's current disbursements recovery policy and the charge out rates for myself and my staff is attached

A copy of "A Creditors' Guide to Liquidator's Fees", issued by the Association of Business Recovery Professionals, which sets out the basis of fixing the Liquidator's Remuneration, is available at the following website

<http://www.r3.org.uk/what-we-do/publications/professional/fees>

Please let me know if you do not have access to the internet and would prefer a hard-copy of this guide

#### **4. Liquidator's progress during the period of this report**

Attached at appendix A is a copy of previous Liquidator's report dated 30 April 2015 which covers the period from which he was appointed on 6 January 2015 to the date of that report. This details the work undertaken by him during the time that he was liquidator.

I detail below the work undertaken by me since I was appointed liquidator on 5 June 2015.

The Statement of Affairs produced by the director declared the following assets:

- **Debtors**

The statement of affairs stated that these were unrealisable based on a book value of £151,100 as at 30 November 2013.

Following a review of the Company's accounts records it was established that draft accounts had been prepared to 12 December 2014. These stated that there were various monies owed to the Company amounting to £63,143. The majority was owed by a Gibraltar registered company called Emerald Knight Ltd ("EKGIB").

Following a recent interview with the director he confirmed that he is director and shareholder of EKGIB. EKGIB received commissions in respect of the marketing of unregulated financial investments undertaken by the Company, for which there were agreements in place between EKGIB and the Company. I have not yet seen these agreements and the director has agreed to provide me with copies, together with any other documentation that I feel is required. Once received I will then be able to continue my investigation into the relationship between EKGIB and the Company.

The draft accounts to 12 December 2014 states that EKGIB owed the Company £55,015, but the director advised that the amount owed is £81,000. EKGIB is unable to pay the debt due as its bank account in Cyprus was frozen in July 2014 following the Central Bank of Cyprus taking over management of the bank. I have requested further information regarding this bank account and the balance held as at July 2014. It does appear that until such time that its normal banking facilities are restored EKGIB are unable to release any funds to the Company.

With regard to the remaining debtors/accruals amounting to £8,128 I have requested further information from the director in order to verify the accuracy of the draft accounts to 12 December 2014. Once received I will then be able to consider what action should be taken regarding past transactions with another connected company.

- **Cash at bank**

The statement of affairs stated that this was unrealisable based on a book value of £36,045 as at 30 November 2013.

Following receipt of the draft accounts prepared to 12 December 2014, they stated that the balance at bank was only £7,058. According to bank statements provided by the director the actual balance held at the time that it was agreed that the Company be placed into liquidation was £4,882. This majority of this balance appears to have been used by the director's for his own purposes. However, the director personally paid £3,600 for the Statement of Affairs fee agreed with the previous Liquidator.

Following contact with the bank they sent to me the sum of £23 representing the balance held.

- **Tangible assets**

The statement of affairs stated that these were unrealisable based on a book value of £653 as at 30 November 2013.

- Following receipt of the draft accounts prepared to 12 December 2014 it would appear that these assets were disposed of after 30 November 2013.

I am also investigating certain other aspects of the Company, namely its involvement in the marketing of various unregulated financial investments. My investigations into this regard are ongoing.

In addition to the work undertaken to result in the asset realisations referred to above, throughout the period of my administration I have responded to the queries of creditors and noted creditor claims complied with my obligations under the Company Directors Disqualification Act 1986.

I have also complied with obligations imposed by statute and my regulatory body which include, but are not limited to, the submission of returns to Companies House, HM Revenue and Customs and specific penalty bonding.

## **5. Abstract of the Liquidator's receipts and payments**

I attach at Appendix B an abstract of my receipts and payments for the period of this report.

## **6. Assets which remain to be realised**

The following assets remain unreleased at as the period ending of this report.

- Debtors Further information will be sought from the director regarding the balance in EKGIB bank account at the time that its bank account was frozen, and to monitor the position of that bank to see if the funds held can be released In addition, the books and records will be further reviewed regarding the transactional history of the other debtors/accrual stated to be owed to the Company

#### **7. Return to creditors pursuant to Section 176A**

The provisions of Section 176A of the Act require a calculation to be made of the prescribed part of the company's net property for distribution to unsecured creditors The prescribed part must be calculated and provided for where floating charges have been created after 15th September 2003

The company had not given any such security over its assets therefore the provisions of section 176A of the Act do not apply in this case

#### **8. Outcome for creditors**

There are no claims ranked as secured

There are no known preferential claims

To date, creditors' claims have been received totalling £2,536,063 With the exception of £12,708 being a claim from HM Revenue & Customs, creditor's claims are from investors in unregulated investments marketed by the Company These have either been placed into liquidation with no prospect a return, or are untraceable On receipt of the agreements between Emerald Knight Gibraltar and the Company I will consider each creditors claims in more detail, subject to sufficient realisations being made to cover such costs.

On current information, it appears unlikely that there will be sufficient realisations to make a distribution to any class of creditor

#### **9. Creditors' right to information**

You are reminded that, under Rule 4 49E of the Rules, you may make a request for further information regarding my remuneration and expenses. Any such request must be in writing and should be made within 21 days of receipt of this report Where the request is made by an unsecured creditor, it must be supported by at least 5% in value of the unsecured creditors

If the information requested is either prejudicial to my conduct of this case, might lead to violence against any person, may be confidential or the costs of preparing the requested information would be excessive, I may not be obliged to provide it

I would also remind you that you may make an application to the Court under Rule 4.131 of the Rules in respect of any information provided following such a request, or my failure to provide same, after 14 days of my receipt of that request

The application to Court must be supported by at least 10% in value of the creditors, including the applicants claim, and notice of the hearing must be given to me 14 days before the hearing. The costs of the application must also be paid the creditors making the application

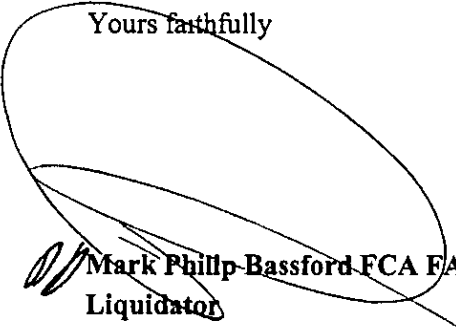
A copy of the relevant Rules is attached at Appendix D for your ease of reference

**10. Next report**

I am required to provide a further progress report within two months of the next anniversary of the Liquidation unless my administration is completed before then, in which case a draft final report will be sent out

Should you have any further queries in relation to the contents of this report, or with regard to other matters arising, please do not hesitate to contact me

Yours faithfully



**Mark Philip Bassford FCA FABRP**  
**Liquidator**



**Emerald Knight Limited - In Liquidation ('the company')**

**Company Number:** 07085902

**Current Registered Office:** c/o Robert Day and Company Limited, The Old Library, The Walk, Winslow, Buckingham MK18 3AJ

**Previous Registered Office:** 7 Kingshill Avenue, St Albans, Hertfordshire AL4 9QE

**Trading Address:** Citypoint, 1 Ropemaker Street, London EC2Y 9AW

**Basis of Remuneration:** Time Cost

**Office Holder Details:** Robert Day of Robert Day and Company Limited, The Old Library, The Walk, Winslow, Buckingham MK18 3AJ

**Date of Appointment:** 6 January 2015

**1. Introduction**

This report sets out an account of my acts and dealings and the conduct of the liquidation during the period 6 January 2015 to 30 April 2015

**2. Receipts and Payments Account**

There have been no receipts or payments during the period 6 January 2015 to 30 April 2015

**3. Planning**

I planned to discharge my obligations to creditors by seeking to maximise asset realisations, minimise the input required from me, compatible with complying with the various statutory and professional regulatory requirements which flowed from my appointment and consequently to maximise any return to the creditors

**4. Administration**

Details of my appointment were advertised, as required, in the London Gazette, and submitted to Companies House with accompanying documents. I also provided information on my appointment to the insurers who have given me a bond

The necessary records have been maintained, on behalf of the company, to enable me to file the relevant returns at Companies House made necessary by Section 192 of the Insolvency Act 1986

**5. Asset Realisations**

The director's estimated statement of affairs dated 6 January 2015 detailed the company's assets as being as follows -

Tangible Assets with a book value as of 30 November 2013 of £653 and an estimated to realise value of nil,

Debtors with a book value as of 30 November 2013 of £151,100 and an estimated to realise value of nil and

Cash at Bank and In Hand with a book value as of 30 November 2013 of £36,045 and an estimated to realise value of nil

Upon my appointment as liquidator it became apparent that the company's tangible assets had a realisable value

The director of the company has failed to deliver its books and records to me and as such I have, to date, been unable to clarify whether the company had any outstanding debtors as of the date it entered into liquidation

I have written to the company's bankers to request details of the movements on the company's bank account in the periods leading up to its liquidation however the company's bankers responded stating that they were unable to locate an account on their records. Without access to the company's books and records it has not been possible to obtain further information to assist the bank with their enquiries

#### 6. Liabilities

I have not received any preferential claims in this matter

I have received 4 claims from unsecured non-preferential creditors totalling £2,497,937.80

As I am not currently in a position to distribute funds to any class of creditor in this matter the above claims have not been agreed or admitted

#### 7. Investigations

The professional rules under which Insolvency Practitioners operate require me to conduct a review of the company's pre-liquidation activities with a view to forming an opinion as to whether there is a possibility of recoveries being made for creditors. This review is ongoing

A report to the Department for Business, Innovation and Skills with regard to the conduct of the company's director must be submitted within six months of the liquidator's appointment. The contents of this report will be necessarily confidential and no further information will be supplied

#### 8. Liquidator's Remuneration

The time costs in dealing with the liquidation to 30 April 2015 amount to £3,064.50. This represents 18.5 hours at an average charge out rate of £165.65 per hour

These costs are currently undischarged

A breakdown of the Liquidator's Time and Charge Out Rates is attached to this report

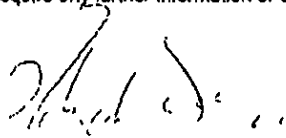
The sum of £3,000 including disbursements plus VAT in settlement of my agreed fee of the same amount for convening the meetings of directors, shareholders and creditors of the company held on 6 January 2015 and assisting the director in the preparation of the report and statement of affairs presented at said meetings has been paid in accordance with the terms of a personal guarantee given to me

I attach copies of Rules 4.49E and 4.131 of the Insolvency Rules 1986 for your information

I also attach a further copy of 'A Creditors' Guide to Liquidator's Fees' for your information

9 Conclusion

If you require any further information or clarification on any matter please contact me

A handwritten signature in black ink, appearing to read "Robert Day". The signature is written in a cursive style with a large initial 'R'.

Robert Day  
Liquidator

**EMERALD KNIGHT LTD - IN LIQUIDATION  
TRUSTEE'S RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE PERIOD 6 JANUARY 2015 TO 5 JANUARY 2016**

<b>Receipts</b>	<b>Statement of affairs £</b>	<b>to 06/01/16 £</b>
Tangible assets	Nil	0 00
Debtors	Nil	0 00
Cash at bank and in hand	Nil	22 81
	<hr/>	<hr/>
	0	22 81
	<hr/> <hr/>	<hr/> <hr/>
 <b>Payments</b>		
None		0 00
		<hr/>
		0 00
		<hr/>
 <b>Balance held</b>		22 81
		<hr/> <hr/>

EMERALD KNIGHT LTD - IN LIQUIDATION  
 TIME SPENT AND THE CHARGE-OUT SUMMARY FORM  
 TIME & CHARGEOUT SUMMARIES

SINCE APPOINTMENT

as liquidator

5 JUNE 2015 TO 5 JANUARY 2016

HOURS							
Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
						£	£
Administration & Planning	0 60	21 00	0 00	0 10	21 70	6 455 00	297 47
Investigation	20 90	32 90	0 00	0 00	53 80	18,130 00	336 99
Realisation of assets	0 50	0 40	0 00	0 00	0 90	320 00	355 56
Creditors	2 50	2 90	0 00	0 00	5 40	1,870 00	346 30
	0 00	0 00	0 00	0	0 00	0 00	0 00
<b>Total Fees Claimed £</b>	<b>£9,800 00</b>	<b>£16,960 00</b>	<b>£0 00</b>	<b>£15 00</b>		<b>26,775 00</b>	
<b>Total Hours</b>	<b>24 50</b>	<b>57 20</b>	<b>0 00</b>	<b>0 10</b>	<b>81 80</b>	<b>£26,775 00</b>	
<b>Average Rate</b>	<b>400 00</b>	<b>296 50</b>	<b>0 00</b>	<b>150 00</b>			<b>327.32</b>
<b>Total for the period</b>						<b>5 JUNE 2015 TO 5 JANUARY 2016</b>	<b>26,775 00</b>
<b>Sub total</b>							<b>26,775 00</b>
<b>Drawn to date</b>							<b>0 00</b>
<b>Outstanding as at</b>						<b>5 JANUARY 2016</b>	<b>£26,775 00</b>

Emerald Knight Limited - In Liquidation

Liquidator's Time and Charge Out Summary from 6 January 2015 to 30 April 2015

Classification of work function	Hours			Time Cost £	Average Hourly Rate £
	Liquidator	Manager	Total Hours		
Administration and Planning	38	46	84	1,458 00	173 57
Investigations	03	18	21	310 50	147 86
Realisation of Assets	-	-	-	-	-
Trading	-	-	-	-	-
Creditors	24	56	80	1,296 00	162 00
Case Specific Matters	-	-	-	-	-
<b>Total Hours</b>	<b>63</b>	<b>122</b>	<b>185</b>	<b>3,064 50</b>	<b>165 65</b>
Total Fees Claimed (£)	1,417 50	1,647 00	-	-	-

Charge Out Rate Summary

Description	Hourly Rate (£)	Dates
Liquidator	225	08/01/15 - 30/04/15
Manager	135	08/01/15 - 30/04/15

Note - Time costs are calculated at 6 minute units

Post Appointment Disbursements

The following Post Appointment Disbursements have been incurred but are yet to be charged

Specific Penalty Bond	£24 00
Statutory Advertising	£112 44

Notes to Disbursements

Specific Penalty Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Statutory Advertising	At cost incurred

## GUARDIAN BUSINESS RECOVERY

**HOURLY CHARGE OUT RATES  
2015 to 2016**

	Rates from 01/05/15
Liquidator/Partner	£400
Manager	£300
Administrator	£95 -£210
Assistants & Support Staff	£45-£110

Time is recorded in multiples of 6 minutes

**METHOD OF CALCULATING DISBURSEMENT CHARGES**

Telephone	Calls are only re-charged when international calls are required
Postage	Recharged when large mails are undertaken
Photocopies	10p per copy irrespective of size of page
Advertising	As per advertisers invoice
Searches	As per Companies House or agents' charges
Room hire	Charged at cost
Travel	Travel is charged at cost price for bus, rail and taxis Car travel is currently charged at 40p per mile
Subsistence	Charged at cost
Post redirection	Charged at cost
Couriers	Charged at cost
Bordereau	Charged at cost

**INFORMATION SHEET TO CREDITORS OF A LIQUIDATION REGARDING REMUNERATION**

**4 49E Creditors' and members' request for further information**

- (1) If—
- (a) within the period mentioned in paragraph (2)—
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
    - (iii) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or
  - (b) with the permission of the court upon an application made within the period mentioned in paragraph (2)—
    - (i) any unsecured creditor, or
    - (ii) any member of the company in a members' voluntary winding up, makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108
- (2) The period referred to in paragraph (1)(a) and (b) is—
- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and
  - (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case
- (3) The liquidator complies with this paragraph by either—
- (a) providing all of the information asked for, or
  - (b) so far as the liquidator considers that—
    - (i) the time or cost of preparation of the information would be excessive, or
    - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
    - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information
- (4) Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of—
- (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
  - (b) the expiry of the 14 days provided for in paragraph (1), and the court may make such order as it thinks just
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just
- (6) This Rule does not apply where the liquidator is the official receiver



**4.131.— Creditors' claim that remuneration is or other expenses are excessive**

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—

(a) the remuneration charged by the liquidator,

(b) the basis fixed for the liquidator's remuneration under Rule 4 127, or

(c) expenses incurred by the liquidator, is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party. If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the liquidator was entitled to charge,

(b) an order fixing the basis of remuneration at a reduced rate or amount,

(c) an order changing the basis of remuneration,

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,

(e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify, and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation