

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

07700569

Name of Company

(a) Insert full name of company

(a) CIMEX DIGITAL LIMITED

(b) Insert full name(s) and address(es)

We (b)

Gary Steven Pettit of PBC Business Recovery & Insolvency Limited, 9-10 Scirocco Close, Moulton Park, Northampton, NN3 6AP and Gavin Geoffrey Bates of PBC Business Recovery & Insolvency Limited, 9-10 Scirocco Close, Moulton Park, Northampton, NN3 6AP

the liquidators of the company attach a copy of our Progress Report under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 13 September 2015 to 12 September 2016

Signed

Date 5/10/16

Presenter's name, address and reference (if any)

Gary Steven Pettit
PBC Business Recovery & Insolvency Limited
9-10 Scirocco Close
Moulton Park
Northampton
NN3 6AP

THURSDAY



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COMPANIES HOUSE

**Cimex Digital Limited - In Creditors Voluntary Liquidation
Joint Liquidators' Abstract of Receipts & Payments**

From 13 September 2015 To 12 September 2016

S of A £	As Previously Reported	13/09/15 to 12/09/16	Total £
RECEIPTS			
26,513 Book Debts	NIL	NIL	NIL
12,407 Cash at Bank	12,392 11	NIL	12,392 11
NIL Bank Interest Gross	NIL	8 22	8 22
NIL Bank Interest Net of Tax	147 87	38 45	186 32
25,524 Factoring Surplus	37,213 42	NIL	37,213 42
<u>64,444</u>	<u>49,753 40</u>	<u>46 67</u>	<u>49,800 07</u>
PAYMENTS			
Statement of Affairs Fee	5,000 00	NIL	5,000 00
Office Holders Fees	16,744 25	1,494 20	18,238 45
Office Holders Expenses	1,006 04	14 57	1,020 61
Agents/Valuers Fees (1)	500 00	NIL	500 00
Corporation Tax	15 80	13 80	29 60
Storage Costs	21 49	45 63	67 12
Vat Receivable	270 48	308 69	579 17
Specific Bond	46 00	NIL	46 00
	<u>23,604 06</u>	<u>1,876 89</u>	<u>25,480 95</u>
CASH IN HAND	<u>26,149 34</u>	<u>(1,830 22)</u>	<u>24,319 12</u>

CIMEX DIGITAL LIMITED – IN CREDITORS' VOLUNTARY LIQUIDATION

LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS FOR THE YEAR ENDING 12 SEPTEMBER 2016

1 Introduction

- 1.1 This is my report to members and creditors following the 4th anniversary of my appointment as liquidator. This report should be read in conjunction with my previous reports sent to creditors.

2 Statutory Information

- 2.1 The table below details key information regarding the company and the liquidation.

Company name	Cimex Digital Limited – In Liquidation
Registered office	9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP
Former registered office	The Olde Bakehouse, 156 Watling Street East, Towcester, NN12 6DB
Registered number	07700569
Date of winding up resolution	13 September 2012
Joint Liquidators' names	Gary Pettit and Gavin Bates
Joint Liquidators' address	PBC Business Recovery & Insolvency Ltd ("PBC"), 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP
Joint Liquidators' date of appointment	13 September 2012. This appointment was ratified at a meeting of creditors held on 27 September 2012.
Former Liquidator	By an order of the High Court dated on 22 May 2014, Alan Price (formerly of this firm (previously named Marshman Price) was replaced as joint liquidator by Gavin Bates.

3 Liquidators' Actions Since Last Report

- 3.1 Since my last report to creditors, the joint liquidators have undertaken the following actions:
- i Realised the assets of the company as detailed below
 - ii Dealing with all routine correspondence and emails relating to the case
 - iii Maintaining and managing (including regular bank reconciliations) the office holder's estate bank account and cashbook

- iv Reviewing the adequacy of the specific penalty bond (This is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate)
- v Undertaking periodic reviews of the progress of the case
- vi Preparing, reviewing and issuing annual progress reports to creditors and members
- vii Filing returns at Companies House
- viii Preparing and filing VAT returns
- ix Preparing and filing Corporation Tax returns
- x Dealing with creditor correspondence, emails and telephone conversations regarding their claims
- xi Maintaining up to date creditor information on the case management system

3.2 The above list includes certain work that I am required by the insolvency legislation to undertake in connection with the liquidation but provides no financial benefit for the creditors

4 Receipts and Payments

4.1 My receipts & payments account for the period from 13 September 2015 to 12 September 2016 is attached

4.2 The balance of funds is held in an interest bearing estate bank account

5 Assets

5.1 The following table details the current asset position

Asset Type	Estimated to realise (£)	Realisations to date (£)
Book Debts	26,513	NIL
Cash at Bank	12,407	12,392
Bank Interest	NIL	195
Factoring Surplus	25,524	37,213
Total	64,444	49,800

5.2 Other than a small amount of bank interest, there have been no asset realisations in the period and creditors should refer to my previous reports

5.3 As previously reported, the company's records show it is owed approximately £73,000 by a connected company, Cimex Media Limited (which is also in liquidation and creditors should note Messrs Pettit and Bates are joint liquidators) Any return on the debt due is dependent on a dividend from the liquidation of Cimex Media Limited, which is solely reliant on the outcome of the joint liquidator's investigations This matter remains ongoing and forms part of the investigations being undertaken in the liquidation of Cimex Media Limited

6 Investigation into the affairs of the company

6.1 My investigations into the company's affairs were completed prior to my previous report to creditors and are detailed in my previous reports

7 Liabilities

- 7.1 **Secured Creditors:** An examination of the company's mortgage register held by the Registrar of Companies, showed that the company has granted a debenture in favour of Lloyds TSB Commercial Finance
- 7.2 **Preferential Creditors:** The statement of affairs anticipated £20,237 in preferential creditors. Claims totaling £10,314 have been received
- 7.3 At the time of writing, I have not investigated the reasons for the difference in the level of claims received
- 7.4 **Crown Creditors:** The statement of affairs included £109,809 owed to HMRC. To date, I have received a claim of £4,988 from HMRC
- 7.5 The claim received differs from that anticipated because I am yet to receive a claim from HMRC in relation to PAYE
- 7.6 **Non-preferential unsecured Creditors:** The statement of affairs included one unsecured trade creditor of £7,470 and I have received a claim for this amount. In addition, I have received a claim from The Redundancy Payments Office for £14,070 and as outlined above I am yet to establish whether the employees have any residual claims

8 Dividends

- 8.1 **Secured creditors.** As indicated above, the company granted a charge to Lloyds TSB Commercial Finance. Lloyds TSB Commercial Finance are not a creditor of the company
- 8.2 **Preferential creditors** As indicated above, I have received preferential claims of £10,314
- 8.3 I anticipate a distribution will be made to preferential creditors but I am unable to confirm the timing of any dividend at present
- 8.4 **Non-preferential unsecured creditors:** As indicated above, I have received non-preferential unsecured claims of £26,578
- 8.5 The legislation requires that if the company has created a floating charge after 15 September 2003, a prescribed part of the company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors
- 8.6 As there are no funds owed to the secured creditor, the prescribed part provisions do not apply
- 8.7 It is currently uncertain whether there will be a return to unsecured creditors

9 Pre-Appointment Remuneration

- 9 1 The creditors previously authorised the payment of a fee of £5,000 for my assistance with preparing the statement of affairs and convening and holding the meeting of creditors at a meeting held on 27 September 2012
- 9 2 The fee for preparing the statement of affairs and convening and holding the meeting of creditors was paid from first realisations on appointment and is shown in the enclosed receipts and payments account

10 Post Appointment Remuneration

- 10 1 My remuneration was previously authorised by the creditors at a meeting held on 27 September 2012 to be drawn on a time cost basis My total time costs to 12 September 2016 amount to £19,809 90, of which £2,691 13 representing 18 80 of hours work, was charged in the period since 13 September 2015
- 10 2 I have drawn £18,238 45 to 12 September 2016, of which £1,494 20 was drawn in the period since 13 September 2015
- 10 3 A schedule of my time costs incurred to date, and in the period since 13 September 2015 is attached, along with the PBC Business Recovery & Insolvency fee recovery policy
- 10 4 A description of the routine work undertaken in the liquidation to date is as follows

1 Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

2 Cashiering

- Maintaining and managing the liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information
- Reviewing and adjudicating on proofs of debt received from creditors

4 Investigations

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors

5 Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts
- Reviewing the likelihood of recovery of the connected debt

11 Liquidators' Expenses

11 1 Creditors authorised that I could draw category 2 disbursements on 27 September 2012

11 2 I have incurred expenses to 12 September 2016 of £1,020 61, of which £14 57 was incurred in the period since 13 September 2015

11 3 I have drawn £1,020 61 to date, of which £14 57 was drawn in the period since 13 September 2015

12 Creditors' Rights

12 1 An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint liquidators' remuneration and expenses within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit

12 2 An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint liquidators' fees and the amount of any proposed expenses or expenses already incurred within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit

12 3 Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3 is available at <http://www.pbcbusinessrecovery.co.uk/wp-content/uploads/2014/06/Guide-to-Liquidators-Fees-Oct-2015.pdf>. Please note that there are different versions of the guidance notes and in this case you should refer to November 2011 version. Please note we have provided further details in the attached practice fee recovery sheet

13 Provision of Services Regulations

13 1 To comply with the Provision of Services Regulations, some general information about PBC can be found at <http://www.pbcbusinessrecovery.co.uk/wp-content/uploads/2016/03/Provision-Of-Services-Regulations-Summary-v4.pdf>


14 Summary

14.1 The liquidation will remain open until the following matters have been fully resolved

- 1 The connected debt is recovered or written off

14.2 I estimate that this will take approximately 18 months and once resolved the liquidation will be finalised and our files will be closed

14.3 If creditors have any queries regarding the conduct of the liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Jamie Cochrane on the above telephone number, or by email at jamiecochrane@pbcbusinessrecovery.co.uk


A **GARY S PETTIT**
Joint Liquidator

Joint Liquidators' Remuneration Schedule
Cimex Digital Limited
Between 13 September 2012 and 12 September 2016

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	8 50	12 90	25 10	47 40	93 90	12,694 72	135 19
Investigations	1 30	0 10	2 20	0 40	4 00	800 59	200 15
Realisations	0 80	0 40	2 20	0 50	3 90	792 82	203 29
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	3 30	0 70	8 40	11 80	24 20	3,531 00	145 91
Case Specific Matters	0 00	1 00	4 40	10 00	15 40	1,990 78	129 27
Distributions	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total hours	13 90	15 10	42 30	70 10	141 40		
Time costs	5,133 16	3,520 14	5,503 92	5,652 68	19,809 90		
Average hourly rate	369 29	233 12	130 12	80 64	140 10		

Description	Total Incurred £	Total Recovered £
Mileage	1 45	1 45
Advertising	223 90	223 90
Cheque fee	35 00	35 00
Postage/Stamps/Copying/Stationery	76 26	76 26
Companies House Services	2 00	2 00
Bordereau	272 00	272 00
Insolv Case Administration Fee	110 00	110 00
Global Transfer	300 00	300 00
Totals	1,020 61	1,020 61

Summary of Fees

Time spent in administering the Assignment	Hours	141 40
Total value of time spent to 12 September 2016	£	19,809 90
Total Joint Liquidators' fees charged to 12 September 2016	£	18,238 45

Joint Liquidators' Remuneration Schedule
Cimex Digital Limited
Between 13 September 2015 and 12 September 2016

Classification of work function	Partner/Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	1 80	2 60	5 80	4 30	14 50	2,244 03	154 76
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 40	0 30	1 70	2 40	218 53	91 05
Case Specific Matters	0 00	0 20	0 80	0 90	1 90	228 57	120 30
Distributions	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total hours	1 80	3 20	6 90	6 90	18 80		
Time costs	677 66	865 28	837 13	311 06	2,691 13		
Average hourly rate	376 48	270 40	121 32	45 08	143 15		

Description	Total Incurred £	Total Recovered £
Postage/Stamps/Copying/Stationery	14 57	14 57
Totals	14 57	14 57

Summary of Fees

Time spent in administering the Assignment	Hours	18 80
Total value of time spent to 12 September 2016	£	2,691 13
Total Joint Liquidators' fees charged to 12 September 2016	£	18,238 45