

Section 106

The Insolvency Act 1986

Return of Final Meeting in a
Creditors' Voluntary Winding Up
Pursuant to Section 106 of the
Insolvency Act 1986

S106

For Official Use

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

give notice

- 1 that a general meeting of the company was ~~held on~~/summoned for 30 March 2012 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting
- 2 that a meeting of the creditors of the company was duly ~~held on~~ / summoned for 30 March 2012 pursuant to section 106 of the Insolvency Act 1986 for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting

Signed  Date 02 April 2012

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

Ref XX063CVL/DW/GNL/KBB/SXG/DJ

Inso

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COMPANIES HOUSE

0161 Lettings Limited (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation pursuant
to Section 106 of the Insolvency Act 1986 and Rule
4.126 of the Insolvency Rules 1986

Period: 4 November 2011 to 30 March 2012

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This 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.

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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 Insolvency Act 1986 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

This is our final report and account of the liquidation

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 Bndge 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 SINCE APPOINTMENT

Attached at Appendix 1 is our abstract of receipts and payments for the period from 04 November 2010 to 30 March 2012

Receipts

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 amounts to £22,333.82. The amount due to the Company for commissions amounts 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

Joint Liquidators Fees

As indicated on the attached receipts and payments account, the joint liquidators remuneration amounts £2,565 03. Further information in this regard can be found within section 6 of this report

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

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

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

A further advertisement for the final meeting of creditors was advertised within this publication in respect of the final meetings of members and creditors. As indicated on the attached receipts and payments account was £76 50 plus VAT

Corporation Tax

The Corporation tax payable for the liquidation period amounts to £9 05

Office Holders Expenses

As at the date of this report, the joint liquidators' disbursements total £155 00 as follows

	£
Companies House and Land Registry Searches	145 00 plus VAT
Specific Bond	10 00 plus VAT
Total	<u>155 00 plus VAT</u>

5. OUTCOME FOR 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 divided to the unsecured creditors.

Notice that no Dividend will be declared

Notice that no dividend will be declared has previously been given by the joint liquidators. The notice was sent by letter on 6 December 2011.

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

6. REMUNERATION & DISBURSEMENTS

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 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 04 November 2010 to 30 November 2011 amount to £26,964 which represents 128 70 hours at an average rate of £209 51 per hour The joint liquidators recovered £2,438 03 in respect of their outstanding time costs

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 04 November 2010 to 30 November 2011
- Begbies Traynor (Central) LLP's policy for re-charging disbursements
- Begbies Traynor (Central) LLP's charge-out rates

As at the date of this report, the joint liquidators' disbursements total £155 00 as follows

	£
Companies House and Land Registry Searches	145 00 plus VAT
Specific Bond	10 00 plus VAT
Total	<u>155.00 plus VAT</u>

The outstanding disbursements of £155 00 plus VAT have been recovered in full

7. UNREALISABLE ASSETS

There are no assets that have proved to be unrealisable

8. 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.

Connected party transactions

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

9. CONCLUSION

This report and account of receipts and payments will be laid before final meetings of the Company and the creditors to be held on 30 March 2012 in accordance with Section 106 of the Act. Formal notice of the meetings and a proxy form are enclosed with the covering letter accompanying this report.

The meetings are a formal requirement of liquidation procedure and are a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later. Unless creditors otherwise resolve, pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office.

Although the meetings are rarely attended, if any creditor wishes to attend the meeting, it would assist us in making the necessary administrative arrangements if you would inform the case manager by telephone. This is particularly important for any creditor wishing to attend who considers that the proposed venue is inconvenient. In that event we will consider reconvening the meetings at an alternative venue to be agreed. Any such request should be made within the next seven days so that we may inform all creditors of the revised arrangements. Alternatively, if you wish a proxy to attend on your behalf, the proxy form should be returned by 12 noon on the business day before the meeting.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, David Jones in the first instance, who will be pleased to assist.


Dean Watson
Joint Liquidator

Dated 30 March 2012

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 4 November 2011 to 30 March 2012

**0161 LETTINGS LIMITED - IN LIQUIDATION
JOINT LIQUIDATORS' FINAL ACCOUNT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 4 NOVEMBER 2010 TO 30 MARCH 2012**

Estimated to Realise value as per the statement of affairs	Period from 4 November 2010 to 3 November 2011	Period from 4 November 2011 to 30 March 2012	Total
RECEIPTS			
Landlord Monies	22,333 82	-	22,333 82
Commissions Due	2,118 14	2 00	2,120 14
Contribution to disbursement	112 00	-	112 00
Book debts	680 00	-	680 00
Deposit for Costs	5,000 00	-	5,000 00
Bank interest Gross	45 21	-	45 21
	30,289 17	0 00	30,291 17
PAYMENTS			
Preparation of Statement of Affairs - S M Clarke & Co	1,000 00	-	1,000 00
Preparation of Statement of Affairs - Begbies Traynor (Central) LLP	4,000 00	-	4,000 00
Liquidators' fees	-	2,438 03	2,438 03
Re-direction of mail	51 97	-	51 97
Monies due to Landlords	22,333 82	-	22,333 82
Corporation Tax	-	9 05	9 05
Office Holders Expenses - Specific Penalty Bond	-	10 00	10 00
Office Holders Expenses - Companies House Searches	-	145 00	145 00
Statutory Advertising	226 80	76 50	303 30
	27,612 59	2,678 58	30,291 17
Balance	2,676 58	-	-

* Receipts and payments are shown net of VAT

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
- d Table of time spent and charge-out value for the period from 04 November 2010 to 30 November 2011

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 managements 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 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 30 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 30 November 2011 amount to £26,964 which represents 128.70 hours at an average rate of £209.51 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

The Joint Liquidators were authorised to pay the sum of £1,000 plus VAT to the Company's accountants, S M Clarke & Co, for assisting in the finalisation of the Company's records and preparation of the statement of affairs. This fee has been paid.

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.

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

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	£379 80 plus VAT	£379 80 plus VAT	Nil
Corporation Tax	HM Revenue & Customs	£9 05	9 05	Nil
Liquidators Disbursements' Companies House Searches	Companies House	£145 00 plus VAT	142 00 plus VAT	Nil
Liquidators Disbursements' Specific Penalty Bond	Insolvency Risk Services	£10 00 plus VAT	10 00 plus VAT	Nil