

# Liquidator's Progress Report

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

# S.192

To the Registrar of Companies

Company Number

05113542

Name of Company

(a) Insert full name of company

(a) Alma Property Services Limited

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

Louise Mary Brittain  
Wilkins Kennedy LLP  
Bridge House  
London Bridge  
London  
SE1 9QR

the Liquidator of the Company attach a copy of my Progress Report under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 6 November 2015 to 5 November 2016

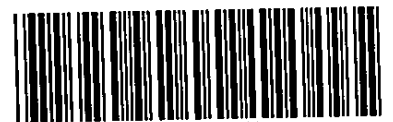
Signed *Louise Brittain*

Date 9/12/2016

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

Louise Mary Brittain  
Wilkins Kennedy LLP  
Bridge House  
London Bridge  
London  
SE1 9QR

SATURDAY



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10/12/2016

#239

COMPANIES HOUSE

**Alma Property Services Limited  
In Liquidation  
("the Company")**

**Annual Progress Report to Members and Creditors  
Pursuant to Section 104A of the Insolvency Act 1986**

**Period: 6 November 2015 to 5 November 2016**

Wilkins Kennedy LLP  
Bridge House  
London Bridge  
London  
SE1 9QR

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## 1. INTRODUCTION

The anniversary of my appointment as Joint Liquidator has passed and I am required to send you a report on what has happened in the Liquidation for the period 6 November 2015 to 5 November 2016

The detailed report is provided below, but in summary

- Assets realisations totalling £133,647 48 have been received to date
- A Settlement Agreement of £175,000 plus default amounts, is in place with Mr and Mrs Mullins in relation to the cash withdrawals and dividend taken which were identified in my investigations of the Company's affairs. The total amount to be received has now increased to £195,000 plus legal costs plus interest as a result of defaulting on the payment terms
- £100,000 00 has been received to date from Mr and Mrs Mullins in relation to the Settlement Agreement
- A dividend will be declared to creditors once the final debtor monies and the final payment from Mr and Mrs Mullins has been received
- It is possible that the Liquidation may be finalised prior to the next anniversary

This report should be read in conjunction with previous correspondence to creditors

## 2. BACKGROUND

The members' and creditors' meetings were held on 6 November 2014, when I was appointed Liquidator of the Company

The Company's registration number is 05113542 and its current registered office is Bridge House, London Bridge, London SE1 9QR

The Company's former registered office was Springfield, Ditton Hill, Long Ditton, Surrey, KT6 5EH. This was also the Company's former trading address

## 3. RECEIPTS AND PAYMENTS ACCOUNT

Appendix 1 is a summary of receipts and payments from the date of liquidation on 6 November 2014 to 5 November 2016

As at 5 November 2016 a total of £53,653 60 was held in the Liquidation account. This account is held at Metro Bank Plc. The account is interest bearing and I can confirm that the account has been reconciled to the bank statements

## 4. ASSETS

Creditors have previously been advised of the asset realisations that have successfully been achieved in this matter. For ease of reference I have summarised these below but creditors should refer to previous reports for further details

<b>Asset</b>	<b>Realised In Previous Period</b>
Book Debts	£33,522 00
Sundry Refund (DVLA)	£93 75
Bank Interest Gross	£8 05
<b>Total</b>	<b>£33,623 80</b>

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### Unfactored Debts

As previously advised, Acasta Consulting Limited ("Acasta"), a firm of independent construction and insolvency quantity surveyors and debt collection specialists were instructed to assist me in pursuing the final debtor of £5,352 00 on a no-win-no-fee basis

As the Company had not fully completed the works invoiced, Acasta had to negotiate on the amount to be deducted from the invoice and upon receiving a proof of the cost involved to complete the works I agreed to an amount of £1,687 50 being deducted. The debtor required a credit note to be issued prior to releasing the funds and I can confirm that this has now been sent and the amount of £3,664 50 is due to be received in the liquidation within the next 2 – 4 weeks

### Settlement Amount

As advised in my previous report, Francis Wilks & Jones ("FWJ") were instructed on my behalf to liaise with Mr and Mrs Mullins in regards to the cash withdrawals and dividends taken totalling £556,490 00 in the period prior to liquidation and to advise on the funds due to be recovered by the Company

Following a meeting with Mr and Mrs Mullins on 22 December 2015, I received a settlement offer on 29 January 2016 of £60,000. As it is my duty to maximum recovery of all assets for unsecured creditors, the offer received was duly rejected.

On 26 February 2016, an offer of £175,000 payable by 15 April 2016 was received and accepted. Mr and Mrs Mullins, the Company and I formally entered into a Settlement Agreement on 24 March 2016 which provided for an 8% per annum interest charge plus any additional legal fees incurred to be paid should the payment not be received as agreed.

Full payment was not received on the 15 April 2016 as Mr & Mrs Mullins solicitors advised that the re-mortgage had not been approved for the whole amount they had hoped. They therefore proposed a revised payment structure of £60,000 to be received on 18 April 2016 with the balance of £115,000 to follow thereafter.

Therefore I entered into further negotiations with Mr & Mrs Mullins and a revised payment schedule was agreed as follows -

£60,000 – 18 April 2016 (Received)  
£115,000 – 4 May 2016 (Not received)

On 5 May 2016 however we were notified that there would be a delay in the 4 May 2016. The mortgage loan Mr & Mrs Mullins were awaiting against their property fell through and I therefore granted a further extension to the end of May 2016. Despite this the additional £115,000 was not received.

In early June 2016 Mr and Mrs Mullins solicitors provided us with a copy of a new mortgage offer in principle in respect of a second charge over their residential property in Surrey.

On 4 July 2016, we were subsequently advised that the re-mortgage was due to complete but there was a delay caused by problems completing the correct paperwork. It was stated that the outstanding paperwork was being dealt with as a matter of urgency and a further agreed payment date set for 25 July 2016.

Our solicitors were provided with an update on 25 July 2016 where we were advised that the paperwork appeared to be in order with the exception of them being witnessed which we were told was being executed that day. Based on this information we were expecting to receive the funds by 27 July 2016.

On 29 July 2016 our solicitors were informed that the loan had fallen through as the first mortgagee (Santander) had not consented to a second charge over the property. It has subsequently transpired that difficulties have arisen as a result of Mr Mullins as the freeholder granting himself a short lease over the property. This has now been extended to a long lease, although we are still not aware that either Land Registry or the first mortgagee have consented and agreed to the registration of this long lease.

On 26 August 2016, Mr & Mrs Mullins confirmed their intentions to settle the balance after returning to Santander to obtain funding. As no payment had been received since April 2016 I required a payment on account and £40,000 was duly received on 4 October 2016 with the balance payable by the end of October 2016. In addition we agreed a payment of an additional £10,000 if full payment was received by the end of October or an additional £20,000 if after the end of October 2016. No such payments have been received.

I have recently received an update that Mr & Mrs Mullins are still trying to complete legal formalities for the loan which also require their solicitors to register the lease extension. Mr and Mrs Mullins are waiting on the Land Registry to complete the necessary registration to conclude the formalities for the loan, no timescale could be given. We will continue to chase the additional funds however if the remaining funds are not received by the end of this year I will need to consider enforcement action.

Based on the above, the total balance currently due to be received in the liquidation is £113,392.70 which comprises of £95,000 plus current legal costs of £8,278.88 plus interest of £10,113.82 (which accrues on a daily basis).

#### Other Assets

Bank interest of £23.68 has been received in the period to date with interest continuing to accrue.

No other realisations than that stated above were received in this period.

## **5 EXPENDITURE**

#### Pre Appointment Remuneration

At a meeting of creditors held on 6 November 2014, the creditors authorised the payment of a fee of £4,250 plus VAT and disbursements to S P Ford & Co for assisting in the preparation of the statement of affairs, producing and circulating the notices for the meetings of members and creditors and the holding and conducting of the meetings.

The fee and disbursements for the statement of affairs and meetings were paid to S P Ford & Co from the funds held in the liquidation.

#### Liquidator's Remuneration

My remuneration was authorised by creditors at a meeting held on 6 November 2014 to be drawn on a time costs basis.

My total time costs to 5 November 2015 amount to £63,868 50 representing 247 20 hours at an average hourly charge out rate of £258 37 Of this, £34,419 50 was incurred in this reporting period which represents 110 75 hours charged at an average of £310 79 To date, I have drawn funds of £62,541 50 plus VAT which includes fees drawn in this reporting period of £47,128 94 plus VAT

A description of the routine work undertaken in the Liquidation is set out at Appendix III In addition to the routine work, during this reporting period, I have spent time as follows

- Continuing to liaise with Acasta in respect of the collection of the final book debt
- Obtaining Settlement Agreement from Mr and Mrs Mullins
- Continuing to monitor the position surrounding the repayment of monies from Mr and Mrs Mullins after the date of the Settlement Agreement
- Preparation of the last annual progress report and associated documentation

A "Creditors' Guide to Liquidators' Fees" is available at the following internet link, [www.r3.org.uk/index.cfm?page=1210](http://www.r3.org.uk/index.cfm?page=1210) Please refer to the version entitled "Effective from November 2011 to September 2015" A hard copy of this document is available free of charge upon request to my office

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

An unsecured creditor may, with 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

#### Liquidator's Expenses

My expenses paid from my office account total £542 24 plus VAT Of this, £250 00 plus VAT has been incurred in this reporting period

An analysis of these disbursements is set out below

Particulars of Expense	Type of Expense	As Previously Reported	06/11/2015 to 05/11/2016	Total
IT Administration Fee	Category 1	£110 00	-	£110 00
Statutory Advertising	Category 1	£140 00	-	£140 00
Statutory Bonding	Category 1	£210 00	£210 00	£420 00
Travel Expenses	Category 1	£82 24	£24 00	£106 24
Search Fees	Category 1	-	£16 00	£16 00
		<b>£542.24</b>	<b>£250.00</b>	<b>£792.24</b>

The following expenses which amount to £244 60 plus VAT have been paid directly from the case funds held, £56 64 plus VAT of which was paid in this reporting period

Particulars of Expense	Type of Expense	As Previously Reported	06/11/2015 to 05/11/2016	Total
Storage Costs	Category 1	-	£56 64	£56 64
Statutory Advertising	Category 1	£84 60	-	£84 60
Travel Expenses	Category 2	£110 00	-	£110 00
Hire of Room	Category 2	£50 00	-	£50 00
		<b>£244.60</b>	<b>£56.64</b>	<b>£301 24</b>

Professional Fees

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

The following agents and professional advisors have been used in the liquidation

<i>Agent/Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>	<i>Fees Paid</i>
Acasta Consulting Limited	Dealing with ransom creditor	Time cost - £135 00 per hour	£4,860 00
Acasta Consulting Limited	Book debt collection	20% net recoveries	£-
Francis Wilks & Jones	Advice on potential claims against directors	Conditional Agreement	Fee £-

I have received an invoice from FWJ for £23,173 00 plus VAT for work undertaken in dealing with Mr and Mrs Mullins up to 18 April 2016. The payment of this falls outside the reporting period and as such has not been included on the receipts and payments. Future legal costs will be settled by Mr and Mrs Mullins as detailed in the Settlement Agreement.

**6. INVESTIGATION**

All investigations previously detailed have now been concluded.

I am aware that The Insolvency Services have also concluded their investigations and that both Mr and Mrs Mullins are now subject to an undertaking in accordance with the Company Directors Disqualification Act 1986 and cannot act as a director of a company for a period of 3 5 years.

Within six months of my appointment, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I confirm that my report has been submitted.

**7. CREDITORS' CLAIMS**

Secured Creditors

There were two charges registered at Companies House which provide fixed and floating charges over the Company's assets, summarised as follows:



Lloyds TSB Bank Plc ("Lloyds")

Debenture – created on 30 January 2008

The Statement of Affairs showed a liability due to Lloyds in the amount of £30,000 under their fixed and floating charge however Lloyds have now confirmed that the amount outstanding is £30,878 44

Lloyds TSB Commercial Finance Limited ("LCFL")

All Asset Debenture – created on 9 February 2012

I have received confirmation that no liability is owed in this respect

Prescribed Part

Pursuant to section 176A of the Insolvency Act 1986 where a floating charge is created after 15 September 2003 a prescribed part of the Company's net property shall be made available to unsecured creditors 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 realisation)

The prescribed part is calculated as a percentage of net property, as follows -

Net property less than £10,000	Nil
Net property more than £10,000	50% up to £10,000
Plus 20% thereafter to a maximum of £600,000	

The maximum value of the ring-fenced proportion of the funds, known as the "prescribed part", is £600,000

Preferential Creditors

There were no preferential creditors at the date of Liquidation

Unsecured Creditors

To date I have received 1 unsecured claim from HM Revenue and Customs totalling £641,937 96 this is compared to the £155,388 99 estimated in the Statement of Affairs for all unsecured creditors

I have not yet agreed or admitted claims for dividend purposes

**8. PROGRESS OF THE LIQUIDATION**

The Liquidation will remain open until the following outstanding matters have been finalised

- The realisation of the remaining outstanding book debt
- Payment has been received in full from Mr and Mrs Mullins
- The calculation and payment of the final costs of the Liquidation
- Payment of dividends to creditors
- Clearance to close the Liquidation from the relevant HM Revenue & Customs departments is requested and received

Once these issues have been dealt with the Liquidation will be finalised and my files will be closed. This may be within the next 12 months depending on the outcome of Settlement Agreement monies being received and whether further legal action will be required.



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**Louise Mary Brittain**  
**Liquidator**

**Alma Property Services Limited - In Creditors Voluntary Liquidation  
Liquidator's Abstract of Receipts & Payments**

**From 06 November 2015 To 05 November 2016**

<b>S of A £</b>		<b>As Previously Reported</b>	<b>06/11/15 to 05/11/16</b>	<b>Total £</b>
<b>RECEIPTS</b>				
29,355	Book Debts	33,522 00	NIL	33,522 00
NIL	Bank Interest Gross	8 05	23 68	31 73
NIL	Settlement Amount	NIL	100,000 00	100,000 00
NIL	Sundry Refund	93 75	NIL	93 75
<u>29,355</u>		<u>33,623 80</u>	<u>100,023 68</u>	<u>133,647 48</u>
<b>PAYMENTS</b>				
	Petitioners Costs	920 00	NIL	920 00
	Statement of Affairs Fee	4,250 00	NIL	4,250 00
	Office Holders Fees	15,412 56	47,128 94	62,541 50
	Agents/Valuers Fees (1)	4,860 00	NIL	4,860 00
	Storage Costs	NIL	56 64	56 64
	Statutory Advertising	224 60	NIL	224 60
	Travel Expenses	192 24	24 00	216 24
	Hire of Room	50 00	NIL	50 00
	IT Administration Fee	110 00	NIL	110 00
	Payment to L&R Scaffolding	4,800 00	NIL	4,800 00
	Vat Receivable	1,460 00	68 90	1,528 90
	Specific Bond	210 00	210 00	420 00
	Search Fees	NIL	16 00	16 00
		<u>(32,489 40)</u>	<u>(47,504 48)</u>	<u>(79,993 88)</u>
	<b>CASH IN HAND</b>	<u>1,134 40</u>	<u>52,519 20</u>	<u>53,653 60</u>

**APPENDIX II**

**ANALYSIS OF TIME COSTS EXPLANATION OF TIME CHARGING AND DISBURSEMENTS  
RECOVERY POLICY AND COMPLAINTS PROCEDURE**

# WILKINS KENNEDY LLP

Schedule of Liquidators' remuneration

for

**Alma Property Services Limited**

For the Period 6 November 2015 to 5 November 2016

HOURS						Time Cost £	Average hourly rate £
Classification Of work function	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	1 40	7 20	0 30	8 80	17 70	4,546 50	256 86
Cashiering and Accounting	1 20	0 60	4 30	1 85	7 95	1,445 00	181 76
Realisation of assets	9 50	6 90	-	3 30	19 70	6,743 00	342 28
Trading	-	-	-	-	-	-	-
Investigations	21 50	25 00	-	2 80	49 30	17,798 00	361 01
Creditors	-	3 20	-	3 20	6 40	1,632 00	255 00
Statutory	-	3 70	-	6 00	9 70	2,255 00	232 47
<b>Total hours</b>	<b>33 60</b>	<b>46 60</b>	<b>4 60</b>	<b>25 95</b>	<b>110 75</b>	<b>34,419 50</b>	<b>310 79</b>
<b>Total fees claimed (£)</b>						<b>(47,128 94)</b>	

## Wilkins Kennedy LLP Charge-Out Rates

28 April 2014 to 28 February 2015	£	1 March 2015 to date	£
Partners/Directors	400 00 – 450 00	Partners	400 00 – 450 00
Senior Managers/Managers	270 00 – 300 00	Directors/Managers	250 00 – 350 00
Supervisors	205 00	Senior Administrators	145 00 – 195 00
Case Managers/Senior Administrators	145 00 – 195 00	Administrators	100 00 – 160 00
Administrators/Investigators	100 00 – 160 00	Junior/Trainee Administrators	50 00 – 110 00
Junior/Trainee Administrators	25 00 – 100 00	Cashiers/Secretaries	75 00 – 90 00
Cashiers/Secretaries	75 00 – 90 00		

## WILKINS KENNEDY LLP

Schedule of Liquidators' remuneration

for

**Alma Property Services Limited**

For the Period 6 November 2014 to 5 November 2016

HOURS						Time Cost £	Average hourly rate £
Classification Of work function	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	1 60	13 10	0 30	21 35	36 35	8,153 00	224 29
Cashiering and Accounting	4 00	2 50	9 90	7 35	23 75	4,077 00	171 66
Realisation of assets	38 50	7 30	-	8 00	53 80	19,087 00	354 78
Trading	-	-	-	-	-	-	-
Investigations	27 00	32 50	-	48 50	108 00	27,049 00	250 45
Creditors	1 00	3 60	-	5 50	10 10	2,275 00	225 25
Statutory	0 10	5 90	-	9 20	15 20	3,227 50	212 34
<b>Total hours</b>	<b>72 20</b>	<b>64 90</b>	<b>10 20</b>	<b>99 90</b>	<b>247 20</b>	<b>63,868 50</b>	<b>258 37</b>
<b>Total fees claimed (£)</b>						<b>(62,541 50)</b>	

### Wilkins Kennedy LLP Charge-Out Rates

28 April 2014 to 28 February 2015	£	1 March 2015 to date	£
Partners/Directors	400 00 – 450 00	Partners	400 00 – 450 00
Senior Managers/Managers	270 00 – 300 00	Directors/Managers	250 00 – 350 00
Supervisors	205 00	Senior Administrators	145 00 – 195 00
Case Managers/Senior Administrators	145 00 – 195 00	Administrators	100 00 – 160 00
Administrators/Investigators	100 00 – 160 00	Junior/Trainee Administrators	50 00 – 110 00
Junior/Trainee Administrators	25 00 – 100 00	Cashiers/Secretaries	75 00 – 90 00
Cashiers/Secretaries	75 00 – 90 00		

## **Explanation of officeholders time charging policy**

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the charge out rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate.

Time is recorded in 6 minute units by each staff member working on the case. A description of the routine work undertaken which time will be recorded for is detailed as follows:

### **1 Administration and planning**

- Preparing documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Reviewing the ongoing progression of case files
- Arranging the collection and storage of company records
- Ensuring an appropriate case bordereau is in place
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors where appropriate

### **2 Investigations**

- Review and storage of the Company's books and records
- Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986
- Conduct investigations into any suspicious transactions
- Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors

### **3 Realisation of assets**

- Identifying, securing and obtaining sufficient insurance in respect of company assets
- Dealing with any retention of title or other third party claims
- Debt collection functions
- Negotiating and completing property, business and asset sales

### **4 Creditors**

- Dealing with creditor correspondence and telephone conversations
- Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors)

## **Explanation of officeholders disbursement recovery policy**

SIP 9 also requires that the office holder provide a statement of the officeholder's policy in relation to the recharging of disbursements SIP 9 defines disbursements as either Category 1 or Category 2 disbursements, further details of which are below

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs

### Charging and disbursement recovery policy

Category 1 disbursements are recoverable without approval, and will be recovered by the officeholder as they are incurred

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration SIP 9 provides that the officeholder may make a separate charge for expenses in this category, provided that

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation, it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision, and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration

Payments to outside parties in which the officeholder or his firm or any associate (as defined by Section 435 of the Insolvency Act 1986) has an interest should be treated as category 2 disbursements

The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision

Photocopying	5p per sheet
Mileage	45p per mile (40p per mile prior to 6 April 2011)
Meeting Room	£50

## **Complaints procedure**

Details of our complaints procedure are available on our website using the following link <http://www.wilkinskennedy.com/services/wk-restructuring-recovery/insolvency/complaints-procedure>

## **Insolvency Code of Ethics**

Insolvency Practitioners are bound by the Insolvency Code of Ethics issued by their recognised professional body when carrying out all professional work relating to an insolvency appointment Full details of the code are available at the following internet link <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>