

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

06873063

Name of Company

Advanced Training and Recruitment Limited

I / We

Lisa Marie Moxon, 7400 Daresbury Park, Daresbury, Cheshire, WA4 4BS

Christopher Benjamin Barrett, 7400 Daresbury Park, Daresbury, Cheshire, WA4 4BS

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 14/05/2015 to 13/05/2016

Signed



Date

13/7/2016

Dow Schofield Watts Business Recovery LLP
7400 Daresbury Park
Daresbury
Cheshire
WA4 4BS

Ref A005/LM/CBB/AL

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Insolvency Act 1986

Advanced Training and Recruitment Limited (“the Company”) – In Creditors’ Voluntary Liquidation

Joint Liquidators’ First Progress Report

For the period from 14 May 2015 to 13 May 2016

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Advanced Training and Recruitment Limited ("the Company") – in Creditors' Voluntary Liquidation

1 Introduction

Lisa Marie Moxon and Christopher Benjamin Barrett were appointed as Joint Liquidators of the Company on 14 May 2015 following the filing of Form 2 348, a notice of move from administration to creditors' voluntary liquidation by the Registrar of Companies. This is the Joint Liquidators' first progress report to the members and creditors of the Company, showing how the liquidation has been conducted. The report covers the period from 14 May 2015 to 13 May 2016.

2 Liquidators' Actions during the period

Following our appointment we dealt with the initial statutory requirements, including statutory advertising and notifications to the Registrar of Companies, members and creditors of the Company, and took steps to realise the remaining Company assets.

2.1 Receipts and Payments Account

A summary of the Joint Liquidators' receipts and payments account is attached at **Appendix B** which shows all asset realisations and payments in respect of the costs of liquidation and distributions during the period.

The liquidation estate funds are held in an interest bearing account in the name of the Company and controlled by the Joint Liquidators.

2.2 Asset Realisations

Funds from Administration

There was a credit balance of £5,735 held in the administration estate account at the date the Company moved from administration into liquidation. This amount was transferred in full to the liquidation account.

Administration VAT Refund

At the date the Company moved from administration into liquidation, there were VAT refunds totalling £8,378 expected to be received. During the current liquidation period, a refund of £3,205 has been received. The remaining £5,173 has still not been received from HM Revenue and Customs and I will continue to pursue this refund.

Goodwill

During the administration period the Company's goodwill was sold for £40,000 as part of the sale of the business. During the administration consideration of £16,700 was received, leaving a balance of £23,300 still owed to the Company at the commencement of the liquidation. A further £21,400 has been received during the liquidation, leaving £1,900 still due.

The goodwill is subject to the fixed charge dated 2 October 2009 in favour of Bibby Financial Leicester Limited ("Bibby") and the fixed charge dated 19 January 2012 in favour of Lloyds TSB Bank Plc ("Lloyds").

Book Debts

The Company's book debts were assigned to the secured creditor, Bibby, but during the administration period Bibby's core liability of £671,038 was discharged in full together with termination charges of £16,024 plus VAT. The remaining sales ledger of £43,493 was reassigned to the Company on 13 May 2015. The Joint Liquidators have sought to realise the reassigned book debts with assistance from debt collection agents,

Corporate Credit Debt Recovery who were instructed on 10 July 2015. Collections during the current period total £15,522. It appears that the remaining book debts are disputed by the customers and Corporate Credit Debt Recovery have now concluded collections in this matter. No further book debt realisations are expected.

Director's Loan Account

The Company's draft management accounts to 31 August 2014, reported that there was an overdrawn director's loan account of £145,814 owed to the Company by Mr Davies. During the administration period Mr Davies signed a Statement of Affairs which reported that the overdrawn director's loan account was £34,911 at the date of administration. This loan account remains under review by the Joint Liquidators and the appropriate demand for payment will be issued in due course. A further update will be provided to all creditors in my next progress report.

Lala Spa Limited

The Joint Administrators' final report explained reported that the sum of £97,000 appeared to be owed to the Company by Lala Spa Limited ("Lala Spa") which is a connected company by virtue of the association of the director of Lala Spa, Madeline Sowerby, with the Company's director Mr Davies.

This loan account was reconciled from the Company's books and records and repayment was requested from Lala Spa, however no payments have been received to date. Following protracted correspondence it appears that Lala Spa has ceased to trade and there has been a recent proposal to strike it off the register of companies. Further recovery action is being considered although it is difficult to assess the likelihood of any recoveries.

Bank interest

Bank interest totalling £13 has been received during the period.

Assets that remain to be realised

All assets have now been realised apart from the remaining VAT refund from the administration period, the £1,900 goodwill payment, recovery of the director's loan account and the debt due from Lala Spa. The Joint Liquidators are continuing to pursue these assets and a further update will be provided in my next report to creditors.

2.3 Costs of the Liquidation

During the period, the Joint Liquidators have paid costs totalling £23,051 as detailed in the receipts and payments account at **Appendix B**. These include costs of £13,837 from the period of administration and are discussed in more detail in section 3 below.

2.4 Distributions

Distributions totalling £14,478 have been paid to creditors during the period. These are discussed in more detail in section 4 below.

2.5 Investigations

The Joint Liquidators have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the date of liquidation and submit a confidential report or return to the Insolvency Service Disqualification Unit. The confidential report or return on the conduct of the director of the Company has been submitted to the Insolvency Service.

The Joint Liquidators are also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf

Appropriate investigations have been carried out and one line of enquiry remains ongoing with regard to the director's loan account

3 Liquidators' remuneration, disbursements and expenses

Approval of remuneration and disbursements

A resolution was passed at the meeting of creditors held on 9 February 2015 that the Joint Administrators would be remunerated by reference to the time properly spent in dealing with matters in the administration and that they would be permitted to charge Category 2 disbursements at the rates set out in **Appendix C**

Under R4 127(5A) of the Insolvency Rules, the basis of remuneration fixed during the administration continues to apply to the Joint Liquidators' remuneration

Remuneration and disbursements charged and paid in the period

The Joint Liquidators' time costs and disbursements have been charged and paid as follows

Remuneration	Incurring (£)	Paid (£)
From appointment on 14 May 2015 to 13 May 2016	16,852 50	Nil
Disbursements		
Category 1 disbursements from 14 May 2015 to 13 May 2016	349 93	Nil
Category 2 disbursements from 14 May 2015 to 13 May 2016	27 00	Nil
	376 93	Nil

The above costs exclude VAT I have attached at **Appendix C** a breakdown of the above time costs and further details of the above disbursements

Professional advisers and other expenses

Expenses have been incurred by the Joint Liquidators in the instruction of Practical Business Solutions (NW) Limited, Hill Dickinson LLP and Corporate Credit Debt Recovery in this matter Practical Business Solutions (NW) Limited were instructed on behalf of the Joint Administrators to provide assistance to the director in completing the Statement of Affairs Hill Dickinson LLP were instructed to review the validity of the secured creditors' charges over the Company, prior to any distributions being made Hill Dickinson LLP also assisted in dealing with a former employee judgement claim made against the Company Corporate Credit Debt Recovery were instructed to assist the Joint Liquidators with book debt collections

The choice of professional advisers and the Joint Liquidators' fee arrangements with them were based on an assessment of the work required and the suitability of those professionals to carry out that work

Details of the professional fees and disbursements incurred and paid are set out at **Appendix C**

In addition, £73 has been paid in respect of statutory advertising,

Administrators' remuneration paid during the period

The Joint Administrators' final progress report stated that the Administrators had unbilled time costs of £13,837 that would be paid during the liquidation These costs have been paid in full

Creditors' guide to fees and creditors' rights regarding fees

Further information relating to liquidators' fees can be found in "A creditors' guide to liquidators' fees" which can be accessed at the website of the Insolvency Practitioners' Association (www.insolvency-practitioners.org.uk > Regulation and Guidance > Creditors Guides to Fees), or the Institute of Chartered Accountants in England & Wales (www.icaew.com > Technical Resources > Insolvency > Creditors' Guides). The guide includes details of creditors' right to request information under Rule 4.49E and their right to challenge liquidators' remuneration and expenses under Rule 4.131. A summary of these rights is also set out in **Appendix C**. A copy of the guide will be provided free of charge upon request to Dow Schofield Watts Business Recovery LLP.

4 Outcome for Creditors

Secured Creditors and Prescribed Part

Bibby Financial Leicester Limited was repaid in full during the administration.

Lloyds TSB Bank plc ("Lloyds") holds fixed and floating charges created on 19 January 2012 over the assets of the Company and was owed £13,366 at the date of the administration according to the Statement of Affairs. Lloyds has been paid £14,477 from fixed charge realisations to discharge the Company's liability in full.

In cases where a company gave a floating charge over its assets to a creditor on or after 15 September 2003, the prescribed part provisions set aside a proportion (the "prescribed part") of the funds that would otherwise have been available for distribution to floating charge creditors (the "net property") so that the prescribed part can be distributed to unsecured creditors.

As Bibby and Lloyds have been repaid in full from assigned book debts and fixed charge realisations and will not be relying on their floating charges, the prescribed part provisions will not apply.

Preferential creditors

As a result of the business sale, all employees transferred to the purchaser in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006. Consequently, there are no known preferential creditor claims.

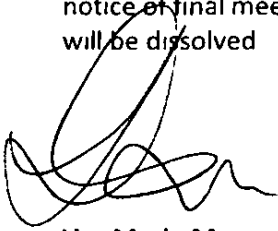
Unsecured creditors

A distribution to unsecured creditors is dependent upon future asset realisations. I will write to unsecured creditors if I am in a position to make a distribution.

5 Conclusion of the Liquidation

The liquidation will remain open whilst asset realisations are finalised, it is determined whether a distribution to creditors can be made, the expenses of liquidation are paid and the Company's VAT and corporation tax affairs are concluded.

Once these matters are finalised, I will write to members and creditors enclosing a draft final report and notice of final meetings of members and creditors to conclude the liquidation, following which the Company will be dissolved

A handwritten signature in black ink, appearing to read 'Lisa Marie Moxon', written over the text of the previous block.

Lisa Marie Moxon

Joint Liquidator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

Statutory Information

Company Information

Company Name	Advanced Training and Recruitment Limited
Trading Name	ATR
Previous Name	Aaliyah Training & Recruitment Limited (changed on 21 May 2013)
Company Number	06873063
Date of Incorporation	26 June 2003
Former Trading Address	Brunswick House, 499 Etruria Rd, Stoke-On-Trent, Staffordshire, ST4 6JR
Current Registered Office	c/o Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Daresbury, Warrington, WA4 4BS
Former Registered Office	Hewitt House, Winstanley Road, Orrell, Wigan, Lancashire, WN5 7XA
Principal Trading Activity	Temporary Employment Agency

Appointment details

Joint Liquidators' names and address	Lisa Marie Moxon (IP number 16370) and Christopher Benjamin Barrett (IP number 9437) both of Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Daresbury, Warrington, WA4 4BS
Commencement of liquidation	14 May 2015
Date of appointment	14 May 2015
Appointment made	pursuant to Para 83(3) of Schedule B1 of the Insolvency Act 1986

The Joint Liquidators act jointly and severally

Advanced Training and Recruitment Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 13/05/2016

S of A £		£	£
	SECURED ASSETS		
23,300 00	Goodwill	21,400 00	21,400 00
	SECURED CREDITORS		
(13,366 00)	Chargeholder - Lloyds TSB Bank Plc	14,477 60	(14,477 60)
	ASSET REALISATIONS		
Uncertain	Book Debts	15,521 69	
Uncertain	Directors Loan Account - Barry Davies	NIL	
	Bank Interest Gross	13 66	
5,734 68	Funds from Administration	5,734 68	
Uncertain	Lala Spa Limited	NIL	
8,377 91	Administration VAT Refund	3,204 73	24,474 76
	COST OF REALISATIONS		
	Third Party Statement of Affairs Fee	2,500 00	
	Administrators' Fees	13,837 00	
	Legal Fees	2,080 50	
	Legal Disbursements	125 00	
	Book Debt Collection Fees	4,435 92	
	Statutory Advertising	73 00	(23,051 42)
	UNSECURED CREDITORS		
(49,293 94)	Trade & Expense Creditors	NIL	
(130,929 49)	H M Revenue & Customs - VAT	NIL	
(109,761 69)	H M Revenue & Customs - PAYE	NIL	
(27,657 00)	H M Revenue & Customs - Corporatio	NIL	
(130,000 00)	Plantilla Limited	NIL	NIL
	DISTRIBUTIONS		
(60 00)	Ordinary Shareholders	NIL	NIL
(423,655.53)			8,345 74
	REPRESENTED BY		
	Vat Receivable		957 18
	Bank 1 Current		3,735 46
	Vat Control Account		3,653 10
			8,345.74

Appendix C

Information relating to the Joint Liquidators' Fees and Expenses

Information relating to the Joint Liquidators' Fees and Expenses

1. Fees and disbursement recovery

Time recording policy

It is our policy to seek fee approval on a time costs basis. Work undertaken on insolvency appointments is recorded in 6 minute units on an electronic time recording system. Time properly incurred on cases is charged at the hourly charge-out rate of the grade of staff undertaking the work. The current hourly charge-out rates are as follows -

Staff grade	Hourly rate (£) from 4 April 2016
Partner and Insolvency Practitioner	300
Manager	230-250
Assistant Manager	180-225
Senior Case Administrator	145-175
Case Administrator	100-140
Cashier	125
Trainee Case Administrator	70-95

Disbursements policy

Office holders' disbursements fall under two categories

Category 1 disbursements consist of external supplies of goods or services specifically relating to the case. Where such costs are paid by Dow Schofield Watts Business Recovery LLP, creditor approval is not required for those costs to be recharged to the insolvency estate. Category 1 disbursements will typically include costs such as statutory advertising, specific bond insurance, company search fees, storage, postage, external room hire and travel expenses (excluding business mileage).

Category 2 disbursements are costs that are directly referable to the case but not to a payment to an independent third party. They include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Such disbursements can only be charged to the insolvency estate with the approval of creditors. It is our policy to seek creditor approval for the payment of the following Category 2 disbursements -

Disbursement type	Rate
Mileage	45p per mile

2. Existing Fee Arrangements

A resolution was passed at the meeting of creditors held on 9 February 2015 that the Joint Administrators would be remunerated by reference to the time properly spent in dealing with matters in the administration and that they would be permitted to charge Category 2 disbursements at the rates set out in **Appendix C** Under R4 127(5A) of the Insolvency Rules, the basis of remuneration fixed during the administration continues to apply to the Joint Liquidators' remuneration.

3. Time and Charge out summary

To date a total of 119.30 hours have been spent at an average charge out rate of £141.26 bringing the total cost to date to £16,852.50. A summary table is shown overleaf.

Time Entry - SIP9 Time & Cost Summary

A005 - Advanced Training and Recruitment Limited
 Project Code POST
 From 14/05/2015 To 13/05/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.00	3.00	27.00	13.50	44.50	6,021.50	135.01
Case Specific Matters	0.00	0.10	0.20	0.00	0.30	51.00	170.00
Creditors	1.60	3.10	13.20	0.40	18.30	3,069.00	167.70
Investigations	0.70	1.80	11.10	17.40	31.00	3,381.00	109.05
Realisation of Assets	4.00	4.40	14.30	2.40	25.10	4,330.00	172.51
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	7.30	12.40	65.80	33.80	119.30	16,852.50	141.26
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

4 Description of work carried out

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during the liquidation. Staff of different levels were involved in the activities below depending on the experience required.

These matters can be summarised as follows:

4.1 Administration and planning

- Statutory duties associated with the appointment including the filing and advertising of relevant notices,
- Notification of the appointment to creditors, members and other interested parties,
- Setting up case files,
- Reviewing available information to determine appropriate strategy,
- Setting up and maintaining bank accounts,
- Case reviews, and
- Dealing with taxation returns and correspondence

4.2 Realisation of Assets

- Collecting the funds held in the Administration account,
- Requesting VAT refunds from Administration period,
- Pursuing remaining sales consideration for goodwill,
- Debt collection,
- Pursuing recovery of director's loan account, and
- Pursuing recovery of Lala Spa Limited Loan

4.3 Investigations

- Correspondence with the director,
- Review of questionnaires and information provided by creditors,
- Review of company books and records,
- Meetings held with former accountants, and
- Completion of statutory report or return to the Insolvency Service

4.4 Creditors and members

- Recording and maintaining the list of creditors,
- Liaising with secured creditor,
- Liaising with solicitors,
- Recording creditor claims,
- Reporting to creditors and members,
- Responding to creditor queries, and
- Distribution to secured creditor

5. Disbursements

The following disbursements have been incurred and paid during the first year of the liquidation -

Category 1 disbursements	This period	
	Incurred (£)	Paid (£)
Bordereau	316 80	Nil
Company search fees	1 00	Nil
Postage	32 13	Nil
	<hr/>	<hr/>
	349.93	Nil
Category 2 disbursements		
Mileage	27 00	Nil
	<hr/>	<hr/>
Total	376.93	Nil

The above costs exclude VAT

6. Professional advisors and expenses

The Joint Liquidators have incurred liquidation expenses in connection with the instruction of the following parties -

Name	This period	
	Incurred (£)	Paid (£)
Practical Business Solutions (NW) Limited (accountants)	2,500 00	2,500 00
Hill Dickinson LLP (solicitors)	2,205 50	2,205 50
Corporate Credit Debt Recovery (debt collection agents)	4,435 92	4,435 92
	<hr/>	<hr/>
Total	9,141.42	9,141.42

The above costs exclude VAT

7. Creditors' rights

Within 21 days of receipt of a progress report (or 7 business days where the report has been prepared for the purposes of a meeting to receive the liquidator's resignation) a creditor may request the liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

If a creditor believes that the liquidator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported.

If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses are not to be treated as expenses of the liquidation

Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the insolvent company