

In accordance with Rule 6.28 of the Insolvency (England & Wales) Rules 2016 and Section 106(3) of the Insolvency Act 1986.

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

FRIDAY



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02/02/2018

#117

COMPANIES HOUSE

1 Company details

Company number 0 2 0 4 0 8 3 2

Company name in full **IMAGECROFT LIMITED**

→ Filling in this form
Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s) Phillip

Surname Roberts

3 Liquidator's address

Building name/number Sterling Ford

Street Centurion Court

Post town 83 Camp Road

County/Region St. Albans

Postcode A L 1 5 J N

Country

4 Liquidator's name ●

Full forename(s)

Surname

● Other liquidator
Use this section to tell us about another liquidator.

5 Liquidator's address ●

Building name/number

Street

Post town

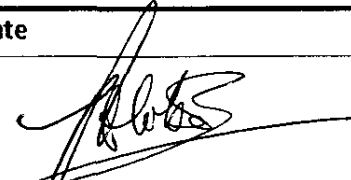
County/Region

Postcode

Country

● Other liquidator
Use this section to tell us about another liquidator.

LIQ14
Notice of final account prior to dissolution in CVL

6	Liquidator's release	
	<input type="checkbox"/> Tick if one or more creditors objected to liquidator's release.	
7	Final account	
	<input type="checkbox"/> I attach a copy of the final account.	
8	Sign and date	
Liquidator's signature	<small>Signature</small> X  X	
Signature date	'2 '9 0 '1 '2 '0 '1 '8	

LIQ14

Notice of final account prior to dissolution in CVL

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Fedai Eren**

Company name **STERLING FORD**

Address **Sterling Ford**

Centurion Court

Post town **83 Camp Road**

County/Region **St. Albans**

Postcode

A	L	1	5	J	N
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Country

DX

Telephone **01727 811 161**

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

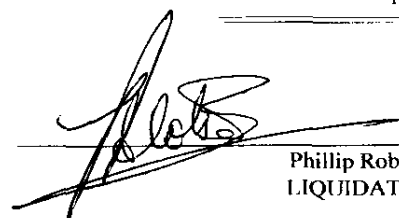
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

IMAGECROFT LIMITED
(In Liquidation)
LIQUIDATOR's Summary of Receipts & Payments

Statement of Affairs £	From 12/08/2017 To 26/01/2018 £	From 12/08/2014 To 26/01/2018 £
ASSET REALISATIONS		
VAT Refund	NIL	9.65
Utility Refund	NIL	92.37
Loan Repayment - S Ali	3,555.72	3,555.72
SALE OF BUSINESS ASSETS	NIL	40,000.00
SALE OF INTELLECTUAL PROPERTY	NIL	3,000.00
	3,555.72	46,657.74
COST OF REALISATIONS		
Professional Fees	NIL	400.00
DIRECTOR'S CONTRIBUTION - SOA	NIL	(3,217.00)
SOA CONTRIBUTION RETURNED	NIL	3,217.00
	NIL	(400.00)
COST OF ADMINISTRATION		
Preperation of S. of A.	NIL	3,217.00
Liquidators Fees	3,555.72	25,422.22
Liquidators Outlays	293.51	293.51
	(3,849.23)	(28,932.73)
UNSECURED CREDITORS		
Trade & Expense Creditors	5,297.60	17,325.01
	(5,297.60)	(17,325.01)
	(5,591.11)	NIL

REPRESENTED BY

NIL


 Phillip Roberts
 LIQUIDATOR



Our ref: JPA/PAR/FE/180126-2456-1-Report

26 January 2018

Centurion Chambers
Centurion Court
83 Camp Road
St Albans
Herts
AL1 5JN

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e-mail: office@sterlingford.co.uk

DX: 6172 St Albans

FINAL PROGRESS REPORT TO CREDITORS PURSUANT TO RULES 18.7 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

TO ALL MEMBERS AND KNOWN CREDITORS

Dear Sirs

RE: **IMAGECROFT LIMITED**
IN CREDITORS' VOLUNTARY LIQUIDATION ("the Company")
Former Trading Address: Orwell House, Cowley Road, Cambridge, CB4 0PP.
Company Registration No: 02040832
Date of Liquidation: 12 August 2014

Further to my report to members and creditors dated 3 October 2017, I am pleased to update creditors on the administration of this matter under Part 18 The Insolvency (England and Wales) Rules 2016, by issuing this Progress Report for the final period of the liquidation, from 12 August 2014 to 26 January 2018.

Accordingly, please find attached hereto the following: -

- a) **Statutory Information relating to the Company**
- b) **Abstract of the Liquidator's receipts and payments** - from which you will note that there will be a £nil balance in the estate account, once the payments listed at the end of this report have been approved and made.
- c) **Notice of Decision Procedure** pursuant to Rule 15.8 The Insolvency (England and Wales) Rules 2016.
- d) **Response Form** - to record your decision on the each of the proposed Resolutions to be returned to this office by **20 December 2017** - the specified Decision Date.
- e) **Notice of Declaration of final dividend** – the particulars of which dividend I have set out in the Notice in accordance with Rule 14.35 of The Insolvency (England and Wales) Rules 2016.
- f) **Sterling Ford Policies Regarding Fees and Disbursements**

1. PROGRESS REPORT

I was appointed Liquidator of the Company on 12 August 2014 and this progress report to the members and creditors of the Company, sets out how the liquidation has been conducted over the period from 12 August 2017 to 26 January 2018.

Insolvency & Specialist Advisory Services Consultants & Intermediaries

Sterling Ford in association with Phillip A Roberts and Partners

Phillip A Roberts is authorised to act as an Insolvency Practitioner by the Insolvency Practitioners Association

Those acting in statutory insolvency appointments act as agents for those companies or individuals and without personal liability

Sterling Ford is the trading title of Sterling Ford Associates Limited Registered in England No 09217576
Registered Office: Centurion Chambers, Centurion Court, 83 Camp Road, St Albans, Herts AL1 5JN

Head Office: St Albans By Appointment: London, East Grinstead & Milton Keynes

2. Realisation of Assets

2.1 Sale of Business Undertaking

In my previous progress reports to members and creditors dated 6 October 2015, 30 September 2016 and 3 October 2017, I advised that the business undertaking was sold to Mr David Sands for the sum of £40,000 (with the consideration being exclusive of VAT pursuant to section 49 Valued Added Tax Act 1994), which was paid in full and title to the assets specified as per the Agreement between the parties, passed to the purchaser, Mr Sands, with effect from 3 June 2015.

2.2 Sale of Intellectual Property

In my previous progress reports to members and creditors, I advised that following negotiations with Mr Sands over the value of certain intellectual property, not included in the prior sale of the business undertaking, agreement was subsequently reached to assign the Company's rights to this remaining intellectual property with effect from 31 March 2015, which realised a further £3,000 for the liquidation estate.

2.3 Loan to be repaid by former Employee

At the date of liquidation an amount was found to be due to the Company, from a former employee/director, a Mr Shazhad Ali in the sum of £8,000. However, in view of the proceedings Mr Ali brought against the Company for unfair dismissal, and the possibility that the Employment Tribunal might make an award which provided for an offset between the outstanding loan and Mr Ali's claim against the Company, I initially deferred collecting this debt until the Employment Tribunal proceedings had been finally concluded. Whilst the subsequent award did not incorporate this loan in any offset, Mr Ali subsequently asserted that the debt should be offset against his claim in the liquidation of £26,853.31. As part of Mr Ali's claim included unauthorised deductions from wages amounting to £4,444.28 including interest, I was of the view that this amount at the very least should have been offset against the loan and accordingly applied the same to leave a balance due from Mr Ali of £3,555.72 and a revised claim in the liquidation of £22,409.03.

3. Investigations

The Liquidator is required by law to submit confidential reports to the Department for Business, Energy and Industrial Strategy's Disqualification Unit (BEIS) (formerly known as Department of Business, Innovation and Skills) on the conduct of each person who acted as a director of the Company in the three year period before the liquidation. These have been completed and duly submitted.

4. Statement of Insolvency Practice 2 (SIP 2) Investigations

Shortly after appointment, enquiries were made to see whether there were any matters that might lead to further recoveries for the estate and what other investigations might be appropriate. This assessment took into account information provided by creditors either at the initial meeting, or in response to my request to complete an investigation questionnaire, or otherwise. The main enquiries undertaken were:-

4.1 Inter-company

Inter-company – I carried out enquiries into the trading relationship between the Company and Sands Technology Inc., ("STI"). STI were engaged by the Company to provide all marketing and distribution of the Company's products in the US and S America as well as promoting the Company worldwide, particularly through the ST Robotics website. It appeared that over the years, sales to the US accounted for 22% (average) of the Company's annual turnover and non UK sales accounted for 64% (average) of annual turnover. Notwithstanding its significant role, rather than charging a commercial rate for the provision of such services, STI limited its charges to the charges it received from the Company for rent and rates met by the Company in relation to STI's occupation of 8 Orwell, Furlong. I was provided details of both the charges for rent and rates made by the Company to STI and in turn details of the charges made by STI to the Company, which I examined and concluded that they did not appear unreasonable. I had also noted that there did not appear to be any agreement that compelled STI to limit its charges to just what it was charged for rent and rates and considered that one would not want to encourage STI to reassesses its position and that even if any recovery action had been appropriate, I would have had to consider taking action against a company registered in a foreign jurisdiction, which would not have been practical or cost effective to do.

4.2 (Alleged) Retention of certain intellectual property by a former employee

A number of enquiries were made, but ultimately to avoid any further costs being incurred, the Intellectual Property rights were sold so that the purchaser could pursue such courses of action as necessary.

4.3 Other enquiries

In view of a number of allegations made by various parties at the outset, various matters were referred to the appropriate authorities concerned.

5. Creditors' Claims

My records indicate that there were 7 potential creditors in this matter, but only 5 creditors have submitted a proof of debt with claims in aggregate amounting to £115,829.80.

6. Dividend Prospects

In view of the realisations made, I was able to declare a dividend at the rate of 10p in the £, which was paid to creditors on 21 January 2016.

Further to my reference to Mr Ali's claim above, I would advise creditors that on 21 January 2016, I wrote to Mr Shahzad Ali's solicitors, in which letter I informed them that although their client would be entitled to receive an interim dividend at the rate of 10p in the £, i.e. £2,685.33 for his admitted claim of £26,853.31, I was not prepared to pay it to him whilst his outstanding directors' loan account balance of £8,000 remained due to the Company. However, following representations received from Mr Ali, I agreed to reassess his claim, which resulted in an offset of £4,444.28 of his award against the outstanding loan of £8,000, which in effect reduced both the balance due from him to £3,555.72 and his claim to £22,409.03. By off-setting the dividend entitlement I retained of £2,685.33 (re Mr Ali's previous claim of £26,853.31) against the balance of the loan remaining of £3,555.72, this reduced the amount Mr Ali owed the estate to £870.39, which sum forms part of the basis of the final dividend that I have now declared in this matter, which is the subject of the Notice of Declaration of Dividend attached. Such final dividend as specified in the Notice, is at the rate of 4.57p in the £, which for all creditors other than Mr Ali shall be in cash, whereas £870.39 of Mr Ali's entitlement to a cash dividend has been set off against the loan account balance due from him in the same amount, which means that Mr Ali's debt to the estate can be considered to have been paid in full, and Mr Ali shall also receive a cash dividend of £154.51 for his claim in the liquidation.

7. Liquidator's Remuneration

At the creditors' meeting held on 12 August 2014, creditors approved that my remuneration be based on the time costs recorded by myself and my staff and that such remuneration be drawn when funds become available. I would advise creditors that my time costs for the period from 12 August 2016 to 11 August 2017 amounted to £2,128.75, which relates to a total of 6.62 hours charged at an average rate of £321.56 (see Appendix 1 below).

I would advise creditors that my time costs for the period from 12 August 2014 (date of appointment) to 11 August 2017 amounted to £31,939.43 plus VAT, which relates to a total of 94.07 hours charged at an average rate of £339.53 per hour (see Appendix 2 below). Against this sum an amount of £21,866.50 has been drawn on account leaving a balance unpaid of £10,072.93 plus VAT.

APPENDIX - 1

Over the third year of the liquidation, the liquidator and his staff incurred time costs from 12 August 2016 to 11 August 2017, which amounted to £2,128.75 plus VAT, which relates to 6.62 hours charged at an average rate of £321.56 per hour, which in accordance with Statement of Insolvency Practice 9, were approximately attributable to work performed on the following:-

Classification of work function	Hours			Total Hours	Time Cost £	Average hourly rate
	Partner/ Office holder	Manager	Assistants & Support Staff			
Administration and Planning						
-Case Planning / Administration/ Case Review	0.20		0.03	0.23	99.00	424.29
Cash Accounting/ Banking/ IPS Posting/ Filing		0.10		0.10	24.50	245.00
Realisations of Assets						
Communication/ Correspondence with Director	1.10	0.20		1.30	461.50	355.00
Communication/ Correspondence with Director's Solicitors	1.03			1.03	387.50	375.00
Communication/ Correspondence with Lloyds Bank Plc		0.20		0.20	49.00	245.00

Communication/ Correspondence with HMRC re: VAT refund	1.00		1.00	245.00	245.00
Creditors					
-Communication with creditors (including Progress Report to creditors)	1.45	1.30	2.75	862.25	313.55
Total Hours	3.78	2.80	0.03	6.62	
Total fees claimed (£)				2,128.75	

APPENDIX - 2

Over the course of the first three years of the liquidation, the liquidator and his staff incurred time costs from 12 August 2014 to 11 August 2017, which amounted to £31,939.43 plus VAT, which relates to 94.07 hours charged at an average rate of £339.53 per hour, which in accordance with Statement of Insolvency Practice 9, were approximately attributable to work performed on the following:-

Classification of work function	Hours			Total Hours	Time Cost £	Average hourly rate
	Partner/ Office holder	Manager	Assistants & Support Staff			
Administration and Planning						
-Administration / Case Planning / Case Review / Statutory Reporting and Compliance	1.32	1.10	0.03	2.45	770.90	314.65
Staff Briefing Work to Do/Cashiering	0.40			0.40	151.03	377.58
-Investigations	0.43	0.15		0.58	199.11	343.29
Allegations including conduct issues, made by various parties against the others including P Parekh, S Ali and D Sands	3.10	0.50	3.33	6.93	1,625.02	234.49
- Title to designs and drawings of S Ali whilst paid as an employee including communications with parties concerned	9.04			9.04	3,413.32	377.58
-Insurance & Bonding	8.46			8.46	3,194.32	377.58
Banking/ IPS Postings/ Cashiering			0.10	0.10	9.97	99.71
		0.30			73.50	
Realisations of Assets						
Communication/ Correspondence with Director	4.05	0.63		4.68	1,683.55	359.73
Communication/ Correspondence with Director's Solicitors	1.03			1.03	388.91	377.58
-Sale of Assets – Offer for Sale, Communications/ Correspondence with interested parties, negotiations, preparation of Business Sale Agreement – negotiation over terms, Assignment of IPR etc	12.52	0.95		13.47	4,960.04	368.23
Enquiries into Assets	2.40	3.17	0.40	5.97	1,722.72	288.56
Realisation of Assets	5.23			5.23	1,974.74	377.58
-Communication/ Correspondence with Lloyds Bank Plc Re Bank Account		0.10		0.10	24.50	245.00
Communication/ Correspondence with Counsel	0.25			0.25	94.39	377.58
Drafting/Amending/Perusal of Legal Documents	4.65			4.65	1,755.74	377.58
Communication/ Correspondence with Lloyds Bank Plc		1.00		1.00	245.00	245.00
Creditors						
-Communication with creditors	3.17	0.40		3.57	1,294.93	362.72
Report to Creditors	5.89	4.40		10.29	3,301.94	320.89
-Creditors' Claims	2.63	3.07	0.40	6.10	1,785.07	292.63
Case specific matters						
Communication/ Correspondence The Insolvency Service Re: Director's Conduct	2.47	0.70		3.17	1,104.12	348.30
Communication/ Correspondence with HMRC re: VAT claim, VAT193, Deregistration etc...	0.20	1.60		1.80	467.52	259.73
Employment Tribunal Proceedings– including communications with solicitors/parties on both sides	4.50			4.50	1,699.11	377.58
Total Hours	71.74	18.07	4.26	94.07	31,939.43	
Total fees claimed (£)					31,939.22	

I would advise creditors that against the time costs incurred in the sum of £31,939.22, the sum of £21,866.50 has been drawn on account leaving a balance due of £10,072.72.

8. Estimated Future Costs

I provide below an estimate of the level of my future remuneration which, at the first meeting was fixed on the basis of recorded time spent and also to provide an estimate of my future expenses.

8.1 Estimated Future Remuneration

8.1.1 Work projected to be performed in fourth year of liquidation or to conclusion (if concluded before fourth anniversary)

- Activities - Preparing and issuing this final report incorporating a decision procedure to agree liquidator's costs etc, and declaring a dividend to creditors [assuming no challenges received from creditors in respect of claims admitted and/or rejected in full or in part]. Issuing final account and appropriate forms to conclude liquidation whether by unanimous consent or default, attending to final distribution

8.1.2 Estimated remuneration for fourth year/ period to conclusion (if concluded before fourth anniversary)

I would advise you that the projected time to be spent in respect of the activities specified above over the fourth year 12 August 2017 to 11 August 2018 or to completion, if completed before the fourth anniversary of the liquidation, is unlikely to exceed 7 hours at an average rate of 300 per hour, a total £2,100 plus VAT.

9. Liquidator's Disbursements

The following disbursements have been incurred in this matter:-

	£	£
Category 1 Disbursements (Third Party)		
Companies House Search	10.00	
Postage	33.01	
Land Registry Search Fee	6.00	
Advertising	416.00	
Bonding	<u>144.00</u>	
Total	609.01	
VAT	<u>83.20</u>	692.21
Category 2 Disbursements (For the basis on which these charges have been calculated, please refer to this Firm's disbursements policy)		
Set-up Costs (Stationery, IPS & database set up time, cashier's input of CAU cash book, storage materials, cashier's & administrators' files)	100.00	
Facsimile Charges	6.50	
Photocopies	<u>45.00</u>	
Total	151.50	
VAT	<u>30.30</u>	181.80
Total Category 1 & 2 Disbursements		874.01
Drawn to date	467.00	
VAT	<u>64.60</u>	<u>531.60</u>
Balance due (Inc. VAT)		<u>342.41</u>

9.1 Estimated Future Expenses

Such future expenses are likely to include photocopies, postage etc. if I am able to conclude the liquidation by 19 August 2018 and in total, are unlikely to exceed £50 plus VAT. Full details of such expenses incurred shall be provided in my next report.

10. Pre-Appointment Costs

At the first meeting of creditors held on 12 August 2014, it was resolved that the fees of Sterling Ford for assisting the Director in convening the statutory meeting to place the Company into liquidation, and for assisting in the preparation of the Director's Statement of Affairs, would be a set fee of £3,217 excluding VAT and disbursements, which had been paid by the director, Mr David Sands personally.

I would advise creditors that in view of the realisations made in this matter, that pursuant to the Insolvency Rules 1986, the Statement of Affairs fee of £3,217 excluding VAT paid by the director, Mr Sands, personally was reimbursed to him.

11. Creditors' Guide to Fees and Statement of Creditors' Rights

Creditors have a right to request further information from the Liquidator and additionally have a right to challenge the Liquidator's remuneration and expenses - time limits apply. Details can be found and downloaded at https://www.r3.org.uk/media/documents/technical_library/SIPS/SIP_9_EW.pdf. Alternatively a copy is available free of charge upon request from the address above.

If a creditor requires further information about the remuneration or expenses reported on herein, they must request it in writing within 21 days of receipt of this report (Rules 18.4 Insolvency (England and Wales) Rules 2016). If creditors claim that the remuneration or other expenses are excessive then they (representing 10% in value of the creditors) may apply to court in accordance with Rule 18.34.

12. Final Payments to be made for Concluding the Liquidation

Creditors will note that I have effectively capped my remuneration so that a final dividend may be paid, leaving the balance of my remuneration unpaid in the sum of £8,617 plus VAT.

Based on the dividend I have declared as attached in the Notice of Declaration of Dividend, as referred to in section 6 above, I would propose, subject to creditors approving my remuneration and my final disbursements, that the following payments be made from the estate account, which will reduce the balance held therein to £NIL.

Funds Available:	£		£	£
Funds held at the Liquidation Account			8,276.44	
VAT Refund*			<u>760.04</u>	9,036.48
Less:				
Liquidator's Remuneration (Due)			3,555.72	
VAT*			711.14	
Liquidator's Disbursements (Due)			293.51	
VAT*			<u>48.90</u>	
			4,609.27	
Total				(4,609.27)
Dividends to Non-Preferential Creditors 4.57p/£ (see below)				
	Admitted	Proposed	Set-off (£)	By Cash
	Claims (£)	Dividend (£)		Payment (£)
David Sands	82,781.00	3,786.08		3,786.08
Shahzad Ali**	22,409.03	1,024.90	870.39	154.51
Paresh Parekh	5,000.00	228.68		228.68
The NI Fund - Redundancy Payment Office	<u>5,639.77</u>	<u>257.94</u>		<u>257.94</u>
	<u>115,829.80</u>	<u>5,297.60</u>	<u>870.39</u>	<u>4,427.21</u> (4,427.21)
Balance				<u>Nil</u>

*VAT on Sterling Ford's fees and disbursements of £711.14 and £48.90, totaling £760.04 will be claimed once creditors' approval received for the above proposal.

**Mr Ali's dividend entitlements of £2,685.33 and £870.39, a total of £3,555.72 will be utilised to make a payment of £3,555.72 towards the Liquidator's outstanding fees and disbursements of £10,072.72 plus VAT and £293.51 plus VAT respectively, plus his costs of preparing this report and bringing the liquidation to a close of £2,100 plus VAT, which would then leave balance due to the liquidator of £8,617.00 to remain unpaid at the conclusion of the liquidation. Given the limited availability of funds, my fees and disbursements shall then have to be written off.

I would advise you that I am bound by the Insolvency Code of Ethics in relation to the work performed for each insolvency appointment I hold.

Yours faithfully


PHILLIP A. ROBERTS
LIQUIDATOR

IMAGECROFT LIMITED

STATUTORY AND GENERAL INFORMATION

Company No:	02040832	
Incorporated:	25/07/1986	
Registered Office:	ORWELL HOUSE COWLEY ROAD CAMBRIDGE CB4 0PP	
Trading address:	ORWELL HOUSE COWLEY ROAD CAMBRIDGE CB4 0PP	
Principal Activities:	MANUFACTURE OF OTHER ELECTRICAL EQUIPMENT	
	Appointed:	
Director:	David Sands	22 August 1991
Director:	Vanessa Fear	1 October 2010
Share Capital:	£166 Ordinary Shares	
Held by:	David Sands	132 Shares
	Shahzad Ali	16 Shares
	Kalpesh Brahmabatt	2 Shares
	Vanessa Fear	10 Shares
	Catherine Mary George	2 Shares
	Mathew Montforte	4 Shares